IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
TRIANGLE USA PETROLEUM CORPORATION, *et al.*,	:	Case No. 16-11566 (MFW)
	:	Jointly Administered
Debtors.[1]	:	
		Related Docket No. 534

NOTICE OF FILING OF SECOND AMENDED DISCLOSURE STATEMENT WITH RESPECT TO THE SECOND AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION OF TRIANGLE USA PETROLEUM CORPORATION AND ITS AFFILIATED DEBTORS

PLEASE TAKE NOTICE that, on December 23, 2016, the debtors and debtors-in-possession in the above-captioned jointly administered bankruptcy cases (collectively, the "**Debtors**") filed the First Amended Disclosure Statement With Respect To The First Amended Joint Chapter 11 Plan Of Reorganization Of Triangle USA Petroleum Corporation And Its Affiliated Debtors [Docket No. 534] (the "**Amended Disclosure Statement**"). The Debtors have revised the Amended Disclosure Statement (the "**Second Amended Disclosure Statement**"), a copy of which is attached hereto as **Exhibit 1**.

[1] The Debtors and the last four digits of their respective taxpayer identification numbers are: Triangle USA Petroleum Corporation (0717); Foxtrot Resources LLC (6690); Leaf Minerals, LLC (9522); Ranger Fabrication, LLC (6889); Ranger Fabrication Management, LLC (1015); and Ranger Fabrication Management Holdings, LLC (0750). The address of the Debtors' corporate headquarters is 1200 17th Street, Suite 2500, Denver, Colorado 80202.

PLEASE TAKE FURTHER NOTICE that a blackline version of the Second Amended Disclosure Statement is attached hereto as **Exhibit 2,** which blackline reflects all revisions to the Amended Disclosure Statement since it was filed on December 23, 2016.

Dated: Wilmington, Delaware
January 12, 2017

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

/s/ Alison M. Keefe

Sarah E. Pierce (I.D. No. 4648)
Alison M. Keefe (I.D. No. 6187)
One Rodney Square
P.O. Box 636
Wilmington, Delaware 19899-0636
Telephone: (302) 651-3000
Fax: (302) 651-3001

– and –

George N. Panagakis
Ron E. Meisler
Christopher M. Dressel
Renu P. Shah
155 N. Wacker Drive
Chicago, Illinois 60606-1720
Telephone: (312) 407-0700
Fax: (312) 407-0411

Counsel for Debtors and Debtors in Possession

EXHIBIT 1

THIS DISCLOSURE STATEMENT HAS NOT YET BEEN APPROVED BY THE COURT

This proposed Disclosure Statement is not a solicitation of acceptance or rejection of the Plan of Reorganization. Acceptances or rejections may not be solicited until the Bankruptcy Court has approved this Disclosure Statement under Bankruptcy Code section 1125. This proposed Disclosure Statement is being submitted for approval only, and has not yet been approved by the Bankruptcy Court.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
TRIANGLE USA PETROLEUM CORPORATION, *et al.*,	:	Case No. 16-11566 (MFW)
Debtors.[1]	:	Jointly Administered

SECOND AMENDED DISCLOSURE STATEMENT WITH RESPECT TO THE SECOND AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION OF TRIANGLE USA PETROLEUM CORPORATION AND ITS AFFILIATED DEBTORS

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

George N. Panagakis
Ron E. Meisler
Christopher M. Dressel
Renu P. Shah
155 N. Wacker Dr.
Chicago, Illinois 60606-1720
Telephone: (312) 407-0700
Fax: (312) 407-0411

Sarah E. Pierce (I.D. No. 4648)
Alison M. Keefe (I.D. No. 6187)
One Rodney Square
P.O. Box 636
Wilmington, Delaware 19899-0636
Telephone: (302) 651-3000
Fax: (302) 651-3001

Counsel for Debtors and Debtors in Possession

Dated: January 12, 2017
Wilmington, Delaware

[1] The Debtors and the last four digits of their respective taxpayer identification numbers are: Triangle USA Petroleum Corporation (0717); Foxtrot Resources LLC (6690); Leaf Minerals, LLC (9522); Ranger Fabrication, LLC (6889); Ranger Fabrication Management, LLC (1015); and Ranger Fabrication Management Holdings, LLC (0750). The address of the Debtors' corporate headquarters is 1200 17th Street, Suite 2500, Denver, Colorado 80202.

DISCLAIMER

THIS DISCLOSURE STATEMENT WITH RESPECT TO THE SECOND AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION OF TRIANGLE USA PETROLEUM CORPORATION AND ITS AFFILIATED DEBTORS CONTAINS SUMMARIES OF CERTAIN PROVISIONS OF THE DEBTORS' SECOND AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION AND CERTAIN OTHER DOCUMENTS AND FINANCIAL INFORMATION. THE INFORMATION INCLUDED IN THIS DISCLOSURE STATEMENT IS PROVIDED FOR THE PURPOSES OF SOLICITING ACCEPTANCES OF THE PLAN AND SHOULD NOT BE RELIED UPON FOR ANY PURPOSES OTHER THAN TO DETERMINE WHETHER AND HOW TO VOTE ON THE PLAN. THE DEBTORS BELIEVE THAT THESE SUMMARIES ARE FAIR AND ACCURATE. THE SUMMARIES OF THE FINANCIAL INFORMATION AND THE DOCUMENTS WHICH ARE ATTACHED TO, OR INCORPORATED BY REFERENCE IN, THIS DISCLOSURE STATEMENT ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO SUCH INFORMATION AND DOCUMENTS. IN THE EVENT OF ANY INCONSISTENCY OR DISCREPANCY BETWEEN A DESCRIPTION IN THIS DISCLOSURE STATEMENT AND THE TERMS AND PROVISIONS OF THE PLAN OR THE OTHER DOCUMENTS AND FINANCIAL INFORMATION INCORPORATED IN THIS DISCLOSURE STATEMENT BY REFERENCE, THE PLAN OR THE OTHER DOCUMENTS AND FINANCIAL INFORMATION, AS THE CASE MAY BE, SHALL GOVERN FOR ALL PURPOSES.

THE STATEMENTS AND FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAVE BEEN MADE AS OF THE DATE OF THIS DISCLOSURE STATEMENT UNLESS OTHERWISE SPECIFIED. HOLDERS OF CLAIMS AND INTERESTS REVIEWING THIS DISCLOSURE STATEMENT SHOULD NOT ASSUME AT THE TIME OF SUCH REVIEW THAT THERE HAVE BEEN NO CHANGES IN THE FACTS SET FORTH IN THIS DISCLOSURE STATEMENT SINCE THE DATE OF THIS DISCLOSURE STATEMENT.

EACH HOLDER OF A CLAIM ENTITLED TO VOTE ON THE PLAN SHOULD CAREFULLY REVIEW THE PLAN AND THIS DISCLOSURE STATEMENT IN THEIR ENTIRETIES BEFORE CASTING A BALLOT. THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE LEGAL, BUSINESS, FINANCIAL, OR TAX ADVICE. ANY ENTITIES DESIRING ANY SUCH ADVICE SHOULD CONSULT WITH THEIR OWN ADVISORS.

NO REPRESENTATIONS CONCERNING THE DEBTORS OR THE VALUE OF THEIR PROPERTY HAVE BEEN AUTHORIZED BY THE DEBTORS OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT AND THE DOCUMENTS ATTACHED TO THIS DISCLOSURE STATEMENT. ANY INFORMATION, REPRESENTATIONS, OR INDUCEMENTS MADE TO OBTAIN AN ACCEPTANCE OF THE PLAN WHICH ARE OTHER THAN AS SET FORTH, OR INCONSISTENT WITH, THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT, THE DOCUMENTS ATTACHED TO THIS DISCLOSURE STATEMENT, AND THE PLAN SHOULD NOT BE RELIED UPON BY ANY HOLDER OF A CLAIM OR INTEREST.

WITH RESPECT TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS, AND OTHER PENDING, THREATENED, OR POTENTIAL LITIGATION OR OTHER ACTIONS, THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE, AND MAY NOT BE CONSTRUED AS, AN ADMISSION OF FACT, LIABILITY, STIPULATION, OR WAIVER, BUT RATHER AS A STATEMENT MADE IN THE CONTEXT OF SETTLEMENT NEGOTIATIONS UNDER RULE 408 OF THE FEDERAL RULES OF EVIDENCE.

THE FINANCIAL INFORMATION CONTAINED IN OR INCORPORATED BY REFERENCE INTO THIS DISCLOSURE STATEMENT HAS NOT BEEN AUDITED, UNLESS SPECIFICALLY INDICATED OTHERWISE.

THE FINANCIAL PROJECTIONS, ATTACHED HERETO AS **EXHIBIT D** AND DESCRIBED IN THIS DISCLOSURE STATEMENT, HAVE BEEN PREPARED BY THE DEBTORS' MANAGEMENT TOGETHER WITH THEIR ADVISORS. THE FINANCIAL PROJECTIONS, WHILE PRESENTED WITH NUMERICAL SPECIFICITY, ARE NECESSARILY BASED ON A VARIETY OF ESTIMATES AND ASSUMPTIONS WHICH, THOUGH CONSIDERED REASONABLE BY THE DEBTORS' MANAGEMENT AND THEIR ADVISORS, MAY NOT ULTIMATELY BE REALIZED, AND ARE INHERENTLY SUBJECT TO SIGNIFICANT BUSINESS, ECONOMIC, COMPETITIVE, INDUSTRY, REGULATORY, MARKET, AND FINANCIAL UNCERTAINTIES AND CONTINGENCIES, MANY OF WHICH ARE BEYOND THE DEBTORS' CONTROL. THE DEBTORS CAUTION THAT NO REPRESENTATIONS CAN BE MADE AS TO THE ACCURACY OF THESE PROJECTIONS OR TO THE ABILITY TO ACHIEVE THE PROJECTED RESULTS. SOME ASSUMPTIONS INEVITABLY WILL NOT MATERIALIZE. FURTHER, EVENTS AND CIRCUMSTANCES OCCURRING SUBSEQUENT TO THE DATE ON WHICH THE FINANCIAL PROJECTIONS WERE PREPARED MAY BE DIFFERENT FROM THOSE ASSUMED OR, ALTERNATIVELY, MAY HAVE BEEN UNANTICIPATED, AND, THUS, THE OCCURRENCE OF THESE EVENTS MAY AFFECT FINANCIAL RESULTS IN A MATERIALLY ADVERSE OR MATERIALLY BENEFICIAL MANNER. THEREFORE, THE FINANCIAL PROJECTIONS MAY NOT BE RELIED UPON AS A GUARANTEE OR OTHER ASSURANCE OF THE ACTUAL RESULTS THAT WILL OCCUR. EXCEPT WHERE SPECIFICALLY NOTED, THE FINANCIAL INFORMATION CONTAINED HEREIN HAS NOT BEEN AUDITED BY A CERTIFIED PUBLIC ACCOUNTANT AND MAY NOT HAVE BEEN PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES ("**GAAP**").

PLEASE REFER TO ARTICLE VIII OF THIS DISCLOSURE STATEMENT, ENTITLED "RISK FACTORS TO BE CONSIDERED," FOR A DISCUSSION OF CERTAIN FACTORS THAT A CREDITOR VOTING ON THE PLAN SHOULD CONSIDER.

FOR A VOTE ON THE PLAN TO BE COUNTED, THE BALLOT INDICATING ACCEPTANCE OR REJECTION OF THE PLAN MUST BE RECEIVED BY PRIME CLERK LLC, THE DEBTORS' CLAIMS, NOTICING, AND SOLICITATION AGENT, NO LATER THAN 4:00 P.M. (EASTERN), ON [FEBRUARY 10, 2017]. SUCH BALLOTS SHOULD BE CAST IN ACCORDANCE WITH THE SOLICITATION PROCEDURES DESCRIBED IN FURTHER DETAIL IN ARTICLE IX OF THIS DISCLOSURE STATEMENT AND IN THE DISCLOSURE STATEMENT ORDER. ANY BALLOT RECEIVED AFTER THE VOTING

DEADLINE SHALL NOT BE COUNTED UNLESS OTHERWISE DETERMINED BY THE DEBTORS IN THEIR SOLE AND ABSOLUTE DISCRETION.

THE CONFIRMATION HEARING WILL COMMENCE ON [•] AT [•] (EASTERN), BEFORE THE HONORABLE MARY F. WALRATH, UNITED STATES BANKRUPTCY JUDGE, IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 NORTH MARKET STREET, WILMINGTON, DELAWARE 19801. THE DEBTORS MAY CONTINUE THE CONFIRMATION HEARING FROM TIME TO TIME WITHOUT FURTHER NOTICE OTHER THAN AN ADJOURNMENT ANNOUNCED IN OPEN COURT OR A NOTICE OF ADJOURNMENT FILED WITH THE BANKRUPTCY COURT AND SERVED ON THE MASTER SERVICE LIST AND THE ENTITIES WHO HAVE FILED AN OBJECTION TO THE PLAN. THE BANKRUPTCY COURT, IN ITS DISCRETION AND BEFORE THE CONFIRMATION HEARING, MAY PUT IN PLACE ADDITIONAL PROCEDURES GOVERNING THE CONFIRMATION HEARING. THE PLAN MAY BE MODIFIED, IF NECESSARY, PRIOR TO, DURING, OR AS A RESULT OF THE CONFIRMATION HEARING, WITHOUT FURTHER NOTICE TO PARTIES IN INTEREST.

THE PLAN OBJECTION DEADLINE IS [FEBRUARY 10, 2017] AT 4:00 P.M. (EASTERN). ALL PLAN OBJECTIONS MUST BE FILED WITH THE BANKRUPTCY COURT AND SERVED ON THE DEBTORS AND CERTAIN OTHER PARTIES IN INTEREST IN ACCORDANCE WITH THE DISCLOSURE STATEMENT ORDER SO THAT THEY ARE RECEIVED ON OR BEFORE THE PLAN OBJECTION DEADLINE.

THE PLAN, THIS DISCLOSURE STATEMENT, THE PLAN SUPPLEMENT AND EXHIBITS, ONCE FILED, AND OTHER DOCUMENTS AND MATERIALS RELATED THERETO MAY BE OBTAINED BY: (A) ACCESSING THE DEBTORS' RESTRUCTURING WEBSITE AT https://cases.primeclerk.com/TUSA, (B) EMAILING tusainfo@primeclerk.com, (C) CALLING THE DEBTORS' RESTRUCTURING HOTLINE AT (855) 842-4122, WITHIN THE UNITED STATES OR CANADA, OR (929) 333-8982, OUTSIDE OF THE UNITED STATES OR CANADA, OR (D) ACCESSING THE COURT'S WEBSITE AT http://www.deb.uscourts.gov. COPIES OF SUCH DOCUMENTS AND MATERIALS MAY ALSO BE EXAMINED BETWEEN THE HOURS OF 8:00 AM AND 4:00 PM, MONDAY THROUGH FRIDAY, EXCLUDING FEDERAL HOLIDAYS, AT THE OFFICE OF THE CLERK OF THE COURT, 824 NORTH MARKET STREET, 3RD FLOOR, WILMINGTON, DELAWARE 19801.

TABLE OF CONTENTS

EXHIBITS[2]

[2] Each Exhibit is incorporated herein by reference.

I. INTRODUCTION

On June 29, 2016, Triangle USA Petroleum Corporation ("**TUSA**") and certain of its affiliates, the debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "**Debtors**" and, together with Triangle Petroleum Corporation and its non-debtor controlled affiliates and subsidiaries, "**Triangle**" or the "**Company**") each commenced a case (collectively, the "**Chapter 11 Cases**") in the United States Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**") under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**"). The Debtors continue to operate their business and manage their properties as debtors and debtors in possession under Bankruptcy Code sections 1107(a) and 1108.

The Debtors' proposal for the reorganization of their business is set forth in the *Second Amended Joint Chapter 11 Plan of Reorganization of Triangle USA Petroleum Corporation and its Affiliated Debtors*, a copy of which is attached hereto as **Exhibit A** (the "**Plan**").[3]

The Plan sets forth the proposed treatment of Claims against, and Interests in, the Debtors. It provides for payment in full of administrative, priority tax, other priority claims, and Claims under the RBL Credit Facility. Secured claims other than claims arising under the RBL Credit Facility will be paid in full in cash, reinstated, or otherwise left unimpaired. RBL Claims will be paid in full in Cash on the Effective Date. Holders of TUSA General Unsecured Claims, including all Senior Notes Claims, as of the Distribution Record Date will receive their Pro Rata Share of the new common stock of New TUSA HoldCo. In addition, to the extent Holders of TUSA General Unsecured Claims, including all Senior Notes Claims, as of the Rights Offering Record Date, meet certain requirements under applicable securities laws and regulations, will have the opportunity to participate in a rights offering for the purchase of up to approximately $180 million in convertible preferred stock of New TUSA HoldCo. In lieu of new equity in the Reorganized Debtors, Holders of TUSA General Unsecured Claims less than $150,000 will receive a cash distribution of up to $0.50 for each $1.00 of their Allowed Claims; Holders of TUSA General Unsecured Claims greater than $150,000 may also elect such "convenience class" treatment by voluntarily reducing their claims to $150,000. Each Holder of an Allowed Ranger Unsecured Claim will receive its Pro Rata Share of a Cash amount allocated from proceeds of the Rights Offering or another source of plan funding.

Distributions under the Plan, and the Reorganized Debtors' future operations, will be funded in part by (a) a new senior secured, reserve-based Exit Facility, with an anticipated initial borrowing base of $250 million and (b) a new-money Rights Offering, through which Eligible Holders of TUSA General Unsecured Claims may subscribe for the purchase of up to approximately $180 Million of Rights Offering Securities. Certain members of the Ad Hoc Noteholder Group have agreed to backstop $150 million of the Rights Offering. **Exhibit E** hereto contains a more detailed description of the sources and uses of cash under the Plan.

This Disclosure Statement contains, among other things, descriptions and summaries of provisions of the Debtors' proposed Plan, as attached hereto. Certain provisions of the Plan, and thus the description and summaries contained herein, will be the subject of continuing

[3] All capitalized terms not otherwise defined shall have the meanings ascribed to them in the Plan.

negotiations among the Debtors and various parties. Accordingly, the Debtors reserve the right to modify the Plan consistent with Bankruptcy Code section 1127, Rule 3019 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), and section 12.04 of the Plan.

The Plan provides for an equitable distribution of recoveries to the Debtors' creditors, preserves the value of the Debtors' business as a going concern, and preserves the jobs of employees. The Debtors believe that any alternative to confirmation of the Plan, such as liquidation or attempts by another party in interest to file a plan, could result in significant delays, litigation and costs, job loss, and/or lesser recoveries. **For these reasons, the Debtors urge you to return your ballot accepting the Plan.**

> **WHO IS ENTITLED TO VOTE:** Under the Bankruptcy Code, only holders of claims or interests in "impaired" Classes are entitled to vote on the Plan (unless, for reasons discussed in more detail below, such holders are deemed to reject the Plan pursuant to Bankruptcy Code section 1126(g)). Under Bankruptcy Code section 1124, a class of claims or interests is deemed to be "impaired" unless (a) the Plan leaves unaltered the legal, equitable, and contractual rights to which such claim or interest entitles the holder thereof or (b) notwithstanding any legal right to an accelerated payment of such claim or interest, the Plan, among other things, cures all existing defaults (other than defaults resulting from the occurrence of events of bankruptcy) and reinstates the maturity of such claim or interest as it existed before the default.
>
> There are three creditor groups entitled to vote on the Plan whose votes are being solicited: Ranger General Unsecured Claims, TUSA General Unsecured Claims, and Convenience Claims against the TUSA Debtors.

THE PLAN PROVIDES THAT HOLDERS OF IMPAIRED CLAIMS WHO SUBMIT A BALLOT TO ACCEPT OR REJECT THE PLAN AND WHO DO NOT OPT OUT OF THE RELEASE PROVISIONS OF THE PLAN ARE DEEMED TO HAVE GRANTED THE RELEASES THEREIN. IF HOLDERS OF IMPAIRED CLAIMS ABSTAIN FROM VOTING, THEY WILL NOT BE DEEMED TO HAVE ACCEPTED THE RELEASES.

The following table summarizes (a) the treatment of Claims and Interests under the Plan, (b) which Classes are impaired by the Plan, (c) which Classes are entitled to vote on the Plan, and (d) the estimated recoveries for holders of Claims and Interests. The table is qualified in its entirety by reference to the full text of the Plan. For a more detailed summary of the terms and provisions of the Plan, see Article VII—Summary of the Plan of Reorganization below.[4]

[4] All capitalized terms in this table have the same meaning as ascribed to them in Article I of the Plan attached as **Exhibit A**.

Class	Claim or Interest	Treatment	Impaired or Unimpaired	Entitlement to Vote on the Plan
1	Other Priority Claims **Estimated Recovery: 100%** **Estimated Amount: $0.0 – $0.5 million**	Except to the extent that a Holder of an Allowed Other Priority Claim agrees to a less favorable treatment, each Holder of an Allowed Other Priority Claim shall be paid in full in Cash on the Initial Distribution Date or at a later date as further described in Section VII.B of this Disclosure Statement.	Unimpaired	Presumed to Accept
2	Other Secured Claims **Estimated Recovery: 100%** **Estimated Amount: $22.3 – $31.5 million**	Except to the extent that a Holder of an Allowed Other Secured Claim agrees to a less favorable treatment, each such Holder of an Allowed Other Secured Claim shall, at the election of the Debtors: (a) have its Claim Reinstated and rendered Unimpaired on the Effective Date, notwithstanding any contractual provision or applicable non-bankruptcy law that entitles the Holder to demand or receive payment of such Claim prior to the stated maturity of such Claim from and after the occurrence of a default; or (b) be paid in full in Cash in an amount equal to such Claim, including postpetition interest, if any, on such Claim required to be paid, on the Initial Distribution Date or at a later date as further described in Section VII.B of this Disclosure Statement. The Debtors shall have deemed to make the election in clause (a) above as to all Other Secured Claims on account of JIBs. Accordingly, all JIB Claims shall be Reinstated under this Plan and shall be reconciled, and if applicable, paid in the ordinary course of business by the Reorganized Debtors.	Unimpaired	Presumed to Accept
3	RBL Claims **Estimated Recovery: 100%** **Estimated Amount: $304.0 million**	Each Holder of an Allowed RBL Claim shall be paid in full in Cash as further described in Section VII. B of this Disclosure Statement.	Unimpaired	Presumed to Accept
4	Ranger General Unsecured	Except to the extent that a Holder of	Impaired	Entitled to

Class	Claim or Interest	Treatment	Impaired or Unimpaired	Entitlement to Vote on the Plan
	Claims **Estimated Recovery: 33%** **Estimated Amount: $1.2 – $1.6 million**	an Allowed Ranger General Unsecured Claim agrees to a less favorable treatment, each Holder of an Allowed Ranger General Unsecured Claim shall receive its Pro Rata Share, based on the aggregate amount of Allowed Ranger General Unsecured Claims, of the Ranger Cash Distribution.		Vote
5	TUSA General Unsecured Claims **Estimated Recovery: 29% – 30%** **Estimated Amount: $477.5 – $498.8 million**	Except to the extent that a Holder of an Allowed TUSA General Unsecured Claim agrees to a less favorable treatment, each Holder of an Allowed TUSA General Unsecured Claim shall receive as further described in Section VII.B of this Disclosure Statement: (a) its Pro Rata Share of the New TUSA HoldCo Common Stock, subject to dilution in accordance with the New TUSA HoldCo Common Stock Allocation, and (b) solely if such Holder is an Eligible Holder of an Allowed TUSA General Unsecured Claim or a Disputed TUSA General Unsecured Claim that has been Provisionally Allowed, subscription rights for the purchase of Rights Offering Securities on a ratable basis in proportion to the Allowed amount (or amount deemed Provisionally Allowed) of such Eligible Holder's TUSA General Unsecured Claims as of the Distribution Record Date	Impaired	Entitled to Vote
6	Convenience Claims against the TUSA Debtors **Estimated Recovery: 50%** **Estimated Amount: $1.4 – $1.5 million**	Except to the extent that a Holder of an Allowed Convenience Claim agrees to a less favorable treatment, each Holder of an Allowed Convenience Claim shall receive $0.50 in Cash for each one dollar in the Face Amount of its Allowed Convenience Claim as further described in Section VII. B of this Disclosure Statement.	Impaired	Entitled to Vote
7	Intercompany Claims **Estimated Recovery: N/A**	On the Effective Date, all Intercompany Claims held by the Debtors shall, at the election of the	Unimpaired	Presumed to Accept

Class	Claim or Interest	Treatment	Impaired or Unimpaired	Entitlement to Vote on the Plan
	Estimated Amount: $9.0 million	Debtors, be either (A) Reinstated or (B) deemed automatically cancelled, released, and extinguished.		
8	Intercompany Interests **Estimated Recovery: N/A**	On the Effective Date, all Intercompany Interests held by the Debtors shall, at the election of the Debtors, be either (A) Reinstated, or (B) deemed automatically cancelled, released, and extinguished.	Unimpaired	Presumed to Accept
9	Subordinated Claims **Estimated Recovery: 0%**	Holders of Allowed Class 9 Claims shall not receive any distributions on account of such Allowed Class 9 Claims, and on the Effective Date all Allowed Class 9 Claims shall be released, waived, and discharged.	Impaired	Deemed to Reject
10	Ranger Interests **Estimated Recovery: 0%**	On the Effective Date, Allowed Ranger Interests shall be deemed automatically cancelled, released, and extinguished without further action by the Debtors, and the obligations of the Debtors and the Reorganized Debtors thereunder shall be discharged.	Impaired	Deemed to Reject
11	TUSA Interests **Estimated Recovery: 0%**	On the Effective Date, Allowed Interests in TUSA, including the Old TUSA Common Stock, shall be deemed automatically cancelled, released, and extinguished without further action by the Debtors or the Reorganized Debtors, and the obligations of the Debtors and the Reorganized Debtors thereunder shall be discharged.	Impaired	Deemed to Reject

II. OVERVIEW OF THE COMPANY'S OPERATIONS

TUSA and its Debtor subsidiaries (collectively, the "**TUSA Debtors**") comprise an independent, growth-oriented oil and gas exploration and development company emphasizing the acquisition and development of unconventional shale oil and natural gas resources in the Williston Basin of North Dakota and Montana. TUSA's corporate parent, Triangle Petroleum Corporation ("**TPC**"), is an independent energy company. TPC's joint venture, Caliber Midstream Partners, L.P., and its affiliates (collectively, "**Caliber**") provide crude oil, natural gas, and fresh and produced water gathering, transportation, and processing ("**GTP**") services to TUSA and other customers in the Williston Basin. In addition, Triangle formerly operated a fabrication enterprise through Debtor Ranger Fabrication, LLC ("**Ranger**") and its subsidiaries

(collectively, the "**Ranger Debtors**"). Ranger ceased operations in early 2016[5] and has commenced Chapter 11 Cases alongside its sister companies in order to complete an orderly wind down.

III. QUESTIONS AND ANSWERS REGARDING THIS DISCLOSURE STATEMENT AND PLAN

A. What is chapter 11?

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. Under chapter 11, a debtor can reorganize its business for the benefit of itself, its creditors, and its interest holders. Chapter 11 also strives to promote equality of treatment for similarly situated creditors and interest holders with respect to the distribution of a debtor's assets.

The commencement of a chapter 11 case creates an estate that is comprised of all of the legal and equitable interests of a debtor as of the filing date. The Bankruptcy Code provides that a debtor may continue to operate its business and remain in possession of its property as a debtor in possession.

The consummation of a plan of reorganization is the principal objective of a chapter 11 case. A plan of reorganization sets forth the means for satisfying claims against and interests in a debtor. Confirmation of a plan of reorganization by a bankruptcy court makes such plan binding upon a debtor and any creditor of or equity interest holder in such debtor, whether or not such creditor or equity interest holder (a) is impaired under or has accepted the plan or (b) receives or retains any property under the plan. Subject to certain limited exceptions, and except as otherwise provided in the plan or the confirmation order itself, a confirmation order discharges the debtor from any debt that arose prior to the date of confirmation of the plan and substitutes for those debts the obligations specified under the confirmed plan.

B. Why are the Debtors sending me this Disclosure Statement?

During the Chapter 11 Cases, the Debtors will seek to obtain Bankruptcy Court approval of the Plan. Before soliciting acceptances of the Plan, Bankruptcy Code section 1125 requires the Debtors to prepare a disclosure statement containing adequate information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment regarding acceptance of the Plan and to share such disclosure statement with all holders of claims and interests whose votes on the Plan are being solicited. This Disclosure Statement is being submitted in accordance with these requirements.

C. Are any material regulatory approvals required to consummate the Plan?

No. There are no known material regulatory approvals that are required to consummate the Plan.

[5] Unless otherwise specified, all references to years refer to calendar years beginning January 1 and ending December 31. However, TUSA's fiscal year ends January 31.

D. What happens to my recovery if the Plan is not confirmed or does not become effective?

In the event that the Plan is not confirmed or does not become effective, there is no assurance that the Debtors will be able to reorganize their business. It is possible that any alternative may provide holders of Claims and Interests with less than they would have received pursuant to the Plan. For a more detailed description of the consequences of an extended chapter 11 case, or of a liquidation scenario, see Section X.C of this Disclosure Statement, entitled "Liquidation Analysis," and the Liquidation Analysis attached hereto as **Exhibit B**.

E. If the Plan provides that I get a distribution, do I get it upon Confirmation or when the Plan becomes effective, and what is meant by "Confirmation," "Effective Date," and "Consummation"?

"Confirmation" of the Plan refers to approval of the Plan by the Bankruptcy Court ("**Confirmation**"). Confirmation of the Plan does not guarantee that you will receive the distribution indicated under the Plan. After confirmation of the Plan by the Bankruptcy Court, several conditions need to be satisfied or waived so that the Plan can become effective. Initial distributions will only be made on the date the Plan becomes effective (the "**Effective Date**") or as soon as reasonably practicable thereafter, as specified in the Plan. The terms "consummation" and "substantial consummation" are sometimes used to indicate the occurrence of the Effective Date. *See* Section VII.I of this Disclosure Statement, entitled "Conditions Precedent," for a discussion of the conditions precedent to consummation of the Plan.

F. What are the sources of Cash and other consideration required to fund the Plan?

The Plan will be funded by cash on hand, and proceeds of the Exit Facility and the Rights Offering. The Debtors anticipate that the Exit Facility will consist of a new, senior secured, reserve-based credit facility with an initial borrowing base of $250 million, provided by a syndicate of bank lenders arranged by JPMorgan Chase Bank, N.A. ("**JPMorgan**"). The contemplated terms of the Exit Facility, which the Debtors expect will be customary for a facility of that type, are further described in **Exhibit F**. The Debtors caution that the Exit Facility remains subject to further negotiation. Definitive documentation for the Exit Facility will be included in a Plan Supplement.

To raise additional capital to support their post-emergence business, the Debtors will conduct a new-money Rights Offering in connection with the Plan. Pursuant to the Rights Offering, Eligible Holders of Allowed TUSA General Unsecured Claims or TUSA General Unsecured Claims Provisionally Allowed may subscribe for the purchase of up approximately $180 million of Rights Offering Securities on a ratable basis in proportion to the Allowed amount (or amount deemed Provisionally Allowed) of each such Eligible Holder's TUSA General Unsecured Claims as of the Rights Offering Record Date. Certain members of the Ad Hoc Noteholder Group have agreed to backstop $150 million of the Rights Offering. The Rights Offering will be implemented and conducted in accordance with the Backstop Commitment Agreement and the Rights Offering Procedures.

G. Are there risks to owning New TUSA HoldCo Common Stock upon emergence from chapter 11?

Yes. *See* Article VIII of this Disclosure Statement, entitled "Risk Factors to Be Considered."

H. Is there potential litigation related to the Plan?

Parties in interest may object to the approval of this Disclosure Statement and may object to confirmation of the Plan as well, which objections could potentially give rise to litigation. In the event that it becomes necessary to confirm the Plan over the objection of certain Classes, the Debtors may seek confirmation of the Plan notwithstanding the dissent of such objecting Classes. The Bankruptcy Court may confirm the Plan pursuant to the "cramdown" provisions of the Bankruptcy Code, which allow the Bankruptcy Court to confirm a plan that has been rejected by an impaired Class if it determines that the Plan satisfies Bankruptcy Code section 1129(b).

I. What is the Management Incentive Program?

The management incentive plan, or MIP, will be adopted and implemented by New TUSA HoldCo on the Plan's Effective Date to compensate and incentivize the senior management team of the Reorganized Debtors. Under the Plan, 8.5% of the New TUSA HoldCo Common Stock on a fully diluted basis will be reserved for issuance under the MIP. The further terms of the MIP will be set forth in the Plan Supplement.

J. How will the preservation of the Causes of Action impact my recovery under the Plan?

The Plan provides for the retention of all Causes of Action other than those that are expressly waived, relinquished, exculpated, released, compromised, or settled as set forth in Section 5.16 of the Plan. The value of the Reorganized Debtors' retained Causes of Action is uncertain.

K. Will there be releases and exculpation granted to parties in interest as part of the Plan?

Yes, the Plan proposes to release the Released Parties and to exculpate the Exculpated Parties. The Debtors' releases, third-party releases, and exculpation provisions included in the Plan are an integral part of the Debtors' overall restructuring efforts and were an essential element of the negotiations among the Debtors, the Prepetition Secured Parties, and the Ad Hoc Noteholder Group in obtaining their support for the Plan.

All of the Released Parties and the Exculpated Parties have made substantial and valuable contributions to the Debtors' restructuring through efforts to negotiate and implement the Plan, which will maximize and preserve the going-concern value of the Debtors for the benefit of all parties in interest. Accordingly, each of the Released Parties and the Exculpated Parties warrants the benefit of the release and exculpation provisions.

Each Holder of a Claim that votes to accept or reject the Plan, unless such Holder checks the box on the ballot and returns such ballot in accordance with the Disclosure Statement Order to opt out of the third party releases contained in Section 9.05 of the Plan, will be deemed to have expressly, unconditionally, generally, individually, and collectively released and discharged all Claims and Causes of Action against Released Parties. The releases are an integral element of the Plan.

Based on the foregoing, the Debtors believe that the releases and exculpations in the Plan are necessary and appropriate and meet the requisite legal standard promulgated by the United States Court of Appeals for the Third Circuit. If necessary, the Debtors will present evidence at the hearing on confirmation of the Plan (the "**Confirmation Hearing**") to further demonstrate the basis for and propriety of the release and exculpation provisions. The Plan's release, exculpation, and injunction provisions are set forth in Article VII.H of this Disclosure Statement and in Article IX of the Plan.

L. What is the deadline to vote on the Plan?

The Voting Deadline is [February 10, 2017], at 4:00 p.m. (Eastern).

M. How do I vote for or against the Plan?

Detailed instructions regarding how to vote on the Plan are contained on the ballots distributed to holders of Claims that are entitled to vote on the Plan. For your vote to be counted, your ballot must either be (a) properly completed by hand, executed, and delivered in accordance with the instructions included in the ballot by: (i) first class mail, (ii) courier, or (iii) personal delivery or (b) properly completed electronically using the Solicitation Agent's (as defined below) E-Balloting Platform; *provided, however*, that E-Balloting will not be available to Holders of Claims arising out of an interest in the Senior Notes. Whether completing the ballot by hand or electronically using the Solicitation Agent's E-Balloting Platform, each Holder's ballot must be **actually received by** [**February 10, 2017], at 4:00 p.m. (Eastern)** at the following address: Triangle USA Petroleum Corporation, c/o Prime Clerk LLC ("**Prime Clerk**" or the "**Solicitation Agent**"), 830 3rd Avenue, 3rd Floor, New York, New York 10022 prior to 4:00 p.m. (Eastern) on [February 10, 2017]. It is important that the Holder of a Claim in the Voting Classes follow the specific instructions provided on such Holder's Ballot and the accompanying instructions. Except in the Debtors' sole discretion, ballots may not be transmitted by facsimile, email, or other electronic means, other than the Solicitation Agent's E-Balloting Platform. For more information regarding voting, s*ee* Article IX of this Disclosure Statement, entitled "Solicitation and Voting Procedures."

N. How do I participate in the Rights Offering?

In order to participate in the rights offering you must be an Eligible Holder of an Allowed or Provisionally Allowed TUSA General Unsecured Claim in Class 5 (as defined in the Plan). The Rights Offering will be conducted substantially simultaneously with solicitation of votes to approve or reject the Plan. On the date on which solicitation is commenced, Prime Clerk LLC, as subscription agent, will distribute to each Holder of an Allowed TUSA General Unsecured Claim and each Holder of Provisionally Allowed TUSA General Unsecured Claims a form for Eligible

Holders to exercise Subscription Rights, in which the Eligible Holder must certify that it is an "accredited investor" as defined in Rule 501(a)(1), (2), (3), (7) or (8) (provided that in the case of clause (8), all of the equity owners of such entity are accredited investors as defined in Rule 501(a)(1), (2), (3), (7) or (8) as modified by this parenthetical) under the Securities Act or a "qualified institutional buyer" as defined in Rule 144A under the Securities Act. In order to validly participate in the Rights Offering, the Eligible Holder must return the completed form (including the investor certification) to Prime Clerk LLC, and, in some instances, must wire a certain amount of funds to an escrow account, pursuant to the Rights Offering Procedures. For more information on the Rights Offering Procedures, see Article IX.D of the Disclosure Statement entitled "Rights Offering Procedures."

O. Why is the Court holding a Confirmation Hearing and when will it occur?

Bankruptcy Code section 1128(a) requires the Court to hold a Confirmation Hearing and recognizes that any party in interest may object to confirmation of the Plan.

The confirmation of a plan of reorganization by a bankruptcy court binds the debtor, any issuer of securities under a plan of reorganization, any person acquiring property under a plan of reorganization, any creditor or equity interest holder of a debtor, and any other person or entity as may be ordered by the bankruptcy court in accordance with the applicable provisions of the Bankruptcy Code. Subject to certain limited exceptions, the order issued by the bankruptcy court confirming a plan of reorganization discharges a debtor from any debt that arose before the confirmation of such plan of reorganization and provides for the treatment of such debt in accordance with the terms of the confirmed plan of reorganization.

The Confirmation Hearing is scheduled for [•] a.m./p.m. (Eastern).

To provide additional notice to parties in interest in these cases, the Debtors will post to a website maintained by the Solicitation Agent various chapter 11 documents, including the Plan and this Disclosure Statement. The website address is: https://cases.primeclerk.com/tusa. Further, the Debtors intend to request Bankruptcy Court approval to publish a notice in (a) *The New York Times* (National Edition) or *The Wall Street Journal*, (b) the *Denver Post*, and (c) the *Williston Herald*.

P. What is the effect of the Plan on the Debtors' ongoing business?

The TUSA Debtors are reorganizing under chapter 11 of the Bankruptcy Code. As a result, the occurrence of the Effective Date means that the TUSA Debtors will continue as a going concern. Following Confirmation, the Plan will be consummated on the Effective Date, which is a date selected by the Debtors that is the first business day after which all conditions to the Effective Date have been satisfied or waived. *See* Article X of the Plan. On or after the Effective Date, and unless otherwise provided in the Plan, the Reorganized Debtors may operate their business and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules. Additionally, upon the Effective Date, all actions contemplated by the Plan will be deemed authorized and approved.

In connection with their emergence from chapter 11, the TUSA Debtors will conduct certain internal reorganization transactions as specified in the Plan, including the formation of a new entity, defined in the Plan as "New TUSA HoldCo," as the ultimate parent company of Reorganized TUSA and the other Reorganized TUSA Debtors. The term "Reorganized Debtors," as used in this Disclosure Statement and the Plan, includes New TUSA HoldCo. Upon emergence and the completion of these internal reorganization transactions, New TUSA HoldCo is expected to hold 100% of the equity interests in Reorganized TUSA. New common stock of New TUSA HoldCo will be distributed to holders of TUSA General Unsecured Claims on account of such claims, and new convertible preferred of New TUSA HoldCo will be issued to certain eligible creditors pursuant to the Rights Offering. Reorganized TUSA will, however, remain the principal operating company of the Reorganized Debtors' enterprise and is anticipated to be the borrower under the Exit Facility. A memorandum describing the contemplated reorganization transactions in greater detail will be included in the Plan Supplement.

The Ranger Debtors are not a going concern. As described below, the Ranger Debtors ceased operation in early 2016 and commenced Chapter 11 Cases to effectuate an orderly wind-down.

Q. Who will serve as the directors or officers of the Reorganized Debtors?

The composition of the board of directors or managers of each Reorganized Debtor and, to the extent applicable, the officers of each Reorganized Debtor, will be disclosed prior to the Confirmation Hearing in accordance with Bankruptcy Code section 1129(a)(5).

Commencing on the Effective Date, each of the directors and managers of each of the Reorganized Debtors shall be appointed or elected and serve pursuant to the terms of the applicable organizational documents of such Reorganized Debtor and may be replaced or removed in accordance with such organizational documents.

R. Who do I contact if I have additional questions with respect to this Disclosure Statement or the Plan?

If you have any questions regarding this Disclosure Statement or the Plan, please contact Prime Clerk, the Debtors' Solicitation Agent:

By regular mail, hand delivery, or overnight mail at:

Prime Clerk LLC
Re: Triangle USA Petroleum Corp.
830 3rd Avenue, 3rd Floor
New York, New York 10022

By electronic mail at:

tusainfo@primeclerk.com

By telephone at:

(855) 842-4122 within the United States or Canada; or
(929) 333-8982 outside the United States or Canada.

Copies of the Plan, this Disclosure Statement, and any other publicly filed documents in the Chapter 11 Cases are available upon written request to the Solicitation Agent at the address above or by downloading the exhibits and documents from the website of the Debtors' Solicitation Agent at https://cases.primeclerk.com/tusa (free of charge) or the Bankruptcy Court's website at http://www.deb.uscourts.gov (for a fee).

S. Do the Debtors recommend voting in favor of the Plan?

Yes. The Debtors believe the Plan provides for a larger distribution to creditors than would otherwise result from any other available alternative. The Debtors believe the Plan, which contemplates a significant deleveraging of the Debtors' balance sheet and enables them to emerge from chapter 11 expeditiously, is in the best interest of all holders of Claims, and that any other alternatives (to the extent they exist) fail to realize or recognize the value inherent under the Plan.

T. Who supports the Plan?

The Plan is supported by the Debtors and the Ad Hoc Noteholder Group.

IV. THE DEBTORS AND THEIR BUSINESS AND CAPITAL STRUCTURE

TUSA, incorporated in 2005, is an independent oil and gas exploration and production ("**E&P**") company focused on the acquisition and development of unconventional shale oil and natural gas resources in the Williston Basin of North Dakota and Montana. The TUSA Debtors' area of primary strategic focus encompasses approximately 78,000 net acres in McKenzie and Williams Counties, North Dakota, and eastern Roosevelt and Sheridan Counties, Montana, which the Debtors collectively refer to as their "core acreage." The Debtors maintain corporate offices in Denver, Colorado and field locations in North Dakota. The company's non-debtor parent is Triangle Petroleum Corp. TPC is an independent energy company with two principal lines of business: (1) exploration and production through TUSA and (2) GTP services for crude oil, natural gas and fresh water production through non-debtor affiliate Caliber, which provides GTP services to TUSA and other customers.[6]

A. History

TPC was founded in 2003 as Peloton Resources Inc.[7] and has been operating as Triangle Petroleum Corporation since 2005. TUSA was also incorporated in 2005.[8] Triangle was initially

[6] TPC previously owned non-Debtor RockPile Energy Services, LLC ("**RockPile**"), which provides oilfield services. RockPile was sold on September 8, 2016 to White Deer Energy.

[7] TPC (then Peloton Resources Inc.) was incorporated as a Nevada corporation; it reincorporated as a Delaware corporation in 2012.

[8] Ranger Fabrication, LLC was formed as a Delaware limited liability company in 2014.

headquartered in Calgary, Alberta, and concentrated on the acquisition and operation of oil and gas interests in Canada. Following a management change in late 2009, Triangle moved its corporate offices to Denver, Colorado, and recentered its business on acquiring non-operating interests in the Williston Basin.

In 2011, Triangle transitioned its focus from non-operating to operating interests in the Williston Basin. Triangle spud its first well in October 2011. Over the next three years, Triangle's business expanded rapidly, bolstered by favorable commodity prices and strong operational performance. TUSA aggressively expanded its footprint by acquiring attractive leasehold interests and related producing properties from Kodiak Oil & Gas, Marathon, and others. Concurrently, Triangle undertook a number of strategic initiatives to develop a strong platform for long-term growth. Recognizing that the relative lack of established oilfield services and midstream businesses in the Williston Basin presented a significant competitive opportunity, Triangle proactively expanded its business to include complementary oilfield services and gathering business lines. RockPile and Caliber, which provide oilfield services and GTP services, respectively, commenced operations in 2012.

B. TUSA's Exploration and Production Business

1. The Williston Basin

TUSA is a premier, independent E&P operator in the Williston Basin. Spanning approximately 150,000 square miles across the Dakotas, Montana, and southern Canada, the Williston Basin is among the largest shale oil reservoirs in North America. The principal geologic targets in the Williston Basin are the Bakken shale and Three Forks formations, which collectively contain an estimated 7.4 billion barrels of oil, 6.7 trillion cubic feet of natural gas, and 500 million barrels of natural gas liquids ("**NGLs**").[9]

Although the first Williston Basin well was drilled in 1951, production levels remained modest until the application of horizontal drilling, hydraulic fracturing, and other unconventional techniques to the Middle Bakken shale beginning in the mid-2000s. These techniques precipitated an exponential increase in production, peaking at over 1.2 million barrels per day in 2014 and turning North Dakota into the second largest oil-producing state in the country. As one of the largest unconventional plays in North America, the Williston Basin is highly competitive, with dozens of E&P operators—ranging from major integrated operators to small independent producers—active in the region.

Oil and gas production in the Williston Basin is constrained by substantial technical and economic challenges. As noted, successful exploitation of the Bakken shale and Three Forks formations depends on unconventional and capital-intensive exploration and drilling technologies, including horizontal drilling and hydraulic fracturing. The Williston Basin is further constrained by limited gathering infrastructure and long-distance pipeline capacity. As a result, Williston Basin operators rely more heavily on truck and rail transportation for gathering and interstate takeaway than operators in more mature plays. Owing to these and other factors,

[9] *See* U.S. Geological Survey, Fact Sheet 2013-3013, *Assessment of Undiscovered Oil Resources in the Bakken and Three Forks Formations, Williston Basin Province, Montana, North Dakota, and South Dakota* at 1 (2013).

the Williston Basin has relatively high break-even costs and differentials, making it more susceptible to commodity price fluctuations than more established plays.

2. The TUSA Debtors' Oil and Gas Assets

The TUSA Debtors' oil and gas interests comprise approximately 3,500 leases across approximately 230,000 gross (approximately 100,000 net) acres in the Williston Basin, containing total proved reserves of approximately 76,590 Mboe[10] as of August 2016. The TUSA Debtors operate 146 gross producing wells and 74 drilling-space units ("**Units**"), plus 12 drilled but uncompleted wells. In addition, the TUSA Debtors hold non-operating working interests in 355 Units, comprising 529 gross wells and 26 wells on a net basis. The TUSA Debtors' core acreage has high oil saturation, is slightly over-pressured, and has the potential for multiple productive benches. The TUSA Debtors operate approximately 49,000 net acres (or 63%) of the core acreage.

The TUSA Debtors target the Middle Bakken formation between the Upper and Lower Bakken shales at an approximate vertical depth of 10,300 to 11,300 feet. The TUSA Debtors also target the Three Forks formation, which is present immediately below the Lower Bakken Shale. Figures showing the horizontal and vertical extent of the Bakken and Three Forks formations are set forth below.

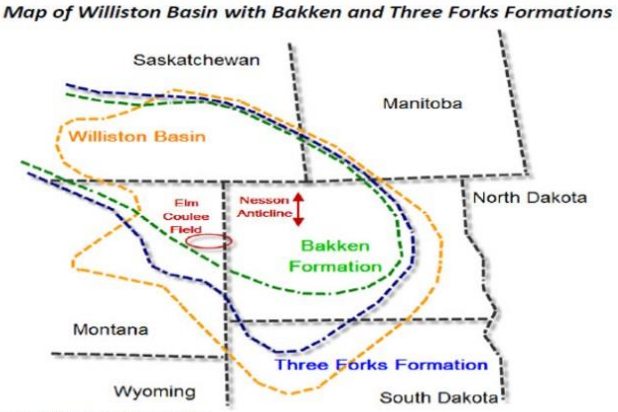
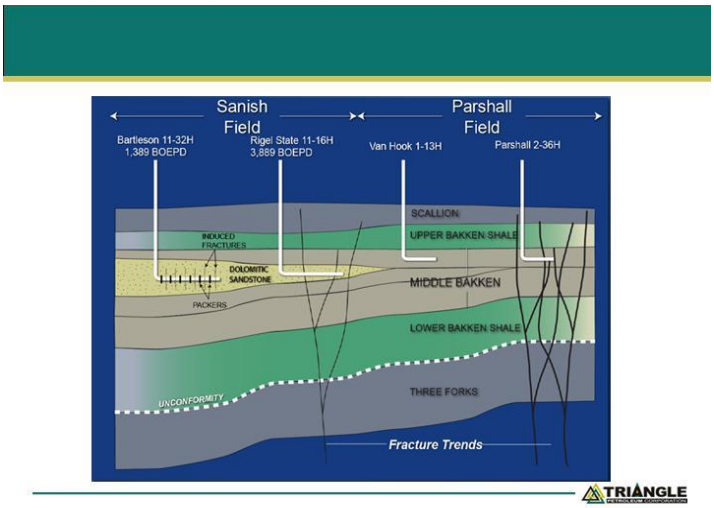


Figure 1. Source: US Geological Survey, 2013

[10] "Boe," or "barrel of oil equivalent" is a metric that aggregates hydrocarbons of various types (crude oil, natural gas, etc.) into a single unit of measurement. "Mboe" denotes one thousand Boe. The figure reported here is predicated on pricing assumptions dictated by SEC regulations, which may not accurately reflect the true economic value of the Debtors' petroleum reserves.



The TUSA Debtors exploit these targets using a combination of advanced drilling and completion techniques, including horizontal drilling and hydraulic fracturing. The Debtors have refined these techniques over time, reducing well completion costs and increasing aggregate production per well.

3. Gathering, Transportation, and Processing

Transportation of produced oil and gas poses significant challenges for Williston Basin operators. Despite the market downturn, production in the Williston Basin continues to exceed long-distance pipeline capacity, forcing some producers to ship produced hydrocarbons by rail, thereby increasing costs. The pipeline take-away deficit has narrowed substantially as production has slowed and new pipelines have come online, but pipeline capacity remains inadequate.

Williston Basin producers face similar logistical challenges in gathering and transporting produced hydrocarbons from the wellhead to intermediate delivery points. Because gathering infrastructure in the Williston Basin remains relatively undeveloped, Williston Basin operators have relied disproportionately on flaring natural gas and trucking crude oil and water.

To alleviate these challenges, in October 2012, Triangle entered into a joint venture with First Reserve Caliber Holdings LLC ("**First Reserve**") to form Caliber and construct a pipeline gathering system to service TUSA and third-party wells in the Williston Basin. The Caliber system provides a suite of gathering services, including crude oil GTP; natural gas gathering and processing and NGLs takeaway; produced water transportation and disposal; freshwater and maintenance water delivery; and measurement services, storage, and other ancillary offerings. Caliber's infrastructure consists of over 300 miles of gathering pipeline, crude oil stabilization facilities, long-distance pipeline interconnects, natural gas refrigeration facilities, produced water disposal wells, and other facilities.

Caliber provides GTP services to TUSA pursuant to several long-term midstream services agreements (the "**Caliber Midstream Agreements**").[11] The two most significant of these in terms of cost relate to gathering and related services for crude oil and gas and water (together, the "**Primary MSAs**"). The Primary MSAs provide that Caliber will be the exclusive provider of the applicable midstream services for certain Units operated by TUSA. Most of these Units are located in and around TUSA's core acreage in McKenzie County. In addition to the Primary MSAs, TUSA and Caliber are parties to several ancillary agreements for measurement services, NGLs handling, fresh water delivery, and produced water gathering and disposal services.

Finally, under a separate revenue commitment agreement, TUSA agreed to deliver specified minimum monthly revenues to Caliber, irrespective of the volumes of oil, natural gas, produced water, and fresh water actually serviced by Caliber. The cumulative minimum revenue commitment over the 15-year term of the revenue commitment agreement is $405.0 million, of which $322.5 million (exclusive of the "credit" described below) was outstanding as of July 31, 2016. The revenue commitment agreement permits TUSA to build credits against future monthly commitments equal to the amount by which actual monthly revenues under the Primary MSAs exceed TUSA's minimum monthly revenue commitment. As of July 31, 2016, TUSA had accrued a cumulative credit of $29.6 million. Credits may be carried forward for a period of four years from the date of the accrual. TUSA is required to pay Caliber for any deficiency in actual monthly revenues if no credits are available.

As of fiscal year end 2016,[12] 111 of the TUSA Debtors' operated wells were connected to the Caliber system. Certain of the TUSA Debtors' wells that are not connected to the Caliber system are connected to gathering pipelines owned and operated by other midstream companies.[13] In total, 99% of the TUSA Debtors' operated wells are connected to gas sales; 92% of their operated wells are connected to crude oil gathering and processing systems; 82% of their operated wells are connected to produced water gathering lines; and 80% of their operated wells are connected to freshwater delivery lines.[14]

As discussed in greater detail below, one of the Debtors' objectives in these Chapter 11 Cases is to rationalize their GTP cost structure by renegotiating or, if necessary, rejecting, the Caliber Midstream Agreements. The Debtors believe the Caliber Midstream Agreements are

---

[11] Any summary of an agreement in this Disclosure Statement is a reference to such agreement as amended, supplemented, or otherwise modified from time to time and is qualified in its entirety by the terms of that agreement.

[12] The Debtors' fiscal year ends on January 31. Any references in this this Disclosure Statement to a particular fiscal year refer to a 12-month period beginning on February 1 of the previous year and ending on January 31 of that year. For example, fiscal year 2016 refers to the period from February 1, 2015 through January 31, 2016.

[13] Unlike Caliber, the TUSA Debtors' other midstream providers purchase produced oil and gas at the wellhead. Thus, while the prices these counterparties pay to purchase the TUSA Debtors' oil and gas reflects the midstream services they provide, the TUSA Debtors do not separately pay for such services.

[14] The economic terms of the Caliber Midstream Agreements are substantially above market given prevailing commodity prices. A principal objective of the Debtors' restructuring is to realign the Debtors' GTP expenses with market conditions.

substantially above market. The combination of the current and sustained market price for dry gas and NGLs and TUSA's contracted rates with Caliber for GTP of TUSA's gas production effectively require TUSA to pay to dispose of its gas and NGLs. Given current market conditions, it is more economical for TUSA to flare produced gas dedicated to Caliber instead of paying Caliber the current GTP rates, which exceed the revenue generated to TUSA from the dry gas and NGLs.

Additionally, the reduced activity levels and increased transportation infrastructure in the Williston Basin, particularly surrounding TUSA's acreage position, have resulted in a surplus of available crude transportation vehicles and drivers. This surplus has created a competitive dynamic for the transportation of crude within the Williston Basin. As such, the per unit transportation costs for crude are markedly lower today than when TUSA entered into the crude transportation contracts with Caliber.

4. Oil and Gas Sales

Produced oil and gas from the TUSA Debtors' operated wells is sold at the wellhead, or a location nearby, under short-term agreements with various purchasers. While the pricing terms of these agreements vary by purchaser, they all reflect a price determined by the current NYMEX West Texas Intermediate contract, less a discount (also known as a "differential") that is either calculated, fixed, or a combination of calculated and fixed. The differential reflects a number of factors, including transportation costs and the physical characteristics of the produced oil. In fiscal year 2016, the TUSA Debtors sold operated well production directly to 11 oil purchasers, two NGL purchasers, and six natural gas purchasers. For the TUSA Debtors' economic interests in wells operated by third-parties—which include a variety of E&P companies—substantially all of their sales of crude oil and natural gas in fiscal years 2014, 2015, and 2016 was sold through arrangements made by the wells' operators and at sales points at or close to the producing wells.

The TUSA Debtors' average daily production increased from 11,441 boep/d in fiscal year 2015 to 13,416 boep/d in fiscal year 2016.[15] Approximately 85% of the production in fiscal year 2016 was attributable to wells operated by the TUSA Debtors. The TUSA Debtors realized approximately $181 million in revenue from oil and gas sales in fiscal year 2016, compared to approximately $284 million for fiscal year 2015.

5. Hedging Arrangements

To reduce exposure to adverse fluctuations in crude oil prices and achieve more predictable cash flow, the TUSA Debtors historically employed commodity derivative instruments for a portion of their crude oil production.

On the Petition Date, the TUSA Debtors were party to one derivative contract with a bank within the syndicate of lenders for TUSA's senior secured reserve-based credit facility. Shortly after the Petition Date, the TUSA Debtors liquidated their position under this contract.

[15] This increase in production was offset by a 46% decrease in weighted average realized prices from $68.13 per boe for fiscal year 2015 to $37.01 per boe for fiscal year 2016.

Proceeds of the liquidation were applied to the outstanding balance of the RBL Credit Facility by way of setoff.

C. Ranger Fabrication's Business

The remaining Debtors in these cases—Ranger Fabrication, LLC and its two Debtor subsidiaries—operated a fabrication business that specialized in the manufacture and sale of specialized equipment used in the E&P and midstream industries. Ranger's customers included TUSA and Caliber, among others. Ranger ceased operations in early 2016, and its remaining assets were liquidated at auction on March 17, 2016, generating net proceeds of approximately $375,000. At the time, Ranger had secured indebtedness of approximately $1 million, all of which was held by its parent, TPC.[16] Because the auction proceeds were insufficient to satisfy Ranger's secured debt in full, its unsecured creditors were left unpaid, and all of the secured debt of the Ranger Debtors will be treated as an unsecured deficiency claim pursuant to the Plan.

D. Corporate Structure

Non-Debtor TPC is the direct or indirect parent company of each of the Debtors and non-Debtor affiliates. TPC, a Delaware corporation, is publicly traded on the NYSE MKT (TPLM). TPC is the direct parent of TUSA. TUSA, a Colorado corporation, is, in turn, the direct parent of Debtors Foxtrot Resources LLC ("**Foxtrot**") and Leaf Minerals, LLC ("**Leaf Minerals**"), each of which is a Colorado limited liability company. TPC is also the direct parent of Debtor Ranger Fabrication, LLC, a Delaware limited liability company. Ranger Fabrication, LLC is, in turn, the direct parent of Debtors Ranger Fabrication Management Holdings, LLC and Ranger Fabrication Management, LLC, each of which is also a Delaware limited liability company.

TPC houses certain of the Company's shared services and corporate functions. TUSA and its subsidiaries comprise the Company's E&P business. TUSA conducts most of the Debtors' E&P operations. Foxtrot holds oil and gas leases in Montana, and Leaf Minerals owns certain non-operating mineral interests. Ranger, previously an oilfield services fabrication business that primarily supplied to Caliber and TUSA, ceased operations in early 2016. A corporate organization chart depicting the ownership structure of the Debtors and their non-Debtor affiliates is attached hereto as **Exhibit G**.

E. Capital Structure

As of the Petition Date, June 29, 2016, TUSA and its subsidiaries owed or guaranteed approximately $689 million in long-term debt.[17] As described in greater detail below, the Debtors' debt obligations included: (a) approximately $308 million principal amount of outstanding loans and letter of credit exposure under TUSA's senior secured reserve-based

[16] The majority of the TPC-held Ranger debt was purchased by TPC from Wells Fargo Equipment Finance, Inc.

[17] TPC also has outstanding long-term debt. However, TPC does not guarantee any substantial indebtedness of its subsidiaries. Accordingly, the information provided in this Disclosure Statement is limited to the funded indebtedness of the TUSA Debtors. Further information on Triangle's other funded indebtedness is set forth in TPC's Form 10-K for fiscal year 2016, filed on April 14, 2016.

revolving credit facility[18] and (b) approximately $381 million of TUSA's 6.75% senior unsecured notes due 2022.

1. The RBL Credit Facility

TUSA is party to a senior secured reserve-based credit facility (the "**RBL Credit Facility**") under that certain Second Amended and Restated Credit Agreement (as amended, the "**RBL Credit Agreement**"), with Wells Fargo Bank, National Association, as administrative agent (in such capacity, the "**RBL Agent**") and issuing lender, and the lenders party thereto (the "**RBL Lenders**"). TUSA's obligations under the RBL Credit Facility are guaranteed by Foxtrot and Leaf Minerals and secured by (a) liens on and security interests in substantially all of TUSA's proved hydrocarbon reserves; and (b) liens and security interests in substantially all of the non-oil and gas assets, including cash, of TUSA, Foxtrot, and Leaf Minerals, other than certain excluded collateral, and including pledges of TUSA's membership interests in Foxtrot and Leaf Minerals, certificates representing such membership interests, if any, and any of TUSA's rights to money or property in respect of such membership interests. The scheduled maturity of the RBL Credit Facility is October 16, 2018.

The RBL Credit Facility has a nominal commitment amount of $1 billion, but the maximum credit available to TUSA at any given time is limited by the borrowing base then in effect. The borrowing base under the RBL Credit Agreement is redetermined by the RBL Agent and RBL Lenders semi-annually, on or about May 1 and November 1. The borrowing base is also subject to up to four interim, unscheduled redeterminations each calendar year—up to two at the election of TUSA and up to two at the election of the RBL Agent or the Required Lenders (as defined in the RBL Credit Agreement).

On April 28, 2016, the RBL Agent redetermined the borrowing base from $350 million to $225 million. The amount then outstanding under the RBL Credit Facility—approximately $350 million—exceeded the new borrowing base by approximately $125 million, resulting in a borrowing base deficiency. Pursuant to the RBL Credit Agreement, TUSA elected to pay the deficiency in three equal monthly installments of approximately $42 million, the first of which was paid on May 31, 2016. As of the Petition Date, approximately $308 million remained outstanding under the RBL Credit Agreement, including outstanding letters of credit and other ancillary obligations, plus interest and costs.

2. The Senior Notes

TUSA also has substantial funded indebtedness under its senior unsecured notes. Pursuant to that certain Indenture dated as of July 18, 2014, by and among Wilmington Trust, National Association, as Trustee, TUSA, and the subsidiary guarantors listed thereto, TUSA issued $450 million aggregate principal amount of 6.75% senior notes with a maturity date of July 15, 2022 (the "**Senior Notes**"). The obligations under the Senior Notes are guaranteed on an unsecured basis by Foxtrot and Leaf Minerals. As of the Petition Date, the Senior Notes had an outstanding principal balance of approximately $381 million.

[18] The current balance under such facility (including letter of credit exposure) is $306 million.

3. The Ranger Indebtedness

As of March 2016, following the liquidation at auction of Ranger's remaining assets, the Ranger Debtors had debt obligations of approximately $1.55 million consisting of:

(a) Approximately $250,000 in aggregate principal pursuant to (i) that certain Combination Loan and Security Agreement dated as of November 18, 2014 between Wells Fargo Equipment Finance, Inc. ("**WFEFI**") and Ranger Fabrication, LLC, (ii) that certain Security Agreement dated as of May 4, 2015 between WFEFI and Ranger Fabrication, LLC, and (iii) that certain Promissory Note dated as of April 24, 2015 between WFEFI and Ranger Fabrication, LLC (collectively, the "**Wells Equipment Financing**");

(b) Approximately $50,000 in aggregate principal pursuant to that certain Secured Credit Agreement dated as of February 16, 2016 by and between Ranger Fabrication, LLC and TPC; and

(c) Approximately $1.25 million in unsecured trade claims.

The Wells Equipment Financing was assigned to TPC in December 2014, making TPC the Ranger Debtors' sole secured creditor. The liquidation of Ranger's remaining assets in March 2016 resulted in net proceeds insufficient to satisfy Ranger's secured indebtedness in full. Because the assets of Ranger were insufficient to repay its secured obligations in full, such previously secured obligations shall be treated pro rata with the $1.25 million in unsecured trade claims under the Plan.

V. EVENTS LEADING TO THE CHAPTER 11 FILINGS

A. Challenging Macroeconomic Conditions

The Debtors commenced the Chapter 11 Cases in the midst of a historically severe downturn in the commodity markets, with the objective of realigning their capital structure with new market realities. Since fall 2014, commodity prices have fallen dramatically, with crude oil and natural gas spot prices falling from approximately $105/Bbl and $4.75/MMBtu, respectively, in mid-2014 to approximately $26/Bbl and $1.50/MMBtu, in early 2016. Numerous factors have contributed to the market downturn. Increased domestic production attributable to more efficient exploitation of unconventional plays, coupled with unconstrained production among OPEC countries, has led to a global supply glut. At the same time, aggregate demand for oil and gas has softened as economic growth in developing nations eases.

The commodity price downturn has had predictable consequences on the Debtors' financial results. Excluding the effects of hedges and derivative activities, the Debtors' weighted average sale price per barrel of oil equivalent fell from $68 in fiscal year 2015 to $37 in fiscal year 2016. As a result, the Debtors' revenue declined over $100 million from fiscal year 2015 to fiscal year 2016, despite a 17% year-over-year increase in average daily production volumes. The same trends are evident in the Debtors' proved reserve values, which fell from nearly $1

billion to approximately $330 million between fiscal years 2015 and 2016.[19] Further, while the Debtors have implemented numerous initiatives to control costs and manage liquidity during the market downturn, many aspects of their cost structure—including their cost of midstream services—are relatively inelastic. Certain economic considerations relating to the Debtors' midstream services are described above in Section IV.B.3.

Future commodity prices are impossible to forecast with certainty. Unpredictable factors such as geopolitical instability, war, weather, and others significantly influence the direction of the oil and gas markets. However, as forward price curves indicate, the market does not anticipate a sharp, near-term rebound in prices. Accordingly, the Debtors' principal strategic objective is to manage a prolonged period of depressed prices, while also positioning themselves to capture upside opportunities as market conditions improve.

B. Cost and Liquidity Management

1. Operational Initiatives

The Debtors responded to the fall in commodity prices with numerous efforts to proactively manage liquidity and preserve value for stakeholders, including reductions in capital expenditures, targeted sales of non-core assets, and reductions in G&A spending.

To more closely align capital expenditures with cash flows, the Debtors released their four active drilling rigs in fiscal year 2016, resulting in aggregate capital expenditure reductions of 74%. During fiscal year 2016, the Debtors delivered 18 gross drilled but uncompleted wells for completion as commodity prices warranted. The Debtors realized a 73% year-over-year reduction in drilling and completion costs in fiscal year 2016 and have achieved drilling and completing cost reductions of $1.6 to $1.9 million since March 2015, indicating that, to the extent the Debtors have continued to drill and complete new wells, they have done so more efficiently, and for less cost, than in the past. The Debtors' fiscal year 2017 capital expenditure program continues to emphasize disciplined cost control and is tailored to projected cash flow, with flexibility to opportunistically expand capital expenditures as commodity prices warrant.

The Debtors also explored opportunities to enhance liquidity by monetizing non-core oil and gas properties and other assets as market conditions warranted. Owing to generally depressed asset sale values and other factors, the Debtors ultimately did not identify many favorable sale opportunities. Nonetheless, in February 2016, the Company sold approximately 550 acres of non-operating oil and gas leases to a counterparty for approximately $410,000.

Finally, the Debtors achieved significant G&A cost reductions by, among other things, implementing targeted workforce reductions in January 2016, resulting in projected annual cost savings of approximately 40%.

---

[19] These amounts represent the PV-10 value of the Debtors' proved reserve as reported in TPC's Form 10-K for fiscal year 2016 and are based on pricing assumptions dictated by SEC regulations. While the Debtors believe that the SEC's pricing assumptions are conservative—and thus that the actual economic value of their proved reserves may be significantly higher—the year-over-year change in the referenced values is nonetheless illustrative of the substantial decline in reserve values the Debtors have experienced.

2. Financing Activities

The Debtors judiciously managed their access to liquidity under the RBL Credit Facility. In April 2015, the RBL Credit Facility was amended to replace the existing total funded debt leverage ratio with a senior secured leverage ratio covenant, add an interest coverage ratio, and add an equity cure right for non-compliance with the financial covenants, giving TUSA additional "headroom" on its financial covenants. In early 2016, TUSA made two draws under the RBL Credit Facility: (a) a borrowing of approximately $30 million in January 2016 and (b) a subsequent borrowing of approximately $105 million in late March 2016, the latter representing substantially all remaining availability under the RBL Credit Facility, relative to the then-existing borrowing base.

As discussed above, on April 28, 2016, the RBL Agent redetermined the borrowing base under the RBL Credit Facility from $350 million to $225 million. Because the RBL Credit Facility was substantially fully drawn as of the redetermination date, the redetermination resulted in a borrowing base deficiency of approximately $125 million. Pursuant to the RBL Credit Agreement, TUSA elected to pay the deficiency in three equal monthly installments of approximately $42 million, the first of which was paid on May 31, 2016.

In connection with its first installment payment, TUSA requested that the RBL Agent and RBL Lenders waive certain potential financial covenant violations for the fiscal quarter ended April 30, 2016, or forbear from exercising remedies in connection with such potential defaults. On May 27, 2016, TUSA and the RBL Lenders agreed to a forbearance until July 8, 2016, subject to various terms and conditions.

C. Restructuring Negotiations

Despite Triangle's myriad of efforts to control costs and manage liquidity, Triangle recognized that a prolonged downturn in commodity prices could necessitate a more comprehensive deleveraging transaction. Accordingly, in March 2016, Triangle announced its retention of legal and financial advisors to assist in evaluating strategic alternatives. In collaboration with its restructuring advisors, Triangle carefully evaluated a range of strategic options, including selling material assets or business segments; seeking additional financing; or refinancing, recapitalizing, or restructuring all or a portion of the Company's existing debt. Triangle carefully considered various means of effectuating one or more strategic transactions, including both in-court and out-of-court alternatives.

Beginning in March 2016 and continuing through the Petition Date, Triangle engaged in intensive negotiations with its principal stakeholders, including holders of a substantial majority by value of the Senior Notes; Caliber and First Reserve; NGP Triangle Holdings ("**NGP**");[20] and the RBL Agent and RBL Lenders.

1. Triangle's Consolidated Restructuring Efforts

[20] NGP holds TPC's 5% convertible note with an initial principal amount of $120 million.

In March 2016, TPC and one of the largest holders of the Senior Notes entered into a non-disclosure agreement and commenced discussions regarding a consensual restructuring or recapitalization of Triangle. These discussions focused initially on a consolidated restructuring involving TPC, TUSA, and Caliber. In broad terms, the parties discussed a reconstitution of Triangle's E&P and midstream business lines through the allocation of reorganized TPC equity among the principal stakeholders of TPC, TUSA, and Caliber.

The Company subsequently entered into non-disclosure agreements and began discussions with First Reserve and NGP regarding a consolidated restructuring. For various reasons, however, neither party was amenable to a transaction of that nature. NGP indicated that it preferred to receive a cash recovery. Caliber likewise indicated that it would seek to enforce its existing contracts with TUSA rather than participate in a global restructuring.[21]

2. The Debtors' "Standalone" Restructuring Efforts, Plan Support Agreement, and Authority to Use Cash Collateral

Given the lack of sufficient stakeholder support from NGP and First Reserve for a consolidated restructuring, the Debtors refocused their efforts on a "standalone" restructuring of TUSA. In late May and early June 2016, noteholders collectively holding over 80% in aggregate principal amount of the Senior Notes (the "**Participating Noteholders**") engaged legal and financial advisors and organized an ad hoc group to negotiate a standalone TUSA restructuring.

On June 29, 2016, the Debtors and the Participating Noteholders holding approximately 73% by amount of the Senior Notes negotiated a Plan Support Agreement (the "**PSA**"). The PSA outlined the terms of a consensual, prearranged chapter 11 plan that Participating Noteholders agreed to support. Under the contemplated plan, the Debtors would have paid the existing RBL Credit Facility in full in cash on the effective date of the plan (or other consensual treatment acceptable to the Prepetition Secured Parties) and exchange the Senior Notes for 100% of the new common stock of reorganized TUSA, subject to dilution from, among other things, other general unsecured claims and a management incentive plan. The PSA also contemplated a new money rights offering. On June 30, 2016, the Debtors filed a motion with the Bankruptcy Court to, among other things, assume the PSA [Docket No. 14]. On August 4, 2016, the Bankruptcy Court entered an order denying Debtors' assumption of the PSA [Docket No. 210].

D. Orderly Wind Down of the Ranger Debtors

As noted above, Ranger ceased operations and liquidated its remaining assets in early 2016. The Ranger auction generated insufficient cash proceeds to fully repay Ranger's secured debt and, as a result, no proceeds were available for distribution to Ranger's unsecured creditors. While the Debtors believe that Ranger's general unsecured creditors have received all to which they are legally entitled, given Ranger's unsatisfied secured debt, certain Ranger creditors have

[21] To this end, on May 27, 2016, Caliber's subsidiary, Caliber North Dakota, LLC, filed a complaint against TUSA in North Dakota state court for a declaratory judgment that certain "dedications" of oil and gas properties set forth in the Primary MSAs are valid and enforceable real covenants that "run with the land" under North Dakota law. The Debtors dispute the allegations in the declaratory judgment complaint. For a further discussion of the Caliber litigation, see *infra* Article VI.G.

nonetheless commenced lawsuits or issued demands against Ranger on account of their unpaid claims. To avoid the distraction of responding to such proceedings and demands in ad hoc fashion, the Debtors, with the support of the Ad Hoc Noteholder Group, believe that a chapter 11 plan of liquidation represents the fairest and most efficient way to complete Ranger's wind down. The Debtors anticipate that a proposed cash distribution to Ranger's unsecured creditors under the Plan will result in better recoveries for such creditors than would otherwise be possible. For a further discussion of the Plan distributions to Holders of Allowed Ranger Unsecured Claims, see *infra* Article VII.B.

VI. THE CHAPTER 11 CASES

A. First Day Papers

Each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code on June 29, 2016. Recognizing that any interruption of the Debtors' business, even for a short period, could negatively impact customer and vendor relationships and the Debtors' goodwill, revenue, and profits, which would be detrimental to the value of the Debtors' estates, the Debtors filed certain first day motions authorizing the Debtors to continue operating their businesses in the ordinary course. The first day motions sought to stabilize the Debtors' operations and were designed to facilitate a smooth transition into chapter 11 and ease the strain on the Debtors' business as a consequence of the filing of the Chapter 11 Cases. The following summary highlights certain of the first day orders.

1. Cash Collateral Motion [Docket No. 12]

By interim order granted on June 30, 2016 [Docket No. 44], the Bankruptcy Court authorized the Debtors to use cash collateral until August 4, 2016, granted adequate protection to the RBL Agent, the RBL Lenders, and the other "Secured Parties" under and as defined in the RBL Credit Agreement (collectively, the "**Prepetition Secured Parties**"), and granted other related relief.

At the omnibus hearing on August 1, 2016, the Debtors presented to the Bankruptcy Court an agreed form of final order authorizing the Debtors to use cash collateral. The proposed form of final order provided for the automatic termination of the Debtors' right to use cash collateral if the PSA was not approved by the Bankruptcy Court on or before August 15, 2016. At the hearing, the Bankruptcy Court approved such form of order. However, at the same hearing, and as discussed above, the Bankruptcy Court denied the Debtors' motion to assume the PSA, which was a material condition to the effectiveness of the agreed form of order. On August 4, 2016, the Bankruptcy Court entered an order amending the interim cash collateral order [Docket No. 209] and extending the Debtors' authority to use cash collateral under the interim order to September 6, 2016. Following extensive negotiations, the Debtors, the Ad Hoc Noteholder Group, and the Prepetition Secured Parties reached an agreed form of final order, which the Bankruptcy Court entered on September 12, 2016 [Docket No. 295] (the "**Final Cash Collateral Order**").

The Final Cash Collateral Order, among other things, authorizes the Debtors to use cash collateral and grants adequate protection to the Prepetition Secured Parties. In addition, the order

contains certain milestones for filing, soliciting acceptance of, confirming, and consummating a chapter 11 plan (as defined therein, the "**Plan Milestones**"). Upon the Debtors' failure to meet one of the Plan Milestones, the Debtors may continue to use cash collateral if they "toggle" to a process to sell substantially all of their assets (as defined in the Final Cash Collateral Order, the "**Sales Process**"), in conformance with certain proscribed Sale Milestones (as defined in the Final Cash Collateral Order, the "**Sale Milestones**"). The Sale Milestones are designed to ensure consummation of the sale within 16 weeks of the commencement of the Sales Process.

2. Cash Management Motion [Docket No. 11]

The Bankruptcy Court authorized the Debtors to continue using their cash management systems and their respective bank accounts, business forms, and intercompany transactions, and authorized a waiver of, or extension of time to comply with, requirements under Bankruptcy Code section 345(b) by an order granted on August 5, 2016 [Docket No. 215].

3. Wages and Benefits Motion [Docket No. 6]

By interim order granted on June 30, 2016 [Docket No. 39] and final order granted on August 1, 2016 [Docket No. 181], the Bankruptcy Court authorized the Debtors to pay prepetition wages, compensation, and amounts associated with employee benefit programs and continue such programs in the ordinary course.

4. Insurance Motion [Docket No. 7]

By order granted on June 30, 2016 [Docket No. 43] and final order granted on August 3, 2016, the Bankruptcy Court authorized the Debtors to pay and maintain various insurance policies, including, among other things, general liability, workers' compensation liability, directors and officers liability, umbrella liability, automotive liability, pollution and remediation, commercial crime liability, employment practices liability, energy liability, excess liability, fiduciary liability, small computer and electronic data processing liability, and property liability.

5. Taxes Motion [Docket No. 8]

By order granted on June 30, 2016 [Docket No. 40] and final order granted on August 3, 2016 [Docket No. 204], the Bankruptcy Court authorized the Debtors to pay certain prepetition fees and taxes to various federal, state, county, and city taxing and licensing authorities.

6. Utilities Motion [Docket No. 9]

By interim order granted on June 30, 2016 [Docket No. 45] and final order granted on August 16, 2016 [Docket No. 226], the Bankruptcy Court established procedures for determining adequate assurance of payment for future utility services.

7. Oil and Gas Obligations Motion [Docket No. 10]

By interim order granted on June 30, 2016 [Docket No. 10] and final order granted on August 1, 2016 [Docket No. 189], the Bankruptcy Court authorized the Debtors to continue

paying certain obligations in connection with their oil and gas properties in the ordinary course of business.

B. Procedural Motions and Professional Retention Applications.

The Debtors filed several procedural motions that are standard in chapter 11 cases of similar size and complexity, as well as applications to retain the various professionals who will be assisting the Debtors during the Chapter 11 Cases.

1. Administrative Motions: Motion for Joint Administration [Docket No. 3], Motion to File Consolidated List of Creditors [Docket No. 4], and Application to Retain Claims and Noticing Agent [Docket No. 5]

To facilitate a smooth and efficient administration of the Chapter 11 Cases and to reduce the administrative burden associated therewith, by an order granted on June 30, 2016, the Bankruptcy Court authorized joint administration of the Debtors' cases for procedural purposes only [Docket No. 37]. By an order granted on July 5, 2016, the Bankruptcy Court authorized the Debtors to file consolidated lists of creditors for the TUSA Debtors and the Ranger Debtors [Docket No. 65]. The Bankruptcy Court further authorized the retention of Prime Clerk as claims and noticing agent by an order granted on June 30, 2016 [Docket No. 38].

2. Applications for Retention of Professionals

The Bankruptcy Court has approved the Debtors' retention of certain Professionals to represent and assist the Debtors in connection with the Chapter 11 Cases. These Professionals include, among others: (a) Skadden, Arps, Slate, Meagher & Flom as counsel for the Debtors (order granted August 1, 2016) [Docket No. 186]; (b) Prime Clerk as administrative advisor for the Debtors (order granted August 1, 2016) [Docket No. 180]; (c) AP Services, LLC to provide interim management services and designate John R. Castellano to serve as Chief Restructuring Officer (order granted August 1, 2016) [Docket No. 185]; (d) PJT Partners LP ("**PJT**") as their investment banker (order granted August 1, 2016) [Docket No. 187]; and (e) KPMG LLP as auditor for the Debtors (order granted October 20, 2016) [Docket No. 350].

The Bankruptcy Court has also authorized the Debtors to retain certain professionals utilized by the Debtors in the ordinary course of business prior to the Petition Date (order granted August 1, 2016) [Docket No. 184]. Further, the Bankruptcy Court has authorized the interim compensation and reimbursement of professional expenses during these cases (order granted August 1, 2016) [Docket No. 183].

C. Schedules and Statements

On July 25, 2016, the Bankruptcy Court entered an order extending the Debtors' deadline to file their Schedules of Assets and Liabilities (the "**Schedules**") and Statements of Financial Affairs (the "**Statements**," and together with the Schedules, the "**Schedules and Statements**") to August 28, 2016 [Docket No. 116]. The Debtors filed their Schedules and Statements on August 26, 2016 [Docket Nos. 248-259].

D. Executory Contracts and Unexpired Leases

The Bankruptcy Code authorizes a debtor, subject to the approval of the Bankruptcy Court, to assume, assume and assign, or reject Executory Contracts and Unexpired Leases. The Debtors are engaged in an evaluation of their Executory Contracts and Unexpired Leases.

During the course of the Chapter 11 Cases, the Debtors and their Professionals have evaluated Executory Contracts and Unexpired Leases in the context of the Debtors' business plan. The Debtors continue to evaluate their options in connection with each of these Executory Contracts and Unexpired Leases including the potential assumption, rejection, or amendment and assumption thereof. As part of the Plan Supplement, the Debtors will identify contracts to be rejected in the Schedule of Rejected Executory Contracts and Unexpired Leases. All remaining contracts will be assumed.

The Plan Supplement will further designate the proposed cure amount for those Executory Contracts and Unexpired Leases to be assumed by the Debtors pursuant to the Plan. Except as otherwise set forth in such schedule, the Cure with respect to each of the Executory Contracts or Unexpired Leases assumed pursuant to the Plan is designated by the Debtors as $0, subject to the determination of a different Cure pursuant to the objection procedures set forth in Article VI of the Plan.

As discussed in Section VI.G of this Disclosure Statement, certain of the Executory Contracts—the Specified Caliber Contracts—are the subject of litigation pending in the Bankruptcy Court and in state court in North Dakota, concerning, among other things, the Debtors' ability to reject one or more of such contracts. The Plan provides that the Specified Caliber Contracts will be rejected subject to two conditions subsequent: (a) an order or judgment of a North Dakota state court that such contracts do not contain or constitute covenants "running with the land" and (b) an order or judgment that Caliber's damages in respect of the rejection of such contracts.

E. Analysis and Resolution of Claims

As discussed above, on August 26, 2016, the Debtors filed their Schedules and Statements [Docket Nos. 248–259]. The Schedules provide certain information pertaining to the Claims. Interested parties may review the Schedules and Statements at the office of the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, Wilmington, Delaware 19801 or online at https://cases.primeclerk.com/tusa.

1. Claims Bar Date

On August 31, 2016, the Bankruptcy Court entered an order [Docket No. 270] (the "**Bar Date Order**") requiring all persons or entities who wish to assert claims against the Debtors' estates to file a proof of claim ("**Proof of Claim**") against the Debtors in the Chapter 11 Cases by no later than October 13, 2016 (the "**General Bar Date**"). The General Bar Date applies to all "entities" and "persons" (as defined respectively in Bankruptcy Code sections 101(15) and (41)) other than governmental units, holding or wishing to assert Claims allegedly owing as of the Petition Date, including Claims under Bankruptcy Code section 503(b)(9), or any person with an alleged Claim or expense claimed to have arisen prior to the Petition Date. Any governmental

unit seeking to file a claim against the Debtors is required to do so by no later than December 27, 2016 at 5:00 p.m. (Eastern) (the "**Governmental Bar Date**"). A notice of the bar dates was served on September 8, 2016 [Docket No. 299].

If the Debtors reject any Executory Contract or Unexpired Lease under Bankruptcy Code section 365, each person or entity holding a claim against the Debtors arising from such rejection must file a Proof of Claim by the later of (a) 30 days after the effective date of rejection of such executory contract or unexpired lease as provided by an order of the Bankruptcy Court or pursuant to a notice under procedures approved by the Bankruptcy Court; (b) any date set by another order of the Bankruptcy Court; or (c) the General Bar Date or the Governmental Bar Date, whichever is applicable.

In the event that the Debtors amend the Schedules and Statements, the Debtors shall give notice of any amendment to the Holders of Claims affected thereby, and if the subject amendment reduces the unliquidated, noncontingent, and liquidated amount or changes the nature or classification of a Claim against a Debtor or the Debtor liable on the Claim as reflected therein, such Holders shall be given until the later of (a) the General Bar Date or (b) 30 days from the date such notice is given (or such other time period as may be fixed by the Bankruptcy Court) to file Proofs of Claim with respect to such affected Claim, if necessary, or be barred from filing such Claim.

As of the filing of this Disclosure Statement, the Prime Clerk has received over 600 proofs of claim. The Debtors are in the process of reviewing and reconciling their books and records to determine whether Proofs of Claims are invalid, untimely, duplicative, or overstated, but such process has not yet been completed. To date, the Debtors have filed six omnibus claims objections. The first and second omnibus claims objections contains objections to certain claims on non-substantive grounds [Docket Nos. 399, 400], and on December 13, 2016, the Bankruptcy Court entered orders disallowing and expunging approximately 175 claims subject to such objections [Docket Nos. 508–09 and 540]. The third omnibus claims objection contains objections to certain claims on non-substantive grounds [Docket No. 457], and the fourth, fifth, and sixth omnibus claims objections contain objections to certain claims on substantive grounds [Docket Nos. 458–59]. The Debtors intend to file subsequent objections to claims on both substantive and non-substantive grounds, and the outcome of such future objections could impact the amount of Allowed Claims in each Class and the recoveries provided to creditors under the Plan.

2. Causes of Action

In accordance with Bankruptcy Code section 1123(b)(3), the Debtors reserve all rights to commence and pursue any and all Causes of Action that are not released under Section 9.04 of the Plan or an order of the Bankruptcy Court, whether arising before or after the Petition Date, including any actions or categories of actions specifically enumerated in a list of retained causes of action to be included in the Plan Supplement. Such Causes of Action shall vest in the Reorganized Debtors as of the Effective Date.

F. Key Employee Retention Plan

On November 23, 2016, the Debtors filed a motion to implement a key employee retention plan [Docket No. 438] (the "**KERP**"). The KERP seeks to ensure that certain key non-insider employees remain under the Debtors' employ and are compensated in a manner consistent with the increased demands brought on by the restructuring process. The Debtors identified 27 Denver-based senior management employees (the "**Management Participants**") and 17 North Dakota-Based field employees (the "**Field Participants**" and together with the Management Participants, the "**Participants**") who are critical to the Debtors' ongoing business. The KERP specifies a method for determining an appropriate KERP payout amount for each of the Participants, based on performance, seniority, and senior management's assessment of the amount necessary to retain such Participant. Payments under the KERP will not exceed $780,000 in total. Management Participants will receive half of their KERP payouts upon the earlier of (1) the Bankruptcy Court's approval of this Disclosure Statement or (2) January 31, 2017, and will receive the remaining 50% on the Effective Date. Field Participants will receive their entire KERP payout on the Effective Date. The Bankruptcy Court entered an order authorizing the Debtors to implement the KERP on December 13, 2016 [Docket No. 506].

G. The Caliber Litigation

TUSA and Caliber are currently engaged in ongoing litigation regarding whether certain executory contracts between the parties contain covenants running with the land and whether the Debtors may reject these contracts (the "**Caliber Litigation**"). TUSA and Caliber are parties to the prepetition Caliber Midstream Agreements, the terms of which govern the midstream services Caliber provides to the Debtors. On May 27, 2016, Caliber filed a prepetition state court action against TUSA in the District Court, Northwest Judicial District in the County of Mackenzie for the State of North Dakota (the "**North Dakota State Court**"), Case No. 27-2016-CV-00218 (the "**North Dakota Action**"), seeking a declaration that dedications of certain TUSA oil and gas interests in McKenzie County, North Dakota contained in certain of the Caliber Midstream Agreements are valid and enforceable covenants running with the land under North Dakota law.

The Debtors determined that certain of the Caliber Midstream Agreements are costly and burdensome to the Debtors' estates and should be rejected. *See* Section IV.B.3 above for more information. On July 5, 2016, the Debtors filed the Caliber Rejection Motion in the Bankruptcy Court for the District of Delaware seeking authority to reject one or more of the Specified Caliber Contracts [Docket No. 67] and commenced Adversary Proceeding No. 16-51023 (the "**Caliber Adversary Proceeding**") [Adv. Docket Nos. 1, 3], pursuant to which the Debtors sought a declaration that the Specified Caliber Contracts do not contain covenants or servitudes running with the land. On July 6, 2016, the Debtors removed the North Dakota Action to the United States District Court for the District of North Dakota, Western Division (the "**North Dakota Federal Court**"), Case. No. 16-00261. The Debtors concurrently moved to transfer venue of the North Dakota Action to the Bankruptcy Court [North Dakota Federal Court Docket Nos. 2, 3]. The Debtors further moved the North Dakota Federal Court to dismiss the North Dakota Action [North Dakota Federal Court Docket Nos. 5, 6]. Caliber opposed the Debtors' motions to transfer and dismiss and moved for abstention and remand to the North Dakota State Court [North Dakota Federal Court Docket Nos. 15, 16, 17]. Caliber then filed a motion to

dismiss, transfer, or stay the Caliber Adversary Proceeding [Adv. Docket Nos. 8, 9] (the "**Adversary Motion to Dismiss**"). The Debtors opposed the Adversary Motion to Dismiss [Adv. Docket Nos. 8, 9] on the grounds that the Bankruptcy Court was the proper venue for determining the outstanding issues in the Caliber Litigation. The Bankruptcy Court granted the Adversary Motion to Dismiss at a November 21, 2016 hearing on the matter [Adv. Docket No. 16].

Caliber and the Debtors stipulated to a three-track discovery plan such that all discovery taken in connection with the Caliber Rejection Motion shall, in the interest of efficiency and fairness, also be applicable in the Caliber Adversary Proceeding and the North Dakota Action [Docket No. 326]. On October 13, 2016, the North Dakota Federal Court issued an order staying the North Dakota Action pending the resolution of the Chapter 11 Cases [North Dakota Federal Docket No. 26]. Caliber moved the Bankruptcy Court for relief from the automatic stay to prosecute the North Dakota Action [Docket No. 353] (the "**Caliber Lift Stay Motion**"). The Bankruptcy Court granted the Caliber Lift Stay Motion at a November 21, 2016 hearing on the matter [Docket No. 435]. After the Caliber Lift Stay Motion and the Adversary Motion to Dismiss were granted, the Debtors and Caliber filed in the North Dakota Federal Court a joint stipulation to remand the North Dakota Action to North Dakota State Court [North Dakota Federal Docket No. 27]. Upon remand, any further Caliber Litigation will occur in the North Dakota State Court.

As discussed in Section IV.B.3 above, the economic terms of the Specified Caliber Contracts are substantially above current market rates for the applicable midstream services. A key objective of the Debtors' restructuring is to realign the Debtors' GTP expenses with current market realities by renegotiating favorable terms and entering new midstream contracts. However, the Caliber Litigation likely will not be completed until after the Effective Date, and there is no guarantee that the Debtors will prevail in the litigation.

On November 14, 2016, the Debtors filed a motion to estimate (the "**Caliber Estimation Motion**") [Docket No. 397] the maximum amount of any claim to which Caliber may be entitled should the Debtors reject their executory contracts (the "**Caliber Rejection Damages Claim**") with Caliber through the bankruptcy process. The Debtors have since withdrawn the Caliber Estimation Motion [Docket No. 519].

H. Mineral Interest Litigation

The Debtors' E&P business is predicated on the Debtors' interest in oil and gas leases and other mineral rights. Mineral rights involve overlapping interests and obligations held by numerous parties, including mineral interest holders, working interest holders, surface owners, and others. Several parties (the "**Mineral Interest Plaintiffs**") assert rights in certain leaseholds held by TUSA in McKenzie County, North Dakota from which TUSA extracts oil. TUSA then sells the oil from these leaseholds to numerous purchasers. Prepetition, the Mineral Interest Plaintiffs alleged overriding royalty and working interests in some TUSA wells in Case No. 27-2016-CV-00171, captioned as *Bill D. Farleigh Revocable Trust, et al., v. Triangle USA Petroleum Corporation, et al.*, in the District Court of the State of North Dakota, McKenzie County (Northwest Judicial District), Cause No. 27-2016-cv-00171 (the "**Mineral Interest Plaintiffs' North Dakota Action**"). On April 26, 2016, the Mineral Interest Plaintiffs sent notice

of lien claims filed against certain of TUSA's wells in McKenzie County to Flint Hills Resources, LP ("**Flint Hills**") and Tidal Energy Marketing, (U.S.), L.L.C. ("**Tidal**").

These circumstances have given rise to three adversary proceedings currently pending in the Bankruptcy Court. Although the Debtors intend to vigorously protect their interests in connection with these adversary proceedings, disputes of this general nature are not uncommon in the upstream oil and gas industry, and in the Debtors' judgment, are unlikely to materially impact the Debtors' future business prospects or impair their prospects for a successful reorganization.

1. Flint Hills Resources Adversary Proceeding

On August 19, 2016, Flint Hills commenced adversary proceeding No. 16-51047 (the "**Flint Hills Adversary Proceeding**") [Flint Hills Adv. Docket No. 1] against TUSA and the Mineral Interest Plaintiffs. Flint Hills and TUSA are party to a purchase agreement dated June 14, 2016. Pursuant to this purchase agreement, Flint Hills purchases bulk crude oil in Minnesota from TUSA's wells. Due to the Mineral Interests Plaintiffs' ownership claims affecting some wells from which TUSA extracts the oil sold to Flint Hills, Flint Hills commenced the Flint Hills Adversary Proceeding. The Flint Hills Adversary Proceeding seeks declaratory relief regarding TUSA and Flint Hills' obligations under the purchase agreement and interpleader relief to deposit with the Bankruptcy Court the price of Flint Hills' July 2016 crude oil purchases, totaling $1,733,560.15, which Flint Hills refused to remit to TUSA. TUSA answered Flint Hills' complaint seeking declaratory judgment that Flint Hills lacks any basis for withholding the July payment. TUSA also asserted counterclaims including breach of contract, unjust enrichment, and violation of the automatic stay [Flint Hills Adv. Docket No. 3]. On August 30, 2016, TUSA informed Flint Hills that as a result of Flint Hills' failure to pay outstanding amounts for July and August purchases, TUSA would not make any oil available for Flint Hills to purchase in September. On October 10, 2016, Flint Hills amended and restated its complaint seeking similar declaratory and interpleader relief for an additional $1,661,663.50 worth of crude oil TUSA sold to Flint Hills in August 2016 pursuant to a purchase agreement dated July 13, 2016, for which Flint Hills also withheld payment [Flint Hills Adv. Docket No. 7]. The amended complaint also requests to setoff Flint Hills' cost of procuring replacement oil in September, $43,125, against the total outstanding amount of $3,395,223.65. Flint Hills also answered TUSA's counterclaims [Flint Hills Adv. Docket No. 6]. The Mineral Interest Plaintiffs have filed a cross-claim against TUSA in the Flint Hills Adversary Proceeding [Flint Hills Adv. Docket No. 11], asserting substantially the same claims as they asserted in the Mineral Interest Plaintiffs' North Dakota Action. The Debtors have filed a motion to dismiss the Mineral Interest Plaintiffs' cross-claims on the grounds that the Bankruptcy Court lacks jurisdiction over the claim, and, in the alternative, have asked the Bankruptcy Court to abstain from hearing the case [Flint Hills Adv. Docket No. 18]. The Mineral Interest Plaintiffs have filed an objection to the motion to dismiss [Flint Hills Adv. Docket No. 31]. The Bankruptcy Court heard argument on the motion to dismiss on January 4, 2017 but deferred its ruling.

2. Tidal Adversary Proceeding

On August 2, 2016, Tidal commenced adversary proceeding No. 16-51037 (the "**Tidal Adversary Proceeding**") [Tidal Adv. Docket No. 1] against TUSA and the Mineral Interest

Plaintiffs. Tidal and TUSA are party to a purchase agreement dated March 15, 2016, pursuant to which Tidal purchases crude oil from TUSA. The Mineral Interests Plaintiffs have asserted purported liens on some of the wells from which TUSA extracted oil sold to Tidal under the crude oil purchase agreement in April 2016 (the "**April Production**"). Tidal has withheld payment on account of the April Production from TUSA and commenced the Tidal Adversary Proceeding. The Tidal Adversary Proceeding seeks declaratory and interpleader relief. Tidal also seeks to deposit with the Bankruptcy Court the invoiced amount of the April Production, totaling $220,048.80 (the "**Suspense Funds**"). On September 14, 2016, TUSA answered Tidal's complaint denying that Tidal has a legal basis for withholding the Suspense Funds and denying the validity of the Mineral Interest Plaintiff's claims. TUSA also asserted counterclaims including breach of contract, unjust enrichment, and violation of the automatic stay [Tidal Adv. Docket No. 4]. On October 5, 2016, Tidal filed an answer to these counterclaims [Tidal Adv. Docket No. 10]. TUSA and Tidal are also parties to a suit in the U.S. District Court for the District of North Dakota regarding the Suspense Funds, captioned as *Triangle USA Petroleum Corporation v. Tidal Energy Marketing (U.S.) L.L.C.*, Case No. 16-00267 (the "**Tidal North Dakota Action**"). The Mineral Interest Plaintiffs also filed a cross-claim against TUSA in the Tidal Adversary Proceeding [Tidal Adv. Docket No. 11], asserting substantially the same claims as they asserted in the Mineral Interest Plaintiffs' North Dakota Action. The Debtors have filed a motion to dismiss the Mineral Interest Plaintiffs' cross-claims on the grounds that the Bankruptcy Court lacks jurisdiction over the claim, and, in the alternative, have asked the Bankruptcy Court to abstain from hearing the case [Tidal Adv. Docket No. 21]. The Mineral Interest Plaintiffs have filed an objection to the motion to dismiss [Tidal Adv. Docket No. 31]. The Bankruptcy Court heard argument on the motion to dismiss on January 4, 2017 but deferred its ruling.

On December 5, 2016 TUSA and Tidal entered into a settlement agreement (the "**Tidal Settlement Agreement**"), whereby Tidal agreed to release the Suspense Funds to TUSA, and in turn TUSA will indemnify Tidal against any future claims (including reasonable attorneys' fees) asserted against the crude oil sold to Tidal or with respect to the Suspense Funds. Pending court approval of the Tidal Settlement Agreement, the Parties will seek voluntary dismissal of the Tidal Adversary Proceeding and the Tidal North Dakota Action. On December 8, 2016, TUSA filed a motion with the Bankruptcy Court to approve the Tidal Settlement Agreement. [Tidal Adv. Docket No. 32] A hearing on the motion is scheduled for January 13, 2017.

3. Mineral Interest Plaintiffs' Adversary Proceeding

In addition to the Mineral Interest Plaintiffs' North Dakota Action and their cross-claims asserted in the Flint Hills Adversary Proceeding and the Tidal Adversary Proceeding, on November 30, 2016, the Mineral Interest Plaintiffs filed Adversary Proceeding No. 16-51538 (the "**Mineral Interest Plaintiffs' Adversary Proceeding**") [Adv. Docket No. 1], asserting substantially the same claims as they asserted in the Mineral Interest Plaintiffs' North Dakota Action and the same cross-claims as they asserted in the Flint Hills Adversary Proceeding and the Tidal Adversary Proceeding.

I. Slawson Arbitration

On May 26, 2016, Slawson Exploration Company, Inc. ("**Slawson**") filed a demand for arbitration (the "**Demand**") seeking monetary and other relief against TPC and TUSA, arising out of an alleged breach of a contract between TPC and Slawson. The contract at issue involved the exploration and development of certain oil and gas leases in Williams and McKenzie Counties, North Dakota. Following the Petition Date, Slawson amended its Demand to, among other things, remove its claims for relief against TUSA. On October 20, 2016, the Debtors filed a motion to extend the automatic stay to any proceedings arising out of the Demand [Docket No. 352]. The Bankruptcy Court heard arguments on the motion to extend on November 11, 2016, and on November 15, 2016, entered an order denying the motion to extend [Docket No. 402]. Slawson has filed proofs of claim in the Chapter 11 Cases arising out of the same underlying dispute.

J. Financing Transactions; Sources and Uses of Cash

As noted, an important objective of these Chapter 11 Cases is to recapitalize the Debtors' balance sheet and ensure that the Debtors emerge from bankruptcy with a robust capital structure, given the challenging market conditions in the Debtors' industry. To that end, the Debtors contemplate raising, in connection with their Plan, substantial new capital from the Exit Facility and the Rights Offering.

In fall 2016, the Debtors solicited proposals for a new reserve-based revolving credit facility from six financial institutions. Four of these institutions entered into non-disclosure agreements and/or engaged in preliminary discussions with the Debtors, and one, JPMorgan, returned a formal proposal. Following extensive further discussions with JPMorgan, the Debtors determined that JPMorgan's exit-facility proposal presents an attractive option for the Debtors' exit-financing requirements and therefore, on January 10, 2017, engaged JPMorgan to serve as lead arranger for the Exit Facility. Pursuant to its engagement, JPMorgan will use its best efforts to syndicate the Exit Facility. Although the results of JPMorgan's syndication efforts cannot be guaranteed, the Debtors anticipate that the syndication process will result in committed exit financing in advance of the Confirmation Hearing. By motion dated January 10, 2017 [Docket No. 567], the Debtors seek approval of their engagement of JPMorgan in this role and the payment of certain fees and other obligations contemplated by JPMorgan's engagement letter.

The contemplated Exit Facility consists of a senior secured, reserved-based credit facility with an initial borrowing base of $250 million, with terms customary for credit facilities of that nature. Certain of the contemplated terms of the Exit Facility are summarized in the term sheet attached as **Exhibit F**.

In addition, concurrently with the solicitation of acceptances of the Plan, the Debtors intend to solicit from Eligible Holders of Allowed and Provisionally Allowed TUSA General Unsecured Claims subscriptions to a Rights Offering for up to approximately $180 million in convertible preferred stock of New TUSA HoldCo (the "**Convertible Preferred Stock**"). Members of the Ad Hoc Noteholder Group have agreed to backstop up to $150 million of the Rights Offering. By motion dated December 23, 2016 [Docket No. 532] (the "**Rights Offering Motion**"), the Debtors have sought approval of the procedures for the Rights Offering and their

entry into a Backstop Commitment Agreement with the backstopping noteholders. The material terms of the Rights Offering, the Convertible Preferred Stock, and the backstop commitment are set forth in the term sheet appended to that motion and are more formally documented in a Backstop Commitment Agreement dated January 11, 2017.

Further details concerning the Rights Offering are described in Section IX.D of this Disclosure Statement.

The capital raised under the Exit Facility and the Rights Offering will be used to, among other things, fund cash distributions under the Plan (including the full cash payment of the existing RBL Credit Facility) and for general corporate purposes of the Reorganized Debtors. A more detailed description of the sources and uses of cash under the Plan is set forth on **Exhibit E** hereto.

VII. SUMMARY OF THE PLAN OF REORGANIZATION

This section of the Disclosure Statement summarizes the Plan, a copy of which is attached hereto as **Exhibit A**. This summary is qualified in its entirety by reference to the Plan.

A. Administrative Claims and Priority Tax Claims

1. Administrative Claims

Except to the extent that the Debtors or the Reorganized Debtors, as applicable, and a Holder of an Allowed Administrative Claim agree to a less favorable treatment, a Holder of an Allowed Administrative Claim (other than a Professional Claim, which shall be subject to Section 2.02 of the Plan) shall receive, in full satisfaction, settlement, release, and discharge of, and in exchange for, such Administrative Claim, Cash equal to the unpaid portion of such Allowed Administrative Claim either (a) on the later of (i) the Initial Distribution Date or (ii) the first Periodic Distribution Date occurring after the later of (1) 30 days after the date when the Administrative Claim becomes an Allowed Administrative Claim; or (2) 30 days after the date when the Administrative Claim becomes payable pursuant to any agreement between the Debtors (or the Reorganized Debtors) and the Holder of the Administrative Claim; or (b) if the Allowed Administrative Claim is based on liabilities incurred by the Debtors in the ordinary course of their business after the Petition Date, in the ordinary course of business in accordance with the terms and conditions of the particular transaction giving rise to such Allowed Administrative Claims, without any further action by the Holders of such Allowed Administrative Claims; *provided*, *however*, that other than the Holder of (x) a Professional Claim, (y) an Administrative Claim Allowed by an order of the Bankruptcy Court on or before the Effective Date, or (z) an Administrative Claim that is not Disputed and arose in the ordinary course of business and was paid or is to be paid in accordance with the terms and conditions of the particular transaction giving rise to such Administrative Claim, the Holder of any Administrative Claim shall have filed a proof of Claim form no later than the Administrative Claim Bar Date and such Claim shall have become an Allowed Claim. Except as otherwise provided herein and as set forth in Section 2.02 of the Plan, all requests for payment of an Administrative Claim must be filed, in substantially the form of the Administrative Claim Request Form contained in the Plan Supplement, with the Claims and Solicitation Agent and served on counsel for the Debtors or the

Reorganized Debtors, as applicable, no later than the Administrative Claim Bar Date. Any request for payment of an Administrative Claim pursuant to Section 2.01 of the Plan that is not timely filed and served shall be Disallowed automatically without the need for any objection from the Reorganized Debtors. The Reorganized Debtors may settle an Administrative Claim without further Bankruptcy Court approval. In the event that the Reorganized Debtors object to an Administrative Claim and there is no settlement, the Bankruptcy Court shall determine the Allowed amount of such Administrative Claim. For the avoidance of doubt, the Adequate Protection Obligations shall be deemed Allowed Administrative Claims to the extent set forth in the Cash Collateral Order, without the necessity of filing a proof of Claim with respect thereto.

2. Professional Claims

(a) *Final Fee Applications*. All final requests for payment of Professional Claims must be filed no later than 45 days after the Effective Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code, the Bankruptcy Rules, and prior orders of the Bankruptcy Court, the Allowed amounts of such Professional Claims shall be determined by the Bankruptcy Court.

(b) *Payment of Interim Amounts*. Subject to the Holdback Amount, on the Effective Date, the Reorganized Debtors shall pay all amounts owing to Professionals for all outstanding amounts billed relating to prior periods through the Effective Date as to which no objection has been filed. No later than two days prior to the Effective Date, the Professionals shall estimate fees and expenses due for periods that have not or will not have been billed as of the Effective Date and shall deliver such estimate to the Notice Parties (as defined in the Interim Compensation Order) and such estimate shall be included in the Holdback Amount. As soon as reasonably practicable after the Effective Date, a Professional seeking payment for estimated amounts as of the Effective Date shall submit a detailed invoice covering such period. Upon receipt of such invoice, the Debtors shall pay from the Holdback Amount 80% of the invoiced fees and 100% of the invoiced expenses.

(c) *Holdback Escrow Account*. On the Effective Date, the Reorganized Debtors shall fund the Holdback Escrow Account with Cash equal to the aggregate Holdback Amount for all Professionals. The Reorganized Debtors shall hold the Holdback Escrow Account in trust for all Professionals with respect to whom fees have been held back pursuant to the Interim Compensation Order. Such funds shall not be considered property of the Debtors, the Reorganized Debtors, or the Estates. Following any payments from the Holdback Escrow Account as set forth in Section 2.02(b) of the Plan, the remaining amount of Professional Claims owing to the Professionals shall be paid to such Professionals by the Reorganized Debtors from the Holdback Escrow Account when such Claims are finally Allowed by the Bankruptcy Court. When all Professional Claims have been paid in full, amounts remaining in the Holdback Escrow Account, if any, shall revert to the Reorganized Debtors.

(d) *Post-Effective Date Retention*. Upon the Effective Date, any requirement that Professionals comply with sections 327 through 331 of the Bankruptcy Code in seeking retention or compensation for services rendered after the Effective Date shall terminate, and the Reorganized Debtors shall be permitted to employ and pay Professionals in their

discretion (including the fees and expenses incurred by Professionals in preparing, reviewing, prosecuting, defending, or addressing any issues with respect to final fee applications).

3. Priority Tax Claims

On the later of (a) the Initial Distribution Date or (b) the first Periodic Distribution Date occurring after the later of (i) 30 days after the date when a Priority Tax Claim becomes an Allowed Priority Tax Claim or (ii) 30 days after the date when a Priority Tax Claim becomes payable pursuant to any agreement between the Debtors (or the Reorganized Debtors) and the Holder of such Priority Tax Claim, except to the extent that the Debtors (or Reorganized Debtors) and a Holder of an Allowed Priority Tax Claim agree to a less favorable treatment, each Holder of an Allowed Priority Tax Claim due and payable on or before the Effective Date shall receive one of the following treatments on account of such Claim: (1) Cash in an amount equal to the amount of such Allowed Priority Tax Claim, (2) Cash in an amount agreed to by the Debtors (or the Reorganized Debtors) and such Holder, *provided, however,* that the parties may further agree for the payment of such Allowed Priority Tax Claim to occur at a later date, or (3) at the sole option of the Debtors, Cash in the aggregate amount of such Allowed Priority Tax Claim payable in installment payments over a period of not more than five years after the Petition Date pursuant to section 1129(a)(9)(C) of the Bankruptcy Code. To the extent any Allowed Priority Tax Claim is not due and owing on the Effective Date, such Claim shall be paid in full in Cash in accordance with the terms of any agreement between the Debtors and the Holder of such Claim, or as may be due and payable under applicable non-bankruptcy law or in the ordinary course of business.

B. Classification, Treatment, and Voting of Claims and Interests

1. Classification of Claims and Interests

(a) The Plan, though proposed jointly, constitutes a separate plan for each of the Debtors for voting purposes and, except as set forth in Section 5.01 of the Plan, does not constitute a substantive consolidation of the Debtors' Estates. Therefore, all Claims against and Interests in a particular Debtor are placed in the Classes set forth below with respect to such Debtor. Classes that are not applicable as to a particular Debtor or group of Debtors shall be eliminated as set forth more fully in Section 4.03 of the Plan. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims of the kinds specified in sections 507(a)(1) and 507(a)(8) of the Bankruptcy Code have not been classified and their treatment is set forth in Article II of the Plan.

A Claim or Interest is placed in a particular Class for all purposes, including voting, Confirmation, and distribution under the Plan and under sections 1122 and 1123(a)(1) of the Bankruptcy Code; *provided, however,* that a Claim or Interest is placed in a particular Class for the purpose of voting on the Plan and, to the extent applicable, receiving distributions pursuant to the Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and such Allowed Claim or Allowed Interest has not been satisfied, released, or otherwise settled prior to the Effective Date.

(b) Claims and Interests are divided into the numbered Classes set forth below:

Class	Claim or Interest	Status	Voting Rights
1	Other Priority Claims	Unimpaired	Presumed to Accept
2	Other Secured Claims	Unimpaired	Presumed to Accept
3	RBL Claims	Unimpaired	Presumed to Accept
4	Ranger General Unsecured Claims	Impaired	Entitled to Vote
5	TUSA General Unsecured Claims	Impaired	Entitled to Vote
6	Convenience Claims against the TUSA Debtors	Impaired	Entitled to Vote
7	Intercompany Claims	Unimpaired	Presumed to Accept
8	Intercompany Interests	Unimpaired	Presumed to Accept
9	Subordinated Claims	Impaired	Deemed to Reject
10	Ranger Interests	Impaired	Deemed to Reject
11	TUSA Interests	Impaired	Deemed to Reject

2. Treatment and Voting of Claims and Interests

(a) ***Class 1 – Other Priority Claims***

(i) *Classification*. Class 1 consists of all Other Priority Claims.

(ii) *Treatment*. Except as otherwise provided in and subject to Section 8.05 of the Plan, and except to the extent that a Holder of an Allowed Other Priority Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every Allowed Other Priority Claim, each such Holder of an Allowed Other Priority Claim shall be paid in full in Cash on the later of (1) the Initial Distribution Date or (2) the first Periodic Distribution Date occurring after the later of, (A) 30 days after the date when an Other Priority Claim becomes an Allowed Other Priority Claim or (B) 30 days after the date when an Other Priority Claims becomes payable pursuant to any agreement between the Debtors (or the Reorganized Debtors) and the Holder of such Other Priority Claim; *provided, however*, that Other Priority Claims that arise in the ordinary course of the Debtors' business and which are not due and payable on or before the Effective Date shall be paid in the ordinary course of business in accordance with the terms thereof.

(iii) *Voting.* Class 1 is Unimpaired, and Holders of Allowed Other Priority Claims are conclusively presumed to have accepted the Plan.

(b) ***Class 2 – Other Secured Claims***

(i) *Classification*. Class 2 consists of all Other Secured Claims.

(ii) *Treatment*. Except as otherwise provided in and subject to Section 8.05 of the Plan, and except to the extent that a Holder of an Allowed Other Secured Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release and discharge of and in exchange for each and every Allowed Other Secured Claim, each such Holder of an Allowed Other Secured Claim shall, at the election of the Debtors or the Reorganized Debtors, as applicable:

(1) have its Allowed Other Secured Claim Reinstated and rendered Unimpaired on the Effective Date in accordance with section 1124(2) of the Bankruptcy Code, notwithstanding any contractual provision or applicable non-bankruptcy law that entitles the Holder of an Allowed Other Secured Claim to demand or receive payment of such Allowed Other Secured Claim prior to the stated maturity of such Allowed Other Secured Claim from and after the occurrence of a default; or

(2) be paid in full in Cash in an amount equal to such Allowed Other Secured Claim, including postpetition interest, if any, on such Allowed Other Secured Claim required to be paid pursuant to section 506 of the Bankruptcy Code, on the later of (1) the Initial Distribution Date or (2) the first Periodic Distribution Date occurring after the later of (x) 30 days after the date such Other Secured Claim becomes an Allowed Other Secured Claim or (y) 30 days after the date when such Other Secured Claims becomes payable pursuant to any agreement between the Debtors (or the Reorganized Debtors) and the Holder of such Other Secured Claim; *provided*, *however*, that nothing in Section 3.02 of the Plan or elsewhere in the Plan shall preclude the Debtors or the Reorganized Debtors, as applicable, from challenging the validity of any alleged Lien on any asset of the Debtors or the value of the property that secures any alleged Lien, other than as set forth in the Cash Collateral Order.

The Debtors shall be deemed to have made the election set forth in clause (1) above as to all Other Secured Claims on account of JIBs. Accordingly, all JIB Claims shall be Reinstated under the Plan and shall be reconciled, and, if applicable, paid in the ordinary course of business (including the application of setoff, recoupment, netting, and similar doctrines, to the extent permitted by applicable non-bankruptcy law) by the Reorganized Debtors.

(iii) *Voting*. Class 2 is Unimpaired, and Holders of Allowed Class 2 Claims are conclusively presumed to have accepted the Plan.

(c) ***Class 3 – RBL Claims***

(i) *Classification*. Class 3 consists of all RBL Claims.

(ii) *Treatment*.

(1) The RBL Claims are Allowed Claims for all purposes under the Plan. Except to the extent that a Holder of an Allowed RBL Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every Allowed RBL Claim, on the Effective Date, each Holder of an Allowed RBL Claim shall receive Cash in the amount of such Allowed RBL Claim.

(2) On the Effective Date, in return for the distributions set forth in Section 3.02(c)(ii)(A) of the Plan, all Liens and security interests granted to secure the RBL Credit Facility shall be deemed discharged, cancelled, and released and shall be of no further force and effect; *provided, however*, that the Excluded RBL Obligations shall survive the Effective Date and shall not be discharged, cancelled, or released pursuant to the Plan or the Confirmation Order, notwithstanding any provision hereof or thereof to the contrary, and the payment on such date of the RBL Claims shall in no way affect or impair the obligations, duties, and liabilities of the Debtors or the rights of the Prepetition Secured Parties relating to any Excluded RBL Obligations. To the extent that the Prepetition Secured Parties have filed or recorded publicly any Liens and/or security interests to secure the Debtors' obligations under the RBL Credit Facility, the Prepetition Secured Parties, shall take any commercially reasonable steps requested by the Debtors or the Reorganized Debtors, at the expense of the Reorganized Debtors, that are necessary to cancel and/or extinguish such publicly-filed Liens and/or security interests, except such Liens and/or security interests securing the Excluded RBL Obligations.

(iii) *Voting*. Class 3 is Unimpaired, and Holders of Allowed RBL Claims are not entitled to vote to accept or reject the Plan.

(d) ***Class 4 – Ranger General Unsecured Claims***

(i) *Classification*. Class 4 consists of all Ranger General Unsecured Claims.

(ii) *Treatment*. Except as otherwise provided in and subject to Section 8.05 of the Plan, and except to the extent that a Holder of an Allowed Ranger General Unsecured Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every Allowed Ranger General Unsecured Claim, each Holder of an Allowed Ranger General Unsecured Claim shall receive its Pro Rata Share, based on the aggregate amount of Allowed Ranger General Unsecured Claims, of the Ranger Cash Distribution.

(iii) *Voting*. Class 4 is Impaired, and Holders of Allowed Ranger General Unsecured Claims are entitled to vote to accept or reject the Plan.

(e) ***Class 5 – TUSA General Unsecured Claims***

(i) *Classification*. Class 5 consists of all TUSA General Unsecured Claims.

(ii) *Treatment*. Except as otherwise provided in and subject to Section 8.05 of the Plan, and except to the extent that a Holder of an Allowed TUSA General Unsecured Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every Allowed TUSA General Unsecured Claim, each Holder of an Allowed TUSA General Unsecured Claim shall receive its (A) Pro Rata Share of the New TUSA HoldCo Common Stock, subject to dilution in accordance with the New TUSA HoldCo Common Stock Allocation, on the later of (1) the Initial Distribution Date or (2) the first Periodic Distribution Date occurring after the later of, (x) 30 days after the date when a TUSA General Unsecured Claim becomes an Allowed TUSA General Unsecured Claim, or (y) 30 days after the date when a TUSA General Unsecured Claim becomes payable pursuant to any agreement between the Debtors (or the Reorganized Debtors) and the Holder of such TUSA General Unsecured Claim and (B) solely if such Holder is an Eligible Holder of an Allowed TUSA General Unsecured Claim or a Disputed TUSA General Unsecured Claim that has been Provisionally Allowed, subscription rights for the purchase of Rights Offering Securities on a ratable basis in proportion to the Allowed amount (or amount deemed Provisionally Allowed) of such Eligible Holder's TUSA General Unsecured Claims as of the Rights Offering Record Date.

(iii) *Voting*. Class 5 is Impaired, and Holders of Allowed TUSA General Unsecured Claims are entitled to vote to accept or reject the Plan.

(f) ***Class 6 – Convenience Claims against the TUSA Debtors***

(i) *Classification*. Class 6 consists of all Convenience Claims against the TUSA Debtors.

(ii) *Treatment*. Except as otherwise provided in and subject to Section 8.05 of the Plan, and except to the extent that a Holder of an Allowed Convenience Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every Allowed Convenience Claim, each Holder of an Allowed Convenience Claim shall receive $0.50 in Cash for each one dollar in the Face Amount of its Allowed Convenience Claim; *provided, however*, that if, after accounting for all such Holders' Convenience Claim Elections, distributions of $0.50 to such Holders for each $1.00 of Allowed Convenience Claims would cause total distributions to Holders of Convenience Claims to exceed the Convenience Claim Pool, then recoveries to such Holders shall be reduced proportionately; *provided further, however*, that if, after accounting for all such Holders' elections and making any proportionate reductions pursuant to the foregoing clause,

distributions to such Holders would be less than $0.33 for each $1.00 of Allowed Convenience Claims, the Convenience Claim Elections of such Holders shall be disregarded from largest Allowed amount to smallest Allowed amount.

(iii) *Voting*. Class 6 is Impaired by the Plan, and Holders of Allowed Convenience Claims are entitled to vote to accept or reject the Plan.

(g) ***Class 7 – Intercompany Claims***

(i) *Classification*. Class 7 consists of all Intercompany Claims.

(ii) *Treatment*. On the Effective Date, all Intercompany Claims held by the Debtors shall, at the election of the Debtors or the Reorganized Debtors, as applicable, be either (A) Reinstated or (B) deemed automatically cancelled, released, and extinguished.

(iii) *Voting*. Class 7 is Unimpaired, and Holders of Allowed Intercompany Claims are conclusively presumed to have accepted the Plan.

(h) ***Class 8 – Intercompany Interests***

(i) *Classification*. Class 8 consists of all Intercompany Interests.

(ii) *Treatment*. On the Effective Date, all Intercompany Interests held by the Debtors shall, at the election of the Debtors or the Reorganized Debtors, as applicable, be either (A) Reinstated or (B) deemed automatically cancelled, released, and extinguished.

(iii) *Voting*. Class 8 is Unimpaired, and Holders of Intercompany Interests are conclusively presumed to have accepted the Plan.

(i) ***Class 9 – Subordinated Claims***

(i) *Classification*. Class 9 consists of all Subordinated Claims.

(ii) *Treatment*. Holders of Allowed Class 9 Claims shall not receive any distributions on account of such Allowed Class 9 Claims, and on the Effective Date all Allowed Class 9 Claims shall be released, waived, and discharged.

(iii) *Voting*. Class 9 is Impaired, and Holders of Allowed Subordinated Claims are deemed to have rejected the Plan.

(j) ***Class 10 – Ranger Interests***

(i) *Classification*. Class 10 consists of all Interests in Ranger.

(ii) *Treatment*. On the Effective Date, Allowed Interests in Ranger shall be deemed automatically cancelled, released, and extinguished without further action by the Debtors or the Reorganized Debtors, and the obligations of the Debtors and the Reorganized Debtors thereunder shall be discharged.

(iii) *Voting*. Class 10 is Impaired, and Holders of Allowed Ranger Interests are deemed to have rejected the Plan.

(k) ***Class 11 – TUSA Interests***

(i) *Classification*. Class 11 consists of all Interests in TUSA.

(ii) *Treatment*. On the Effective Date, Allowed Interests in TUSA, including the Old TUSA Common Stock, shall be deemed automatically cancelled, released, and extinguished without further action by the Debtors or the Reorganized Debtors, and the obligations of the Debtors and the Reorganized Debtors thereunder shall be discharged.

(iii) *Voting*. Class 11 is Impaired, and Holders of Allowed TUSA Interests are deemed to have rejected Plan.

C. Acceptance

1. Classes Entitled to Vote

Classes 4–6 are Impaired and are entitled to vote to accept or reject the Plan. By operation of law, Classes 1–3, 7, and 8 are Unimpaired and are conclusively presumed to have accepted the Plan and, therefore, are not entitled to vote. By operation of law, Classes 9–11 are deemed to have rejected the Plan and are not entitled to vote.

2. Acceptance by Impaired Classes

An Impaired Class of Claims shall have accepted the Plan if, not counting the vote of any Holder designated under section 1126(e) of the Bankruptcy Code, (a) the Holders of at least two-thirds in amount of the Allowed Claims actually voting in the Class have voted to accept the Plan and (b) the Holders of more than one-half in number of the Allowed Claims actually voting in the Class have voted to accept the Plan.

3. Elimination of Classes

To the extent applicable, any Class that does not contain any Allowed Claims or any Claims temporarily allowed for voting purposes under Bankruptcy Rule 3018 as of the date of commencement of the Confirmation Hearing for all Debtors or with respect to any particular Debtor shall be deemed to have been deleted from the Plan for all Debtors or for such particular Debtor, as applicable, for purposes of (a) voting to accept or reject the Plan and (b) determining whether it has accepted or rejected the Plan under section 1129(a)(8) of the Bankruptcy Code. In particular, Classes 3, 5, 6, and 11 shall exist only with respect to the TUSA Debtors, and Classes 4 and 10 shall exist only with respect to the Ranger Debtors.

4. Deemed Acceptance if No Votes Cast

If no Holders of Claims eligible to vote in a particular Class vote to accept or reject the Plan, the Plan shall be deemed accepted by the Holders of such Claims in such Class.

5. Cramdown

To the extent necessary, the Debtors shall request Confirmation of the Plan under section 1129(b) of the Bankruptcy Code. The Debtors reserve the right to modify, amend, or withdraw the Plan, with respect to all Debtors or any individual Debtor or group of Debtors, to the extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification.

D. Means of Implementation of the Plan

1. Substantive Consolidation

The Plan contemplates and is predicated upon the deemed substantive consolidation of (a) the Estate and Chapter 11 Case of each TUSA Debtor with the Estate and Chapter 11 Case of each other TUSA Debtor and (b) the Estate and Chapter 11 Case of each Ranger Debtor with the Estate and Chapter 11 Case of each other Ranger Debtor, in each case for distribution purposes only. On the Effective Date, each Claim filed or to be filed against any TUSA Debtor or any Ranger Debtor, as applicable, shall be deemed filed only against TUSA or Ranger, respectively, and shall be deemed a single Claim against and a single obligation of TUSA or Ranger, respectively, for distribution purposes only and the claims register shall be updated accordingly. This limited substantive consolidation effected pursuant to Section 5.01 of the Plan shall not otherwise affect the rights of any Holder of any Claim, or affect the obligations of any Debtor with respect to such Claim. For the avoidance of doubt, the Estates and Chapter 11 Cases of the TUSA Debtors shall not be deemed to be substantively consolidated with the Estates and Chapter 11 Cases of the Ranger Debtors.

2. General Settlement of Claims and Interests

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, on the Effective Date, the provisions of the Plan shall constitute a good-faith compromise and settlement of all Claims and Interests and controversies resolved pursuant to the Plan.

3. Plan Funding

Distributions under the Plan and the Reorganized Debtors' post-Effective Date operations will be funded from the following sources:

(a) *Exit Facility*. On the Effective Date, Reorganized TUSA as borrower, and, if applicable, the other Reorganized Debtors, as guarantors or additional credit parties, shall enter into the Exit Facility, the final form and substance of which shall be acceptable to the Reorganized Debtors, the Required Participating Noteholders, and the Backstop Parties. Confirmation shall be deemed approval of the Exit Facility (including the transactions contemplated thereby, such as any supplementation or additional syndication of the Exit Facility, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including the payment of all fees, indemnities, and expenses provided for therein) and authorization for the Reorganized Debtors to enter into and execute the Exit Facility and such other documents as the Exit Facility Lenders may reasonably require to effectuate the treatment afforded to such lenders pursuant to the Exit Facility, subject to such modifications as the Reorganized Debtors may deem to be reasonably necessary to consummate such Exit Facility.

(b) *Rights Offering*. On the Effective Date, the Reorganized Debtors shall consummate the Rights Offering, in accordance with Section 5.10 of the Plan and the terms of the Rights Offering Procedures. On or before the Effective Date, the Backstop Parties shall fulfill their funding obligations under the Backstop Commitment Agreement, including backstopping the Rights Offering up to the Backstop Amount.

(c) *Convenience Claim Excess Balance.* After all Disputed Convenience Claims have been finally Allowed or Disallowed, the Convenience Claim Excess Balance, if any, shall revert to the Reorganized Debtors and may be used, in the discretion of the Reorganized Debtors, to fund other distributions contemplated by the Plan and for general corporate purposes.

(d) *Other Plan Funding*. Other than as set forth in Sections 5.03(a), (b), and (c), of the Plan, all Cash necessary for the Reorganized Debtors to make payments required by the Plan shall be obtained from the Debtors' Cash balances on hand at the time such payment is required, after giving effect to the transactions contemplated in the Plan.

4. New TUSA Holdco Common Stock

(a) On or about the Effective Date, New TUSA HoldCo (or other applicable Reorganized Debtor, as set forth in the Restructuring Transactions Memorandum) shall authorize and issue the New TUSA HoldCo Common Stock in accordance with the New TUSA HoldCo Common Stock Allocation. Distribution of New TUSA HoldCo Common Stock under the Plan shall constitute the issuance of 100% of the New TUSA HoldCo Common Stock, and such stock shall be deemed issued on the Effective Date (or such earlier date as may be specified in the Restructuring Transactions Memorandum). The issuance of New TUSA HoldCo Common Stock by New TUSA HoldCo, options for the purchase thereof, or other equity awards, if any, providing for the issuance of New TUSA HoldCo Common Stock, is authorized without

the need for any further corporate action or further action by the Debtors or the Reorganized Debtors, as applicable.

(b) The New TUSA HoldCo Common Stock issued under the Plan shall be issued in accordance with the New TUSA HoldCo Common Stock Allocation and subject to economic and legal dilution as set forth in the New TUSA HoldCo Common Stock Allocation and from any other shares, membership units, or functional equivalent thereof, as applicable, of New TUSA HoldCo Common Stock issued after the Effective Date.

(c) All of the shares, membership units, or functional equivalent thereof, as applicable, of New TUSA HoldCo Common Stock issued pursuant to the Plan shall be duly authorized, validly issued, fully paid, and non-assessable. Any Entity that does not execute the New Shareholders Agreement shall be automatically deemed to have accepted the terms of the New Shareholders Agreement (in their capacity as shareholders, membership unit holders, or functional equivalent thereof, as applicable, of New TUSA HoldCo) and to be parties thereto without further action. The New Shareholders Agreement shall be adopted on the Effective Date and shall be deemed to be valid, binding, and enforceable in accordance with its terms, and each Holder of New TUSA HoldCo Common Stock shall be bound thereby.

(d) As of the Effective Date: (i) the New TUSA HoldCo Common Stock and the Rights Offering Securities will not be registered under the Securities Act, listed on a national securities exchange, or quoted in the over-the-counter marketplace; (ii) New TUSA HoldCo and the other Reorganized Debtors will not be reporting companies under the Securities Exchange Act; (iii) New TUSA HoldCo and the other Reorganized Debtors will not be required to, and will not, file reports or other information with the Securities and Exchange Commission or any other person or agency; and (iv) New TUSA HoldCo and the other Reorganized Debtors will not be required to file monthly operating reports with the Bankruptcy Court after the Effective Date. In order to prevent the Reorganized Debtors from becoming subject to the reporting requirements of the Securities Exchange Act, except for New TUSA HoldCo in connection with a registered public offering of New TUSA HoldCo Common Stock, the New Corporate Governance Documents will impose, and the New TUSA HoldCo Common Stock and the Rights Offering Securities will be subject to, certain transfer and other restrictions.

5. Exemption from Securities Act Registration Requirements

The offering, issuance, and distribution of any Securities pursuant to the Plan and the Rights Offering will be exempt from the registration requirements of section 5 of the Securities Act pursuant to section 1145 of the Bankruptcy Code, section 4(a)(2) of the Securities Act, or any other available exemption from registration under the Securities Act, as applicable. Section 4(a)(2) of the Securities Act exempts transactions not involving a public offering, and section 506 of Regulation D of the Securities Act provides a safe harbor under section 4(a)(2) for transactions that meet certain requirements. In addition, under section 1145 of the Bankruptcy Code, if applicable, any Securities issued pursuant to the Plan and any and all settlement agreements incorporated therein will be freely transferable under the Securities Act by the recipients thereof, subject to (a) the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 2(a)(11) of the Securities Act, and compliance with any applicable state or foreign securities laws, if any, and the Securities Act and

the rules and regulations of the United States Securities and Exchange Commission, if any, applicable at the time of any future transfer of such Securities or instruments, (b) the restrictions, if any, on the transferability of such Securities and instruments, including restrictions contained in the Backstop Commitment Agreement or in the governing documents with respect to such Securities or instruments, and (c) any other applicable regulatory approval. In reliance upon these exemptions, the offer, issuance, and distribution of Securities pursuant to the Plan and the Rights Offering will not be registered under the Securities Act or any applicable state "Blue Sky" laws, and such Securities and instruments may not be transferred, encumbered, or otherwise disposed of in the absence of such registration or an exemption therefrom under the Securities Act or under such laws and regulations thereunder. All Securities and instruments issued under the Plan and the Rights Offering will bear a legend relating to the transfer restrictions, including those arising under the New Corporate Governance Documents, applicable to such Securities and instruments.

6. Cancellation of Old TUSA Securities and Agreements

On the Effective Date, except as otherwise specifically provided for in the Plan (a) the Old TUSA Securities and any other note, bond, indenture, Certificate, or other instrument or document evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors (including the Senior Notes Indenture), shall be deemed to be automatically cancelled without further action by any person and (b) the obligations of, Claims against, and/or Interests in TUSA under, relating, or pertaining to any agreements, indentures, notes, bonds, certificates of designation, bylaws, or certificate or articles of incorporation or similar documents governing the Old TUSA Securities, and any other note, bond, indenture, Certificate, or other instrument or document evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors (including the Senior Notes Indenture), as the case may be, shall be deemed to be automatically released and discharged and cancelled without further action by any person; *provided, however,* that (i) the Class 8 Intercompany Interests shall be treated as set forth in Section 3.02(h) of the Plan and (ii) any agreement (including the Senior Notes Indenture) that governs the rights of a Holder of a Claim and that is administered by a Servicer shall continue in effect solely for the purposes of allowing such Servicer to (A) make the distributions on account of such Claims under the Plan and perform such other necessary functions with respect thereto, if any, as provided for in Section 8.04 of the Plan and (B) maintain and exercise its charging lien or other right to priority payment against distributions under the Plan on account of such Servicer's reasonable fees, expenses, and indemnities owed to such Servicer under the terms of the Senior Notes Indenture.

7. Issuance of New Securities; Execution of Plan Documents

Except as otherwise provided in the Plan, on or as soon as reasonably practicable after the Effective Date, the Reorganized Debtors shall issue all Securities, notes, instruments, Certificates, and other documents required to be issued pursuant to the Plan.

8. Continued Corporate Existence

(a) Except as otherwise provided in the Plan, including Section 5.09, the Debtors, other than the Ranger Debtors, shall continue to exist after the Effective Date as

separate legal Entities, the Reorganized Debtors. Each Reorganized Debtor shall have all the powers of corporations or other Entities under applicable law in the jurisdictions in which it was incorporated or formed, as applicable, and pursuant to its certificate of incorporation, bylaws, or other applicable organizational documents in effect prior to the Effective Date, except to the extent such organization documents are amended and restated by the Plan, including pursuant to Section 5.11 of the Plan, all without prejudice to any right of such Reorganized Debtor to terminate its existence (whether by merger or otherwise) under applicable law after the Effective Date. To the extent the organizational documents of any Debtor are amended, such organizational documents are deemed to be amended pursuant to the Plan without any further notice to or action, order, or approval of the Bankruptcy Court or any other court of competent jurisdiction (other than the requisite filings required under applicable state, provincial, or federal law).

(b) Except as otherwise provided in the Plan, the continued existence, operation, and ownership of Affiliates is a material component of the business of the Debtors and the Reorganized Debtors, as applicable, and, as set forth in Section 9.01 of the Plan, all of the Debtors' Interests and other property interests in such Affiliates shall vest in the Reorganized Debtors or their successors on the Effective Date.

9. Restructuring Transactions

(a) On or following the Confirmation Date, the Debtors or Reorganized Debtors, as the case may be, shall take such actions as may be necessary or appropriate to effect the relevant restructuring transactions as set forth in the Plan and the Plan Transaction Documents, including the Restructuring Transactions Memorandum, and may take other actions on or after the Effective Date.

(b) Prior to, on, or after the Effective Date, and pursuant to the Plan, the Reorganized Debtors shall enter into the restructuring transactions described in the Plan and in the Plan Transaction Documents, including the Restructuring Transactions Memorandum. The Debtors or the Reorganized Debtors, as applicable, shall take any actions as may be necessary or appropriate to effect a restructuring of the Debtors' business or the overall organization structure of the Reorganized Debtors. The restructuring transactions may include one or more restructurings, conversions, or transfers as may be determined by the Debtors or the Reorganized Debtors, as applicable, to be necessary or appropriate. The actions taken by the Debtors or the Reorganized Debtors, as applicable, to effect the restructuring transactions may include: (i) the execution, delivery, adoption, and/or amendment of appropriate agreements or other documents of restructuring, conversion, disposition, or transfer containing terms that are consistent with the terms of the Plan and the Plan Transaction Documents and any ancillary documents and that satisfy the applicable requirements of applicable state law and any other terms to which the applicable parties may agree; (ii) the execution, delivery, adoption, and/or amendment of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan and the Plan Transaction Documents and any ancillary documents and having other terms for which the applicable parties may agree; (iii) the filing of appropriate certificates or articles of incorporation, reincorporation, or conversion (or, in each case, the functional equivalent thereof) pursuant to applicable state law, including but not limited to an amended certificate of

incorporation and by-laws (or, in each case, the functional equivalent thereof, as applicable); (iv) the cancellation of shares and warrants; and (v) all other actions that the Debtors or the Reorganized Debtors, as applicable, determine to be necessary, desirable, or appropriate to implement, effectuate, and consummate the Plan or the restructuring transactions contemplated hereby, including making filings or recordings that may be required by applicable state law in connection with the restructuring transactions.

(c) Without limiting the generality of Section 5.09(a) and (b) of the Plan, on or prior to the Effective Date, New TUSA HoldCo will be formed and, pursuant to the transactions contemplated in the Plan and in the Plan Transaction Documents, including the Restructuring Transactions Memorandum, will become the parent company of Reorganized TUSA. New TUSA HoldCo shall have all the powers of a corporation or other applicable Entity formed under Delaware law, pursuant to its certificate of incorporation, bylaws, or other applicable organizational documents adopted pursuant to the transactions contemplated in the Plan and the Plan Transaction Documents, all without prejudice to any right of New TUSA HoldCo to terminate its existence (whether by merger or otherwise) under applicable law after the Effective Date. Such organizational documents are deemed to be adopted pursuant to the Plan without any further notice to or action, order, or approval of the Bankruptcy Court or any other court of competent jurisdiction (other than the requisite filings required under applicable state, provincial, or federal law).

(d) Notwithstanding the foregoing, the Ranger Debtors shall be dissolved upon the Effective Date without any further notice to or action, order, or approval of the Bankruptcy Court or any other court of competent jurisdiction (other than the requisite filings required under applicable state, provincial, or federal law, if any). Any Claim arising as a result of such dissolutions shall receive the applicable treatment under the Plan.

10. Rights Offering

(a) The Rights Offering shall consist of a distribution of subscription rights to Eligible Holders of Allowed TUSA General Unsecured Claims (or TUSA General Unsecured Claims Provisionally Allowed) for the purchase of up to approximately $180 million in Rights Offering Securities on a ratable basis in proportion to the Allowed amount (or amount deemed Provisionally Allowed) of each such Eligible Holder's TUSA General Unsecured Claims as of the Rights Offering Record Date. The Debtors shall implement and conduct the Rights Offering in accordance with the Backstop Commitment Agreement and the Rights Offering Procedures.

(b) The Rights Offering shall be open solely to Eligible Holders of TUSA General Unsecured Claims who submit an Eligible Holder Certification and whose TUSA General Unsecured Claims are Allowed or Provisionally Allowed as of the Rights Offering Record Date. Each Rights Offering Participant shall pay its purchase price in Cash in accordance with the Rights Offering Procedures by the funding deadline set forth in the Rights Offering Procedures. Any Rights Offering Participant that fails to timely pay its respective purchase price shall be ineligible to receive Rights Offering Securities and will forfeit and void any exercise of subscription rights in the Rights Offering. An Eligible Holder of a Disputed TUSA General Unsecured Claim that has been Provisionally Allowed as of the Rights Offering Record Date

may subscribe to the Rights Offering in the same manner as Holders of Allowed Claims, except that its respective purchase price shall be funded into escrow, and the correlative Rights Offering Securities allocable to such Eligible Holder shall be held in the Disputed Claims Reserve, pending the final reconciliation of the Holder's TUSA Disputed General Unsecured Claim. If such Disputed Claim is Allowed in an amount equal to its Provisionally Allowed amount, the Holder's Rights Offering Securities shall be distributed to it pursuant to the terms set forth in Article VII of the Plan, and the purchase price shall be released to the Reorganized Debtors. If, on the other hand, such Disputed Claim Allowed in amount less than its Provisionally Allowed amount or is Disallowed entirely, then the Holder's purchase price shall be refunded to the Holder proportionally, and the correlative Rights Offering Securities shall be cancelled automatically.

(c) The Backstop Parties will backstop the Rights Offering up to the Backstop Amount in accordance with the Backstop Commitment Agreement and shall receive such fees for such backstop agreement as set forth in the Backstop Commitment Agreement.

11. New Corporate Governance Documents

The New Corporate Governance Documents shall be adopted and amended as may be required so as to be consistent with the provisions of the Plan and otherwise comply with section 1123(a)(6) the Bankruptcy Code. After the Effective Date, the Reorganized Debtors may amend and restate the New Corporate Governance Documents and other constituent documents as permitted by applicable state corporation or other comparable alternative law, as applicable, and their charters and bylaws (or in each case, the functional equivalent thereof, as applicable).

12. Directors and Officers of the Reorganized Debtors

On the Effective Date, the New Board shall be appointed. On the Effective Date, the term of the current members of the boards of directors of the Subsidiary Debtors (including TUSA) shall expire, and the New Subsidiary Debtor Boards shall be appointed. On and after the Effective Date, each director or officer of the Reorganized Debtors shall serve pursuant to the terms of the New Corporate Governance Documents and applicable state corporation law or alternative comparable law, as applicable. The members of the New Board and the New Subsidiary Debtor Boards and their compensation shall be set forth in the Plan Supplement.

13. Corporate Action

Each of the matters provided for under the Plan involving the corporate structure of the Debtors or the Reorganized Debtors or corporate action to be taken by or required of the Debtors or the Reorganized Debtors shall, as of the Effective Date, be deemed to have occurred and be effective as provided in the Plan, and shall be authorized, approved, and to the extent taken prior to the Effective Date, ratified in all respects without any requirement of further action by stockholders, creditors, or directors of the Debtors or the Reorganized Debtors. Such actions may include (a) the formation of New TUSA HoldCo; (b) the adoption and filing of the New Corporate Governance Documents; (c) the appointment of the New Board and the New Subsidiary Debtor Boards; (d) the issuance and distribution of the Rights Offering subscription Rights, the New TUSA HoldCo Common Stock, and the Rights Offering Securities; (e) entry

into the Exit Facility; and (f) such other matters as may be described in the Restructuring Transactions Memorandum.

14. Effectuating Documents; Further Transactions

On and after the Effective Date, the Reorganized Debtors, and the officers thereof and members of the New Board and the New Subsidiary Debtor Boards, shall be authorized to and may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, indentures, and other agreements or documents, and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan, or to otherwise comply with applicable law, in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorizations, or consents except for those expressly required pursuant to the Plan.

15. Employee Matters

(a) *Employment Agreements*. The Debtors shall assume or reject employment, severance (change in control), retirement, indemnification, or other agreements, if any, with their pre-Effective Date managers, officers, and employees in accordance with the provisions of Article VI of the Plan. The Reorganized Debtors may enter into new employment arrangements and/or change in control agreements with the Debtors' officers who continue to be employed after the Effective Date, subject to the consent of the Required Participating Noteholders and the Backstop Parties.

(b) *Other Incentive Plans and Employee Benefits*. Unless otherwise specified in the Plan, and except in connection and not inconsistent with Section 5.15(a) of the Plan, on and after the Effective Date, the Reorganized Debtors shall have the sole discretion to (i) amend, adopt, assume, and/or honor, in the ordinary course of business or as otherwise provided in the Plan, any contracts, agreements, policies, programs, and plans assumed pursuant to Article VI of the Plan for, among other things, compensation, pursuant to the terms thereof or hereof, including any incentive plan, 401(k) plan, health care benefits, disability benefits, deferred compensation benefits, savings, severance benefits, retirement benefits, welfare benefits, workers' compensation benefits, life insurance, and accidental death and dismemberment insurance for the managers, officers, and employees of the Debtors who served in such capacity from and after the Petition Date; *provided*, *however*, that the Reorganized Debtors shall not alter the terms of the MIP except with the consent of any applicable and affected MIP participant, and (ii) honor, in the ordinary course of business, Claims of employees employed as of the Effective Date for accrued vacation time arising prior to the Petition Date.

(c) *MIP*. The Plan Supplement shall include a description of the MIP for the Reorganized Debtors. New TUSA HoldCo shall adopt the MIP, on terms consistent with the Plan and the Plan Supplement, on the Effective Date.

16. Preservation of Causes of Action

In accordance with section 1123(b)(3) of the Bankruptcy Code, the Reorganized Debtors shall retain and may (but are not required to) enforce all rights to commence and pursue any and all Causes of Action that are not released pursuant to Section 9.04 of the Plan or an order of the

Bankruptcy Court, whether arising before or after the Petition Date, including, without limitation, any actions or categories of actions specifically enumerated in a list of retained Causes of Action contained in the Plan Supplement, and such Causes of Action shall vest in the Reorganized Debtors as of the Effective Date. The Debtors or the Reorganized Debtors, in their sole and absolute discretion, shall determine whether to bring, settle, release, compromise, or enforce such Causes of Action (or decline to do any of the foregoing), and shall not be required to seek further approval of the Bankruptcy Court for such action. The Reorganized Debtors or any successors may pursue such litigation claims in accordance with the best interests of the Reorganized Debtors or any successor holding such rights of action. **No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as any indication that the Debtors or the Reorganized Debtors will not pursue any and all available Causes of Action against it. The Debtors and the Reorganized Debtors expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan.** Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or an order of the Bankruptcy Court, the Reorganized Debtors expressly reserve all Causes of Action for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of Confirmation or consummation of the Plan; *provided, however*, that solely with respect to Avoidance Actions, only those Avoidance Actions specifically enumerated in a list of retained Causes of Action contained in the Plan Supplement shall vest in the Reorganized Debtors, and all other Avoidance Actions shall be waived and otherwise released.

17. Reservation of Rights

With respect to any Avoidance Actions that the Debtors abandon in accordance with Section 5.16 of the Plan, the Debtors and the Reorganized Debtors, as applicable, reserve all rights, including the right under section 502(d) of the Bankruptcy Code to use defensively the abandoned avoidance Cause of Action as a basis to object to all or any part of a Claim against any Estates asserted by a creditor which remains in possession of, or otherwise obtains the benefit of, the avoidable transfer.

18. Exemption from Certain Transfer Taxes and Recording Fees

Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant to the Plan shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, or other similar tax or governmental assessment to the fullest extent contemplated by section 1146(a) of the Bankruptcy Code, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall be directed to forgo the collection of any such tax or governmental assessment and to accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

19. Insured Claims

Notwithstanding anything to the contrary contained in the Plan, to the extent the Debtors have insurance with respect to any Allowed General Unsecured Claim, the Holder of such Allowed Claim shall (a) be paid any amount from the proceeds of insurance to the extent that the Claim is insured and (b) receive the treatment provided for in the Plan for Allowed General Unsecured Claims to the extent the applicable insurance policy does not provide coverage with respect to any portion of the Claim.

20. Preservation of Uncompromised Oil and Gas Obligations

Notwithstanding any other provision in the Plan, but subject in all respects to all payments authorized to be made pursuant to the Oil and Gas Obligations Order, on and after the Effective Date all Uncompromised Oil and Gas Obligations shall be fully preserved and remain in full force and effect in accordance with the terms of the granting instruments or other governing documents, if any, applicable to such Uncompromised Oil and Gas Obligations, which granting instruments and governing documents, if any, shall equally remain in full force and effect, and no Uncompromised Oil and Gas Obligations, including payment obligations, whether arising before or after the Petition Date, shall be compromised or discharged by the Plan. For the avoidance of doubt, nothing in Section 5.20 of the Plan shall prejudice the right of the Debtors or the Reorganized Debtors, as applicable, to contest the validity of any asserted Uncompromised Oil and Gas Obligation on grounds available under applicable law or otherwise.

E. Unexpired Leases and Executory Contracts

1. Assumption of Executory Contracts and Unexpired Leases

(a) *Automatic Assumption*. Except as otherwise provided in the Plan, each Executory Contract and Unexpired Lease shall be deemed automatically assumed in accordance with, and subject to, sections 365 and 1123 of the Bankruptcy Code as of the Effective Date, unless any such Executory Contract or Unexpired Lease: (i) is listed on the Schedule of Rejected Executory Contracts and Unexpired Leases contained in the Plan Supplement; (ii) has been previously rejected by the Debtors by Final Order of the Bankruptcy Court or has been rejected by the Debtors by order of the Bankruptcy Court as of the Effective Date, which order becomes a Final Order after the Effective Date; (iii) is the subject of a motion to assume or reject pending as of the Effective Date; or (iv) is otherwise rejected pursuant to the terms of the Plan.

The Confirmation Order will constitute an order of the Bankruptcy Court approving such assumptions pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date. To the extent any provision in any Executory Contract or Unexpired Lease assumed pursuant to the Plan (including any "change of control" provision) restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the Reorganized Debtors' assumption of such Executory Contract or Unexpired Lease, then such provision shall be deemed modified such that the transactions contemplated by the Plan will not entitle the non-Debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto. Each Executory Contract and Unexpired Lease

assumed pursuant to Article VI of the Plan will revest in and be fully enforceable by the Reorganized Debtors in accordance with its terms, except as modified by the provisions of the Plan, any order of the Bankruptcy Court authorizing and providing for its assumption, or applicable law.

(b) *Modifications, Etc*. Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all rights related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated pursuant hereunder.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

(c) *Proofs of Claim Based on Assumed Contracts or Leases*. Any and all proofs of Claim based on Executory Contracts or Unexpired Leases that have been assumed in the Chapter 11 Cases, including hereunder, except proofs of Claim asserting Cure amounts, pursuant to the order approving such assumption, including the Confirmation Order, shall be deemed Disallowed and expunged from the Claims register as of the Effective Date without any further notice to or action, order, or approval of the Bankruptcy Court.

(d) *Cure Proceedings and Payments*. With respect to each of the Executory Contracts or Unexpired Leases assumed under the Plan, the Debtors shall designate a proposed Cure, and the assumption of such Executory Contract or Unexpired Lease shall be conditioned upon the disposition of all issues with respect to Cure. Except as otherwise set forth on the Schedule of Assumed Executory Contracts and Unexpired Leases, the Cure amount with respect to each of the Executory Contracts or Unexpired Leases assumed hereunder is designated by the Debtors as zero dollars, subject to the determination of a different Cure amount pursuant to the procedures set forth in the Plan (including Section 6.01(e) of the Plan) and in the Cure Notices. Except with respect to Executory Contracts and Unexpired Leases for which the Cure is zero dollars, or for which the Cure amount is in dispute, the Cure shall be satisfied by the Reorganized Debtors or their assignee, if any, by payment of the Cure in Cash within 30 days following the occurrence of the Effective Date or as soon as reasonably practicable thereafter, or on such other terms as may be ordered by the Bankruptcy Court or agreed upon by the parties to the applicable Executory Contract or Unexpired Lease without any further notice to or action, order, or approval of the Bankruptcy Court.

Any provisions or terms of the Executory Contracts or Unexpired Leases to be assumed pursuant to the Plan that are, or may be, alleged to be in default, shall be satisfied solely by Cure, or by an agreed-upon waiver of Cure. If there is a dispute regarding such Cure, the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" within the meaning of section 365 of the Bankruptcy Code, or any other matter pertaining to assumption, then payment of Cure shall occur as soon as reasonably practicable after entry of a

Final Order resolving such dispute, approving such assumption (and, if applicable, assignment), or as may be agreed upon by the Debtors or the Reorganized Debtors, as applicable, and the counterparty to the Executory Contract or Unexpired Lease; *provided, however*, that the Debtors or the Reorganized Debtors, as applicable, shall have the right either to reject or nullify the assumption of any Executory Contract or Unexpired Lease after entry of a Final Order determining the Cure or any request for adequate assurance of future performance required to assume such Executory Contract or Unexpired Lease.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Cures, Claims, or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption.

(e) *Cure Notice*. No later than seven days before the Confirmation Hearing, the Debtors shall serve upon counterparties to such Executory Contracts and Unexpired Leases a Cure Notice that will (i) notify the counterparty of the proposed assumption of the applicable Executory Contract or Unexpired Lease, (ii) list the applicable Cure, if any, set forth on the Schedule of Assumed Executory Contracts and Unexpired Leases, (iii) describe the procedures for filing objections to the proposed assumption or assumption and assignment of the applicable Executory Contract or Unexpired Lease, (iv) describe the procedures for filing objections to the proposed Cure of the applicable Executory Contract or Unexpired Lease, and (v) explain the process by which related disputes will be resolved by the Bankruptcy Court. If no objection is timely received, (A) the non-Debtor party to the assumed Executory Contract or Unexpired Lease shall be deemed to have consented to the assumption of the applicable Executory Contract or Unexpired Lease and shall be forever barred from asserting any objection with regard to such assumption, and (B) the proposed Cure shall be controlling, notwithstanding anything to the contrary in any applicable Executory Contract or Unexpired Lease or other document as of the date of the filing of the Plan, and the non-Debtor party to an applicable Executory Contract or Unexpired Lease shall be deemed to have consented to the Cure amount and shall be forever barred from asserting, collecting, or seeking to collect any additional amounts relating thereto against the Debtors or the Reorganized Debtors, or the property of any of them. For the avoidance of doubt, all proposed Cures in excess of $100,000 shall be required to be reasonably acceptable to the Required Participating Noteholders.

(f) *Cure Objections*. If a proper and timely objection to the Cure Notice or proposed Cure was filed by the Cure Objection Deadline, the Cure shall be equal to (i) the amount agreed to between the Debtors or Reorganized Debtors, as applicable, and the applicable counterparty or (ii) to the extent the Debtors or Reorganized Debtors and counterparty do not reach an agreement regarding any Cure or any other matter related to assumption, the Bankruptcy Court shall determine the Allowed amount of such Cure and any related issues. Objections, if any, to the proposed assumption and/or Cure must be in writing, filed with the Bankruptcy Court, and served in hard-copy form on the parties identified in the Cure Notice so that they are actually received by the Cure Objection Deadline.

(g) *Hearing with Respect to Objections*. If an objection to the proposed assumption of an Executory Contract or Unexpired Lease and/or to the proposed Cure thereof is timely filed and received in accordance with the procedures set forth in Section 6.01(f) of the Plan, and the parties do not reach a consensual resolution of such objection, a hearing with respect to such objection shall be held at such time scheduled by the Bankruptcy Court or the Debtors or Reorganized Debtors. Objections to the proposed Cure or assumption of an Executory Contract or Unexpired Lease will not be treated as objections to Confirmation of the Plan.

(h) *Reservation of Rights*. Notwithstanding anything to the contrary in the Plan, prior to the Effective Date, the Debtors may, with the consent of the Required Participating Noteholders (not to be unreasonably withheld), amend their decision with respect to the assumption of any Executory Contract or Unexpired Lease and provide a new notice amending the information provided in the applicable notice. In the case of an Executory Contract or Unexpired Lease designated for assumption that is the subject of a Cure objection that has not been resolved prior to the Effective Date, the Debtors or the Reorganized Debtors, as applicable, may designate such Executory Contract or Unexpired Lease for rejection at any time prior to the payment of the Cure, as set forth in Section 6.01(d) of the Plan.

2. Rejection of Executory Contracts

Upon the occurrence of the Effective Date, each Executory Contract or Unexpired Lease listed on the Schedule of Rejected Executory Contracts and Unexpired Leases in the Plan Supplement shall be deemed automatically rejected pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date. The Confirmation Order will constitute an order of the Bankruptcy Court approving such rejections pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date. Counterparties to Executory Contracts or Unexpired Leases that are deemed rejected as of the Effective Date shall have the right to assert any Claim on account of the rejection of such Executory Contracts or Unexpired Leases subject to compliance with the requirements of the Plan.

(a) *Preexisting Obligations to Debtors.* Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of pre-existing obligations owed to the Debtors under such contracts or leases. In particular, notwithstanding any non-bankruptcy law to the contrary, the Reorganized Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations on goods previously purchased by the contracting Debtors or the Reorganized Debtors, as applicable, from counterparties to rejected or repudiated Executory Contracts.

(b) *Rejection Damages Claim Procedures.* Unless otherwise provided by a Bankruptcy Court order, any proofs of Claim asserting Claims arising from the rejection of the Executory Contracts and Unexpired Leases pursuant to the Plan or otherwise must be filed with the Claims and Solicitation Agent no later than 30 days after the later of the Effective Date, the effective date of rejection, or the date notice of such rejection is transmitted by the Debtors or the Reorganized Debtors, as applicable, to the counterparty to such Executory Contract or Unexpired Lease. Any proofs of Claim arising from the rejection of the Executory Contracts or Unexpired Leases that are not timely filed shall be Disallowed automatically and forever barred,

estopped, and enjoined from assertion and shall not be enforceable against the Debtors or the Reorganized Debtors, without the need for any objection by the Reorganized Debtors or any further notice to or action, order, or approval of the Bankruptcy Court, and any Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, notwithstanding anything in the Schedules or a proof of Claim to the contrary. All Allowed Claims arising from the rejection of the Executory Contracts and Unexpired Leases shall be classified as TUSA General Unsecured Claims or Convenience Claims, as applicable.

(c) Reservation of Rights. Notwithstanding anything to the contrary in the Plan, prior to the Effective Date, the Debtors may amend their decision with respect to the rejection of any Executory Contract or Unexpired Lease.

3. Midstream Contracts

(a) The Caliber Declaratory Judgment Action, and all of the Debtors' or the Reorganized Debtors' rights with respect thereto, shall constitute retained Causes of Action, subject in all respect to Section 5.16 of the Plan. Without limiting the generality of the foregoing, the Debtors, with the consent of the Required Participating Noteholders, or the Reorganized Debtors, as applicable, shall determine whether to continue to prosecute, settle, release, compromise, or enforce the Caliber Declaratory Judgment Action (or decline to do any of the foregoing), and shall not be required to seek further approval of the Bankruptcy Court for such action.

(b) The Specified Caliber Contracts shall be deemed automatically rejected pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date, subject only to the satisfaction of each of the following conditions subsequent: (i) the entry of a Final Order or judgment in the Caliber Declaratory Judgment Action determining that the Specified Caliber Contracts do not constitute or contain a covenant running with the land; and (ii) the entry of a Final Order or judgment determining the Allowed amount of the Caliber Rejection Damages Claim, or estimating the maximum amount thereof, in an amount less than or equal to the Caliber Rejection Damages Cap. No later than 10 days after entry of a Final Order or judgment resulting in satisfaction of the conditions set forth in clauses (i) and (ii) of Section 6.03(b) of the Plan, the Debtors shall transmit to Caliber a notice indicating that the Specified Caliber Contracts were conclusively rejected as of the date such conditions were satisfied.

(c) To the extent the Bankruptcy Court or another court of competent jurisdiction issues a Final Order or judgment resulting in the failure of one or both of the conditions set forth in clauses (i) and (ii) of Section 6.03(b) of the Plan, the Specified Caliber Contracts shall automatically be deemed assumed. No later than 10 days after entry of a Final Order or judgment resulting in the failure of one or both of the conditions set forth in clauses (i) and (ii) of Section 6.03(b) of the Plan, the Debtors shall transmit to Caliber a notice (A) setting forth the proposed Cure with respect to the Specified Caliber Contracts and (B) indicating that the Specified Caliber Contracts will be deemed assumed, subject to (1) the resolution of any dispute with respect to Cure and the payment thereof and (2) the resolution of any dispute concerning adequate assurance of future performance, in each case pursuant to the procedures set forth in Section 6.01(d), (f), and (g) of the Plan. The Specified Caliber Contracts shall be deemed

assumed as of the date the matters set forth in clauses (1) and (2) of the preceding sentence are resolved by agreement of the parties or a Final Order of the Bankruptcy Court, and the provisions of Section 6.03(d) of the Plan shall govern the Specified Caliber Contracts until such date.

(d) Notwithstanding Section 6.03(b) of the Plan, from and after the Effective Date, through the date the Specified Caliber Contracts are conclusively deemed rejected pursuant to Section 6.03(b) of the Plan or deemed assumed pursuant to Section 6.03(c) of the Plan, the Reorganized Debtors shall perform their obligations under the Specified Caliber Contracts in accordance with their terms, and Caliber shall be entitled to exercise all remedies available under applicable non-bankruptcy law with respect to any breach or default by the Reorganized Debtors occurring thereunder during such time period.

4. Postpetition Contracts and Leases

Contracts and leases entered into after the Petition Date by the Debtors, and any Executory Contracts and Unexpired Leases assumed by the Debtors, may be performed by the Reorganized Debtors in the ordinary course of business and in accordance with the terms thereof.

5. General Reservation of Rights

Neither the exclusion nor inclusion of any contract or lease on the Schedule of Rejected Executory Contracts and Unexpired Leases, nor anything contained in the Plan, shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that the Reorganized Debtors, or any of their Affiliates, has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors or the Reorganized Debtors, as applicable, shall have 45 days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

F. Procedures for Resolving Disputed Claims and Interests

1. Determination of Claims and Interests

After the Effective Date, the Reorganized Debtors shall have and retain any and all rights and defenses the Debtors had with respect to any Claim or Interest immediately prior to the Effective Date, including the Causes of Action retained pursuant to Section 5.16 of the Plan, except with respect to any Claim or Interest deemed Allowed under the Plan.

Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases prior to the Effective Date (including the Confirmation Order), no Claim or Interest shall become an Allowed Claim or Interest unless and until such Claim or Interest is deemed Allowed or the Bankruptcy Court has entered a Final Order, including the Confirmation Order, in the Chapter 11 Cases allowing such Claim or Interest. All settled Claims approved prior to the Effective Date pursuant to a Final Order of the Bankruptcy Court, pursuant to Bankruptcy Rule 9019 or otherwise, shall be binding on all parties. For the avoidance of doubt, any Claim determined and liquidated pursuant to (a) an order of the Bankruptcy Court or (b) applicable non-bankruptcy law (which determination has not been stayed, reversed, or amended and as to which determination

or any revision, modification, or amendment thereof as to which the time to appeal or seek review or rehearing has expired and no appeal or petition for review or rehearing was filed or, if filed, remains pending) shall be deemed an Allowed Claim in such liquidated amount and satisfied in accordance with the Plan.

Nothing contained in Section 7.01 of the Plan shall constitute or be deemed a waiver of any claim, right, or Cause of Action that the Debtors or the Reorganized Debtors may have against any Entity in connection with or arising out of any Claim, including any rights under section 157(b) of title 28 of the United States Code.

2. Claims Administration Responsibility

Except as otherwise specifically provided for in the Plan, after the Effective Date, the Reorganized Debtors shall retain responsibility for (a) administering, disputing, objecting to, compromising, or otherwise resolving all Claims against, and Interests in, the Debtors, including (i) filing, withdrawing, or litigating to judgment objections to Claims or Interests, (ii) settling or compromising any Disputed Claim or Disputed Interest without any further notice to or action, order, or approval by the Bankruptcy Court, and (iii) administering and adjusting the Claims register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court and (b) making distributions (if any) with respect to all Claims and Interests.

3. Objections to Claims

Unless otherwise extended by the Bankruptcy Court, any objections to Claims (other than Administrative Claims) shall be served and filed on or before the Claims Objection Deadline (or such later date as may be established by the Bankruptcy Court upon request of the Reorganized Debtors without further notice to parties-in-interest). Notwithstanding any authority to the contrary, an objection to a Claim shall be deemed properly served on the Holder of the Claim if the Debtors or the Reorganized Debtors effect service in any of the following manners: (a) in accordance with Federal Rule of Civil Procedure 4, as modified and made applicable by Bankruptcy Rule 7004; (b) to the extent counsel for a Holder of a Claim or Interest is unknown, by first class mail, postage prepaid, on the signatory on the proof of Claim or other representative identified on the proof of Claim or any attachment thereto (or at the last known addresses of such Holder if no proof of Claim is filed or if the Debtors have been notified in writing of a change of address); or (c) by first class mail, postage prepaid, on any counsel that has appeared on behalf of the Holder of the Claim in the Chapter 11 Cases and has not withdrawn such appearance.

4. Disallowance of Claims

Except as otherwise agreed, any and all proofs of Claim filed after the applicable deadline for filing such proofs of Claim shall be deemed Disallowed and expunged as of the Effective Date without any further notice to, or action, order, or approval of the Bankruptcy Court, and Holders of any such Claims shall not receive any distributions on account of such Claims, unless any such late proof of Claim is deemed timely filed by a Final Order of the Bankruptcy Court.

Nothing in the Plan shall in any way alter, impair, or abridge the legal effect of the Bar Date Order, or the rights of the Debtors, the Reorganized Debtors, or other parties-in-interest to object to Claims on the grounds that they are time barred or otherwise subject to disallowance or modification. Nothing in the Plan shall preclude amendments to timely filed proofs of Claim to the extent permitted by applicable law.

All Claims of any Entity from which property is sought by the Debtors under section 542, 543, 550, or 553 of the Bankruptcy Code or that the Debtors or the Reorganized Debtors allege is a transferee of a transfer that is avoidable under section 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code shall be Disallowed if (a) the Entity, on the one hand, and the Debtors or the Reorganized Debtors, on the other hand, agree or the Bankruptcy Court has determined by Final Order that such Entity or transferee is liable to turn over any property or monies under any of the aforementioned sections of the Bankruptcy Code and (b) such Entity or transferee has failed to turn over such property by the date set forth in such agreement or Final Order.

5. Estimation of Claims

Before or after the Effective Date, the Debtors or the Reorganized Debtors, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate a Disputed Claim pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or Interest or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any such Disputed Claim, including during the litigation of any objection to any Disputed Claim or during the pendency of any appeal relating to such objection. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim, that estimated amount shall constitute a maximum limitation on such Claim for all purposes under the Plan (including for purposes of distributions and participation in the Rights Offering), without prejudice to the Holder of such Claim's right to request that estimation should be for the purpose of determining the Allowed amount of such Claim, and the Reorganized Debtors may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim. All of the objection, estimation, settlement, and resolution procedures set forth in the Plan are cumulative and not necessarily exclusive of one another. All estimation procedures set forth in the Plan shall be applied in accordance with section 502(c) of the Bankruptcy Code. Disputed Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Plan or the Bankruptcy Court.

6. No Interest on Disputed Claims

Unless otherwise specifically provided for in the Plan or as otherwise required by section 506(b) of the Bankruptcy Code, postpetition interest shall not accrue or be paid on Claims or Interests, and no Holder of a Claim or Interest shall be entitled to interest accruing on or after the Petition Date on any Claim or Interest. Additionally, and without limiting the foregoing, unless otherwise specifically provided for in the Plan or as otherwise required by section 506(b) of the Bankruptcy Code, interest shall not accrue or be paid on any Disputed Claim in respect of the period from the Effective Date to the date a final distribution is made, when and if such Disputed Claim becomes an Allowed Claim.

7. Amendments to Claims

On or after the Effective Date, except as otherwise provided in the Plan, a Claim may not be filed or amended without the authorization of the Bankruptcy Court or the Reorganized Debtors, and, to the extent such authorization is not received, any such new or amended Claim filed shall be deemed Disallowed in full and expunged without any further notice to or action, order, or approval of the Bankruptcy Court.

G. Provisions Governing Distribution

1. Time of Distributions

Except as otherwise provided for in the Plan or ordered by the Bankruptcy Court, distributions under the Plan shall be made on the later of (a) the Initial Distribution Date or (b) on the first Periodic Distribution Date occurring after the later of, (i) 30 days after the date when a Claim is Allowed or (ii) 30 days after the date when a Claim becomes payable pursuant to any agreement between the Debtors (or the Reorganized Debtors) and the Holder of such Claim; *provided*, *however*, that the Reorganized Debtors may, in their sole discretion, make one-time distributions on a date that is not a Periodic Distribution Date.

2. Currency

Except as otherwise Provided in the Plan or Bankruptcy Court order, as of the Effective Date, any Claim asserted in currency other than U.S. dollars shall be automatically deemed converted to the equivalent U.S. dollar value using the exchange rate as of the Effective Date at 4:00 p.m. prevailing Eastern Time, mid-range spot rate of exchange for the applicable currency as published in the next *The Wall Street Journal, National Edition* following the Effective Date.

3. Distribution Agent

Except as otherwise provided in the Plan, all distributions under the Plan shall be made by the Reorganized Debtors as Distribution Agent, or by such other Entity designated by the Reorganized Debtors as a Distribution Agent on the Effective Date. The Distribution Agent shall not be required to give any bond or surety or other security for the performance of the Reorganized Debtors' duties as Distribution Agent unless otherwise ordered by the Bankruptcy Court. The Distribution Agent shall be empowered to (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (b) make all distributions contemplated hereby; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Distribution Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Distribution Agent to be necessary and proper to implement the provisions hereof. If the Distribution Agent is an Entity other than the Reorganized Debtors, such Entity shall be paid its reasonable fees and expenses, including the reasonable fees and expenses of its attorneys or other professionals. The Reorganized Debtors shall be the Distribution Agent with respect to all Claims against the Ranger Debtors.

4. Claims Administered by Servicers

In the case of Holders of Claims governed by an agreement and administered by a Servicer, the respective Servicer shall be deemed to be the Holder of such Claims for purposes of distributions to be made hereunder. The Distribution Agent shall make all distributions on account of such Claims to the Servicers or as directed by the Servicers, in the Servicers' sole discretion. Each Servicer shall, at its option, hold or direct such distributions for the beneficial Holders of such Allowed Claims, as applicable; *provided, however*, that the Servicer shall retain all rights under its respective agreement in connection with delivery of distributions to the beneficial Holders of such Allowed Claim, including rights on account of its charging lien; *provided further*, *however*, that the Debtors' and the Reorganized Debtors' obligations to make distributions pursuant to the Plan shall be deemed satisfied upon delivery of distributions to each Servicer or the Entity or Entities designated by the Servicers. The Servicers shall not be required to give any bond, surety, or other security for the performance of their duties with respect to such distributions. The Servicers shall be paid in Cash their reasonable fees and expenses, including the reasonable fees and expenses of their attorneys or other professionals by the Reorganized Debtors.

5. Distributions on Claims Allowed After the Effective Date

(a) *No Distributions Pending Allowance.* No payments or distributions shall be made with respect to all or any portion of a Disputed Claim unless and until all objections to such Disputed Claim have been settled or withdrawn or have been determined by a Final Order of the Bankruptcy Court, and the Disputed Claim has become an Allowed Claim.

(b) *Special Rules for Distributions to Holders of Disputed Claims.* Notwithstanding any provision otherwise in the Plan and except as otherwise agreed by the relevant parties no partial payments and no partial distributions shall be made with respect to a Disputed Claim until all such disputes in connection with such Disputed Claim have been resolved by settlement or Final Order. All distributions made pursuant to the Plan on account of a Disputed Claim that is later deemed an Allowed Claim by the Bankruptcy Court shall be made together with any dividends, payments, or other distributions made on account of, as well as any obligations arising from, the distributed property as if such Allowed Claim had been an Allowed Claim on the dates distributions were previously made to Holders of Allowed Claims included in the applicable Class; *provided, however*, that no interest shall be paid on account to such Allowed Claims unless required under applicable bankruptcy law.

(c) *Disputed Claims Reserve*. The Reorganized Debtors shall establish and administer the Disputed Claims Reserve. Each Holder of a Disputed TUSA General Unsecured Claim that becomes an Allowed TUSA General Unsecured Claim after the Effective Date shall receive a distribution of New TUSA HoldCo Common Stock from the Disputed Claims Reserve pursuant to the terms set forth in Section 8.05(b) of the Plan and at the time set forth in Section 8.01 of the Plan, together with such Holder's Rights Offering Securities, to the extent such Holder validly subscribed to purchase such Rights Offering Securities pursuant to the Rights Offering Procedures. On each Periodic Distribution Date, (i) all shares of New TUSA HoldCo Common Stock in the Disputed Claims Reserve on account of a Disputed TUSA General Unsecured Claim that has become Disallowed in whole or in part (or has been Allowed

in an amount less than its Provisionally Allowed amount) shall be redistributed ratably among (A) Holders of Allowed TUSA General Unsecured Claims and (B) the Disputed Claims Reserve and (ii) the correlative Rights Offering Securities in the Disputed Claims Reserve that were subscribed for by the Holder of such wholly or partially Disallowed Claim shall be automatically cancelled.

6. Delivery of Distributions

(a) *Record Date for Distributions*. On the Distribution Record Date, the Claims register shall be closed and the Distribution Agent shall be authorized and entitled to recognize only those record Holders listed on the Claims register as of the close of business on the Distribution Record Date. The RBL Agent shall have no obligation to recognize any transfer of any RBL Claims occurring after the close of business on the Distribution Record Date and shall instead be entitled to recognize and deal for all purposes under the Plan with only those Holders of record as of the close of business on the Distribution Record Date. Further, the Senior Notes Indenture Trustee shall have no obligation to recognize any transfer of any Senior Notes Claims occurring after the close of business on the Distribution Record Date and shall instead be entitled to recognize and deal for all purposes under the Plan with only those Holders of record as of the close of business on the Distribution Record Date.

(b) *Cash Distributions*. Distributions of Cash may be made either by check drawn on a domestic bank or wire transfer from a domestic bank, at the option of the Reorganized Debtors, except that Cash payments made to foreign creditors may be made in such funds and by such means as are necessary or customary in a particular foreign jurisdiction.

(c) *Address for Distributions.* Distributions to Holders of Allowed Claims shall be made by the Distribution Agent or the appropriate Servicer (i) at the addresses set forth on the proofs of Claim filed by such Holders of Claims (or at the last known addresses of such Holders of Claims if no proof of Claim is filed or if the Debtors or the Distribution Agent have been notified in writing of a change of address), (ii) at the addresses set forth in any written notices of address changes delivered to the Distribution Agent after the date of any related proof of Claim, (iii) at the addresses reflected in the Schedules if no proof of Claim has been filed and the Distribution Agent has not received a written notice of a change of address, or (iv) in the case of a Holder of a Claim whose Claim is governed by an agreement and administered by a Servicer, at the addresses contained in the official records of such Servicer. The Debtors, the Reorganized Debtors, and the Distribution Agent shall not incur any liability whatsoever on account of any distributions under the Plan.

(d) *Undeliverable Distributions*. If any distribution to a Holder of a Claim is returned as undeliverable, no further distributions to such Holder of such Claim shall be made unless and until the Distribution Agent or the appropriate Servicer is notified of then-current address of such Holder of the Claim, at which time all missed distributions shall be made to such Holder of the Claim without interest, dividends, or accruals of any kind on the next Periodic Distribution Date. Amounts in respect of undeliverable distributions shall be returned to the Reorganized Debtors until such distributions are claimed.

(e) *Reversion*. Any distribution under the Plan that is an Unclaimed Distribution for a period of six months after such distribution shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code and such Unclaimed Distribution shall revert to and vest in the Reorganized Debtors free of any restrictions thereon, and to the extent such Unclaimed Distribution is New TUSA HoldCo Common Stock, shall be deemed cancelled. Upon vesting, the Claim of any Holder or successor to such Holder with respect to such property shall be cancelled, discharged, and forever barred, notwithstanding federal or state escheat, abandoned, or unclaimed property laws to the contrary. The provisions of the Plan regarding undeliverable distributions and Unclaimed Distributions shall apply with equal force to distributions that are issued by the Reorganized Debtors or the Distribution Agent made pursuant to any indenture or Certificate (but only with respect to the initial distribution by the Servicer to Holders that are entitled to be recognized under the relevant indenture or Certificate and not with respect to Entities to whom those recognized Holders distribute), notwithstanding any provision in such indenture or Certificate to the contrary and notwithstanding any otherwise applicable federal or state escheat, abandoned, or unclaimed property law.

(f) *De Minimis Distributions*. Notwithstanding any other provision of the Plan to the contrary, the Reorganized Debtors, the Distribution Agent, and any Servicer shall not be required to make a distribution on account of an Allowed Claim if (i) the aggregate amount of all distributions authorized to be made on the Periodic Distribution Date in question is or has a value less than $100,000; *provided, however*, that the Reorganized Debtors shall make, or cause to be made, a distribution on a Periodic Distribution Date of less than $100,000 if the Reorganized Debtors expect that such Periodic Distribution Date shall be the final Periodic Distribution Date; or (ii) the amount to be distributed to the specific Holder of the Allowed Claim on the particular Periodic Distribution Date does not both (x) constitute a final distribution to such Holder and (y) have a value of at least $50.00.

(g) *Fractional Distributions*. Notwithstanding any other provision of the Plan to the contrary, the Reorganized Debtors, the Distribution Agent, and any Servicer shall not be required to make partial distributions or distributions of fractional shares or membership units of New TUSA HoldCo Common Stock or distributions or payments of fractions of dollars. Whenever any payment or distribution of a fractional share or membership unit of New TUSA HoldCo Common Stock under the Plan would otherwise be called for, such fraction shall be deemed zero. Whenever any payment of Cash of a fraction of a dollar pursuant to the Plan would otherwise be required, the actual payment shall reflect a rounding of such fraction to the nearest whole dollar (up or down), with half dollars or more being rounded up.

(h) *Accrual of Dividends and Other Rights*. For purposes of determining the accrual of dividends or other rights after the Effective Date, New TUSA HoldCo Common Stock shall be deemed distributed as of the Effective Date regardless of the date on which it is actually issued, dated, authenticated, or distributed; *provided*, *however*, the Reorganized Debtors shall not pay any such dividends or distribute such other rights, if any, until after distributions of New TUSA HoldCo Common Stock actually take place.

7. Surrender of Securities or Instruments

As soon as practicable after the Effective Date, each Holder of Senior Notes shall surrender its note(s) to the Senior Notes Indenture Trustee, or in the event such note(s) are held in the name of, or by a nominee of, DTC, the Reorganized Debtors shall seek the cooperation of DTC to provide appropriate instructions to the Senior Notes Indenture Trustee, and each Holder of Senior Notes shall be deemed to have surrendered each such Holder of Senior Note's note, debenture, or other evidence of indebtedness upon surrender of such global security by DTC or such other securities depository or custodian thereof. No distributions under the Plan shall be made for or on behalf of such Holder unless and until such note(s) is received by the Senior Notes Indenture Trustee or the loss, theft, or destruction of such note(s) is established to the reasonable satisfaction of the Indenture Trustee, which satisfaction may require such Holder to submit (a) a lost instrument affidavit and (b) an indemnity bond holding the Debtors, the Reorganized Debtors, and the Senior Notes Indenture Trustee, harmless in respect of such note and distributions made thereof. Upon compliance with Section 8.07 of the Plan by a Holder of Senior Notes, such Holder shall, for all purposes under the Plan, be deemed to have surrendered such Claim. Any Holder that fails to surrender such Senior Note or satisfactorily explain its non-availability to the Senior Notes Indenture Trustee within one year of the Effective Date shall be deemed to have no further Claim against the Debtors, the Reorganized Debtors (or their property), or the Senior Notes Indenture Trustee in respect of such Claim and shall not participate in any distribution under the Plan. All property in respect of such forfeited distributions, including interest thereon, shall be promptly returned to the Reorganized Debtors by the Senior Notes Indenture Trustee, and any such security shall be cancelled. Notwithstanding the foregoing, if the record Holder of a Senior Notes Claim is DTC or its nominee or such other securities depository or custodian thereof, or if a Senior Notes Claim is held in book-entry or electronic form pursuant to a global security held by DTC or such other securities depository or custodian thereof, then the beneficial Holder of such an Allowed Senior Notes Claim shall be deemed to have surrendered such Holder's security, note, debenture, or other evidence of indebtedness upon surrender of such global security by DTC or such other securities depository or custodian thereof.

8. Compliance Matters

In connection with the Plan, to the extent applicable, the Reorganized Debtors and the Distribution Agent shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Reorganized Debtors and the Distribution Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Reorganized Debtors reserve the right to allocate all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, and other spousal awards, Liens, and encumbrances.

9. Claims Paid or Payable by Third Parties

The Claims and Solicitation Agent shall reduce in full a Claim to the extent that the Holder of such Claim receives payment in full on account of such Claim from a party that is not the Debtors or the Reorganized Debtors without any further notice to or action, order, or approval of the Bankruptcy Court. To the extent a Holder of a Claim receives a distribution on account of such Claim and receives payment from a party that is not the Debtors or the Reorganized Debtors on account of such Claim, such Holder shall, within two weeks of receipt thereof, repay or return the distribution under the Plan to the Reorganized Debtors, to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan.

10. Setoffs

Except as otherwise expressly provided for in the Plan and except with respect to any RBL Claims or Senior Notes Claim, and any distribution on account thereof, the Reorganized Debtors pursuant to the Bankruptcy Code (including section 553 of the Bankruptcy Code), applicable non-bankruptcy law, or as may be agreed to by the Holder of a Claim, may set off against any Allowed Claim and the distributions to be made pursuant to the Plan on account of such Allowed Claim, any Claims, rights, and Causes of Action of any nature that the Debtors or the Reorganized Debtors, as applicable, may hold against the Holder of such Allowed Claim, to the extent such Claims, rights, or Causes of Action against such Holder have not been otherwise compromised or settled on or prior to the Effective Date (whether pursuant to the Plan or otherwise); *provided, however*, that neither the failure to effect such a setoff nor the allowance of any Claim pursuant to the Plan shall constitute a waiver or release by the Reorganized Debtors of any such Claims, rights, and Causes of Action that the Reorganized Debtors may possess against such Holder. In no event shall any Holder of Claims be entitled to set off any Claim against any Claim, right, or Cause of Action of the Debtors or the Reorganized Debtors, as applicable, unless such Holder has filed a motion with the Bankruptcy Court requesting the authority to perform such setoff on or before the Confirmation Date, and notwithstanding any indication in any proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to section 553 or otherwise.

11. Recoupment

In no event shall any Holder of Claims or Interests be entitled to recoup any Claim or Interest against any Claim, right, or Cause of Action of the Debtors or the Reorganized Debtors, as applicable, unless (a) such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtors on or before the Confirmation Date or (b) such Holder's right to recoupment is preserved by applicable bankruptcy law.

12. Allocation of Plan Distributions Between Principal and Interest

To the extent that any Allowed Claim entitled to a distribution under the Plan is composed of indebtedness and accrued but unpaid interest thereon, such distribution shall, to the extent permitted by applicable law, be allocated for federal income tax purposes to the principal

amount of the Claim first and then, to the extent the consideration exceeds the principal amount of the Claim, to the portion of such Claim representing accrued but unpaid interest.

H. Effect of Plan on Claims and Interests

1. Vesting of Assets

Except as otherwise explicitly provided in the Plan, on the Effective Date, all property comprising the Estate (including Causes of Action, but excluding property that has been abandoned pursuant to an order of the Bankruptcy Court) shall vest in the Reorganized Debtors which, as Debtors, owned such property or interest in property as of the Effective Date, free and clear of all Claims, Liens, charges, encumbrances, rights, and Interests (except for such Liens as may be retained in favor of the RBL Agent to secure the Excluded RBL Obligations); *provided*, *however*, that any property held by any of the inactive Debtors dissolved pursuant to Section 5.09 of the Plan shall vest in New TUSA HoldCo solely in its capacity as Distribution Agent for the Ranger Debtors. As of and following the Effective Date, the Reorganized Debtors may operate their business and use, acquire, and dispose of property and settle and compromise Claims, Interests, or Causes of Action without supervision of the Bankruptcy Court, free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan or the Confirmation Order.

2. Discharge of the Debtors

Pursuant to section 1141(d) of the Bankruptcy Code, except as otherwise specifically provided in the Plan or the Confirmation Order, and effective as of the Effective Date: (a) the distributions and rights that are provided in the Plan, if any, and the treatment of all Claims and Interests shall be in exchange for and in complete satisfaction, discharge, and release of all Claims and Causes of Action, whether known or unknown, including any interest accrued on such Claims from and after the Petition Date, against, liabilities of, Liens on, obligations of, rights against, and Interests in the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims, rights, and Interests, including, but not limited to, Claims and Interests that arose before the Effective Date and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not (i) a proof of Claim or Interest based upon such Claim, debt, right, or Interest is filed or deemed filed under section 501 of the Bankruptcy Code, (ii) a Claim or Interest based upon such Claim, debt, right, or Interest is Allowed under section 502 of the Bankruptcy Code, or (iii) the Holder of such a Claim, right, or Interest accepted the Plan; (b) the Plan shall bind all Holders of Claims and Interests notwithstanding whether any such Holders failed to vote to accept or reject the Plan or voted to reject the Plan; (c) all Claims and Interests shall be satisfied, discharged, and released in full, and the Debtors' liability with respect thereto shall be extinguished completely, including any liability of the kind specified under section 502(g) of the Bankruptcy Code; and (d) all Entities shall be precluded from asserting against the Debtors, the Estates, the Reorganized Debtors, their successors and assigns, and their assets and properties any other Claims or Interests based upon any documents, instruments, or any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date. The Confirmation Order shall be a judicial determination of

the discharge of all Claims against and Interests in the Debtors, subject to the occurrence of the Effective Date.

3. Compromise and Settlement

Pursuant to Bankruptcy Rule 9019(a), the Debtors may compromise and settle various (a) Claims or Interests and (b) Causes of Action that the Debtors have against other Entities up to the Effective Date. After the Effective Date, any such right shall pass to the Reorganized Debtors as contemplated in Section 9.01 of the Plan, without the need for further approval of the Bankruptcy Court. Pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided pursuant to the Plan or any distribution to be made on account of an Allowed Claim, the provisions of the Plan shall constitute a good-faith compromise of all Claims, Interests, and controversies relating to the contractual, legal, and subordination rights that a Holder of a Claim or Interest may have with respect to any Allowed Claim or Allowed Interest. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Interests, and controversies, as well as a finding by the Bankruptcy Court that any such compromise or settlement is in the best interests of the Debtors, their Estates, and Holders of Claims and Interests, and is fair, equitable, and reasonable.

4. Release by Debtors

Pursuant to section 1123(b) of the Bankruptcy Code, as of the Effective Date, the Debtors and their Estates, the Reorganized Debtors, and each of their respective current and former Affiliates shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released, waived, and discharged the Released Parties from any and all Claims, Interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative Claims, asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or in any way relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, provided under any applicable law, rule, or regulation, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the Plan, the Disclosure Statement, the Cash Collateral Order, the Backstop Commitment Agreement, the Plan Supplement, the Rights Offering, the Exit Facility, any other Plan Transaction Document, or related agreements, instruments, or other documents, upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date of the Plan, other than Claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes the failure to perform the duty to act in good faith and where such failure to perform constitutes willful misconduct, gross negligence, or actual fraud. Notwithstanding anything to the contrary in the foregoing, the release set forth above does not release any post-Effective Date obligations of any party under the Plan or any document, instrument, or agreement executed to implement the Plan. For the avoidance of doubt, nothing in this paragraph

shall in any way affect the operation of Section 9.02 of the Plan, pursuant to section 1141(d) of the Bankruptcy Code.

5. Release by Holders of Claims and Interests

(a) *Release by Holders of Claims and Interests*. As of the Effective Date, and as permitted by applicable law, the Releasing Parties shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released, waived, and discharged the Debtors, the Reorganized Debtors, their Estates, non-Debtor Affiliates, and the Released Parties from any and all Claims, Interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative Claims, asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, at law, in equity, or otherwise, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or in any way relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors provided under any applicable law, rule, or regulation, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the Plan, the Disclosure Statement, the Cash Collateral Order, the Backstop Commitment Agreement, the Plan Supplement, the Rights Offering, the Exit Facility, any other Plan Transaction Document, or related agreements, instruments, or other documents, upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date of the Plan, other than Claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes the failure to perform the duty to act in good faith and where such failure to perform constitutes willful misconduct or, gross negligence, or actual fraud. Notwithstanding anything to the contrary in the foregoing, the release set forth above does not release any post-Effective Date obligations of any party under the Plan or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan.

For the avoidance of doubt, except as expressly provided in the Plan, nothing in Section 9.05 of the Plan shall in any way affect the operation of Section 9.02 of the Plan, pursuant to section 1141(d) of the Bankruptcy Code.

6. Exculpation and Limitation of Liability

The Exculpated Parties shall neither have, nor incur, any liability to any Entity for any Exculpated Claim; *provided, however*, that the foregoing "exculpation" shall have no effect on the liability of any Entity arising out of or relating to any act or omission of a Released Party that constitutes the failure to perform the duty to act in good faith and where such failure to perform constitutes willful misconduct, gross negligence, or actual fraud.

The Exculpated Parties have, and upon Confirmation shall be deemed to have, participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including with regard to the distributions of the New TUSA HoldCo Common Stock and the Rights Offering Securities pursuant to the Plan and, therefore, are not and shall not be liable

at any time for the violations of any applicable, law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

7. Indemnification Obligations

From and after the Effective Date, the Reorganized Debtors will indemnify each Indemnitee to the same extent of any Indemnification Obligation in effect immediately prior to the Effective Date. The Reorganized Debtors' indemnification obligation shall remain in full force and effect and shall not be modified, reduced, discharged, impaired, or otherwise affected in any way. The treatment of Indemnification Obligations in Section 9.07 of the Plan shall be in complete satisfaction, discharge, and release of any Claim on account of such Indemnification Obligation of the Debtors, except that any Indemnitee may assert a Claim in the Chapter 11 Cases for any prepetition Indemnification Obligation that is not satisfied because of the limitation contained in the prior sentence.

8. Injunction

The satisfaction, release, and discharge pursuant to Article IX of the Plan shall act as an injunction, from and after the Effective Date, against any Entity (a) commencing or continuing in any manner or in any place, any action, employment of process, or other proceeding; (b) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order; (c) creating, perfecting, or enforcing any Lien or encumbrance; (d) asserting a setoff, right of subrogation, or recoupment of any kind against any debt, liability, or obligation due to the Debtors, except as set forth in Sections 8.10 or 8.11 of the Plan, in each case with respect to any Claim, Interest, or Cause of Action satisfied, released or to be released, exculpated or to be exculpated, or discharged under the Plan or pursuant to the Confirmation Order and to the fullest extent authorized or provided by the Bankruptcy Code, including to the extent provided for or authorized by sections 524 and 1141 thereof; *provided*, *however*, that nothing contained in the Plan shall preclude such Entities from exercising their rights pursuant to and consistent with the terms of the Plan or the Confirmation Order.

9. Injunction Against Worthless Stock Deductions

Unless otherwise ordered by the Bankruptcy Court, on and after the Confirmation Date, any person or group of persons constituting a "fifty percent shareholder" of TUSA within the meaning of section 382(g)(4)(D) of the Internal Revenue Code shall be enjoined from (a) claiming a worthless stock deduction with respect to any Old TUSA Common Stock held by such person(s) (or otherwise treating such Old TUSA Common Stock as worthless for U.S. federal income tax purposes) for any taxable year of such person(s) ending prior to the Effective Date, (b) making an election pursuant to Treasury Regulations section 1.1502-36(d)(6), or (c) taking any other action that would reduce, limit, or otherwise adversely affect the U.S. federal income tax attributes of TUSA.

10. Subordination Rights

(a) Except as otherwise provided in the Plan, the allowance, classification, and treatment of all Allowed Claims and the respective distributions and treatments under the Plan take into account and conform to the relative priority and rights of the

Claims in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code, or otherwise. All Claims and all rights and claims between or among Holders of Claims relating in any manner whatsoever to distributions on account of Claims or Interests, based upon any claimed subordination rights, whether asserted or unasserted, legal or equitable, shall be deemed satisfied by the distributions under the Plan to Holders of Claims having such subordination rights, and such subordination rights shall be deemed waived, released, discharged, and terminated as of the Effective Date. Except as otherwise specifically provided for in the Plan, distributions to the various Classes of Claims hereunder shall not be subject to levy, garnishment, attachment, or like legal process by any Holder of a Claim by reason of any subordination rights or otherwise, so that each Holder of a Claim shall have and receive the benefit of the distributions in the manner set forth in the Plan.

(b) Except as otherwise provided in the Plan, the right of the Debtors or the Reorganized Debtors to seek subordination of any Claim or Interest pursuant to section 510 of the Bankruptcy Code is fully reserved, and the treatment afforded any Claim or Interest that becomes a subordinated Claim or Interest at any time shall be modified to reflect such subordination. Unless the Plan or the Confirmation Order otherwise provide, no distributions shall be made on account of a Claim subordinated pursuant to Section 9.10(b) of the Plan unless ordered by the Bankruptcy Court.

11. Protections Against Discriminatory Treatment

Consistent with section 525 of the Bankruptcy Code and clause 2 of Article VI of the United States Constitution, no Governmental Unit shall discriminate against the Reorganized Debtors or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Reorganized Debtors, or another Entity with whom the Reorganized Debtors have been associated, solely because the Reorganized Debtors have been debtors under chapter 11, have been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or have not paid a debt that is dischargeable in the Chapter 11 Cases.

12. Release of Liens

Except as otherwise provided in the Plan, including Section 3.02(b) of the Plan, or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released, and discharged, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Reorganized Debtors and their successors and assigns.

13. Reimbursement or Contribution

If the Bankruptcy Court disallows a Claim for reimbursement or contribution of an Entity pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is contingent as of the Effective Date, such Claim shall be forever Disallowed notwithstanding

section 502(j) of the Bankruptcy Code, unless prior to the Effective Date (a) such Claim has been adjudicated as non-contingent or (b) the relevant Holder of a Claim has filed a contingent proof of Claim on account of such Claim and a Final Order has been entered determining such Claim as no longer contingent.

I. Conditions Precedent

1. Conditions Precedent to the Effective Date of the Plan

The following are conditions precedent to the occurrence of the Effective Date, each of which may be satisfied or waived in accordance with Section 10.02 of the Plan:

(a) except as otherwise set forth in the Plan, the Plan and Plan Transaction Documents shall be in form and substance reasonably acceptable to the Required Participating Noteholders;

(b) the Plan and Confirmation Order shall be in form reasonably acceptable to the RBL Agent; *provided*, *however*, that all provisions of the Plan and the Confirmation Order relating to the RBL Credit Documents (as defined in the Cash Collateral Order), the Prepetition Secured Indebtedness (as defined in the Cash Collateral Order), the Adequate Protection Obligations, and the Cash Collateral Order shall be acceptable to the RBL Agent in its sole discretion:

(c) the Bankruptcy Court shall have entered the Confirmation Order, and such order shall be a Final Order;

(d) the Bankruptcy Court shall have entered the Backstop and Rights Offering Procedures Approval Order, and such order shall be a Final Order, and the Debtors shall have paid all reasonable and documented fees and expenses in accordance with the terms thereof;

(e) the Rights Offering shall have been consummated in all material respects in accordance with the Backstop and Rights Offering Procedures Approval Order and the Backstop Commitment Agreement;

(f) the Backstop Commitment Agreement shall not have been terminated;

(g) TUSA (i) shall have obtained the Exit Facility, (ii) shall have executed and delivered the documentation governing the Exit Facility, which Exit Facility shall close substantially contemporaneously with the Effective Date, and (iii) all conditions to effectiveness of the Exit Facility shall have been satisfied or waived (or will be satisfied and waived substantially concurrently with the occurrence of the Effective Date);

(h) the New Corporate Governance Documents shall have been adopted and (where required by applicable law) filed with the applicable authorities of the relevant jurisdictions of organization and shall have become effective in accordance with such

jurisdiction's corporation, limited liability company, or alternative comparable laws, as applicable;

(i) all authorizations, consents, certifications, approvals, rulings, no action letters, opinions or other documents, or actions required by any law, regulation, or order to be received or to occur in order to implement the Plan on the Effective Date shall have been obtained or shall have occurred unless failure to do so will not have a material adverse effect on the Reorganized Debtors;

(j) all statutory fees and obligations then due and payable to the Office of the United States Trustee shall have been paid and satisfied in full; and

(k) the Adequate Protection Obligations, including but not limited to, the adequate protection payments and fees and expenses payable by the Debtors under the Cash Collateral Order shall have been paid in full in Cash.

2. Waiver of Conditions Precedent

(a) The conditions set forth in Section 10.01(a), (d), (e), (f), (h) (i), and (j) of the Plan may be waived, in whole or in part, by the Debtors, with the consent of the Required Participating Noteholders and each Backstop Party.

(b) The conditions set forth in Section 10.01(k) may be waived, in whole or in part, by the Debtors, with the consent of the RBL Agent, in its sole discretion.

(c) The conditions set forth in Section 10.01, (b), (c) and (g) of the Plan may be waived, in whole or in part, by the Debtors, with the consent of the RBL Agent and the Required Participating Noteholders, and each Backstop Party, in each of their sole discretion.

3. Notice of Effective Date

The Reorganized Debtors shall file with the Bankruptcy Court a notice of the occurrence of the Effective Date within a reasonable period of time after the conditions in Section 10.01 of the Plan have been satisfied or waived pursuant to Section 10.02 of the Plan.

4. Effect of Non-Occurrence of Conditions to Consummation

If, prior to consummation of the Plan, the Confirmation Order is vacated pursuant to a Final Order, then except as provided in any order of the Bankruptcy Court vacating the Confirmation Order, the Plan will be null and void in all respects, and nothing contained in the Plan or Disclosure Statement shall (a) constitute a waiver or release of any Claims, Interests, or Causes of Action, (b) prejudice in any manner the rights of the Debtors or any other Entity, or (c) constitute an admission, acknowledgment, offer, or undertaking of any sort by the Debtors or any other Entity.

J. Bankruptcy Court Jurisdiction

1. Retention of Jurisdiction

Pursuant to sections 105(a) and 1142 of the Bankruptcy Code, the Bankruptcy Court shall have exclusive jurisdiction of all matters arising out of, and related to, the Chapter 11 Cases and the Plan, including jurisdiction to:

(a) resolve any matters related to Executory Contracts and Unexpired Leases, including: (i) the assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases to which the Debtors are a party or with respect to which the Debtors may be liable, and to hear and determine the allowance of Claims resulting therefrom including the amount of Cure, if any, required to be paid; (ii) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed; (iii) the Reorganized Debtors' amendment, modification, or supplement after the Effective Date, pursuant to Article VI of the Plan, of the lists of Executory Contracts and Unexpired Leases to be assumed or rejected or otherwise; and (iv) any dispute regarding whether a contract or lease is or was executory or expired;

(b) adjudicate any and all adversary proceedings, applications, and contested matters that may be commenced or maintained pursuant to the Chapter 11 Cases, the Plan, or that were the subject of proceedings before the Bankruptcy Court, prior to the Effective Date, proceedings to adjudicate the allowance of Disputed Claims and Disputed Interests, and all controversies and issues arising from or relating to any of the foregoing;

(c) ensure that distributions to Holders of Allowed Claims are accomplished as provided in the Plan and adjudicate any and all disputes arising from or relating to distributions under the Plan;

(d) allow in whole or in part, disallow in whole or in part, determine, liquidate, classify, estimate, or establish the priority, secured or unsecured status, or amount of any Claim or Interest, including hearing and determining any and all objections to the allowance or estimation of Claims or Interests filed, both before and after the Confirmation Date, including any objections to the classification of any Claim or Interest, and the resolution of request for payment of any Administrative Claim;

(e) hear and determine or resolve any and all matters related to Causes of Action;

(f) enter and implement such orders as may be appropriate if the Confirmation Order is for any reason stayed, revoked, modified, and/or vacated;

(g) issue and implement orders in aid of execution, implementation, or consummation of the Plan;

(h) consider any modifications of the Plan, to Cure any defect or omission, or to reconcile any inconsistency in any order of the Bankruptcy Court, including the Confirmation Order;

(i) hear and determine all applications for allowance of compensation and reimbursement of Professional Claims under the Plan or under sections 330, 331, 503(b), 1103, and 1129(a)(4) of the Bankruptcy Code;

(j) determine requests for the payment of Claims entitled to priority under section 507(a)(1) of the Bankruptcy Code, including compensation and reimbursement of expenses of parties entitled thereto;

(k) adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;

(l) hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan or the Confirmation Order, including disputes arising under agreements, documents, or instruments executed in connection with the Plan and disputes arising in connection with any Entity's obligations incurred in connection with the Plan;

(m) hear and determine all suits or adversary proceedings to recover assets of the Debtors and property of their Estates, wherever located;

(n) hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;

(o) resolve any matters relating to any pre- and post-Confirmation sales of the Debtors' assets;

(p) grant any consensual request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code;

(q) hear any other matter not inconsistent with the Bankruptcy Code;

(r) hear and determine all disputes involving the existence, nature, or scope of the Debtors' discharge;

(s) enter a Final Decree closing the Chapter 11 Cases;

(t) enforce all orders previously entered by the Bankruptcy Court;

(u) hear and determine all matters relating to any section 510(b) Claim; and

(v) hear and determine all matters arising in connection with the interpretation, implementation, or enforcement of the Backstop Commitment Agreement and the Rights Offering.

From the Confirmation Date through the Effective Date, the Bankruptcy Court shall retain jurisdiction with respect to each of the foregoing items and all other matters that were subject to its jurisdiction prior to the Confirmation Date. Nothing contained in the Plan shall be

construed to increase, decrease, or otherwise modify the independence, sovereignty, or jurisdiction of the Bankruptcy Court.

K. Miscellaneous Provisions

1. Binding Effect

Upon the Effective Date, the Plan shall be binding upon and inure to the benefit of the Debtors, the Reorganized Debtors, all current and former Holders of Claims, all current and former Holders of Interests, and all other parties-in-interest and their respective heirs, successors, and assigns.

2. Payment of Statutory Fees

All fees payable pursuant to section 1930 of title 28 of the United States Code, as of the entry of the Confirmation Order as determined by the Bankruptcy Court at the Confirmation Hearing, shall be paid on the Effective Date. The Reorganized Debtors shall continue to pay fees pursuant to section 1930 of title 28 of the United States Code until the Chapter 11 Cases are closed by entry of the Final Decree. Furthermore, following entry of the Confirmation Order, the Reorganized Debtors shall continue to file quarterly reports in compliance with Bankruptcy Rule 2015(a)(5); *provided*, *however*, such reports shall not purport to be prepared in accordance with GAAP, may not be construed as reports filed under the Securities Exchange Act, and may not be relied upon by any party for any purpose except as set forth in Bankruptcy Rule 2015(a)(5).

3. Restructuring Expenses

On the Effective Date, the Debtors or the Reorganized Debtors, as applicable, shall pay in full in Cash all outstanding Restructuring Expenses not previously paid pursuant to an order of the Bankruptcy Court in accordance with the terms of the applicable engagement letters entered into or acknowledged by the Debtors or other applicable arrangements, without the need for any application or notice to or approval by the Bankruptcy Court. Restructuring Expenses invoiced after the Effective Date, covering the period prior to or on the Effective Date, shall be paid promptly by the Reorganized Debtors following receipt of invoices therefor and the terms of the applicable documents giving rise to such rights; *provided*, *however*, that the Debtors or the Reorganized Debtors, as applicable, reserve their right to dispute the reasonableness of any such Restructuring Expenses, and any such dispute that is not consensually resolved among the parties shall be resolved by the Bankruptcy Court pursuant to Section 2.01 of the Plan.

4. Modification and Amendment

The Debtors may alter, amend, or modify the Plan under section 1127(a) of the Bankruptcy Code at any time prior to the Confirmation Date, provided that such amendments and modifications are consistent with the Cash Collateral Order and that nothing in the Plan shall be deemed to imply that any other party has consented to such amendment. After the Confirmation Date and prior to substantial consummation of the Plan as defined in section 1101(2) of the Bankruptcy Code, the Debtors may under section 1127(b) of the Bankruptcy Code, institute proceedings in the Bankruptcy Court to remedy any defect or omission or

reconcile any inconsistencies in the Plan, the Disclosure Statement, or the Confirmation Order, and such matters as may be necessary to carry out the purposes and effects of the Plan.

5. Confirmation of Plan

The Debtors request Confirmation of the Plan under section 1129(b) of the Bankruptcy Code with respect to any Impaired Class that does not accept the Plan pursuant to section 1126 of the Bankruptcy Code. The Debtors reserve the right to amend the Plan to any extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification.

6. Additional Documents

On or before the Effective Date, the Debtors may file with the Bankruptcy Court such agreements or other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors or the Reorganized Debtors, as applicable, and Holders of Claims receiving distributions pursuant to the Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provision and intent of the Plan.

7. Revocation, Withdrawal, Non-Consummation

(a) *Right to Revoke or Withdraw*. The Debtors reserve the right to revoke or withdraw the Plan at any time prior to the Effective Date and file subsequent chapter 11 plans, subject to the terms of the Cash Collateral Order.

(b) *Effect of Withdrawal, Revocation, or Non-Consummation*. If the Debtors revoke or withdraw the Plan prior to the Effective Date, or if the Confirmation Date or the Effective Date does not occur, then the Plan, any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain any Claim or Class of Claims or the allocation of the distributions to be made hereunder), the assumption or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan shall be null and void in all respects. In such event, nothing contained in the Plan or in the Disclosure Statement, and no acts taken in preparation for consummation of the Plan, shall be deemed to constitute a waiver or release of any Claims, Interests, or Causes of Action by or against the Debtors or any other Entity, to prejudice in any manner the rights and defenses of the Debtors, the Holder of a Claim or Interest, or any Entity in any further proceedings involving the Debtors, or to constitute an admission, acknowledgement, offer, or undertaking of any sort by the Debtors or any other Entity.

8. Notices

After the Effective Date, any pleading, notice, or other document required by the Plan to be served on or delivered on the parties below shall be served as follows:

If to the Debtors or the Reorganized Debtors:

TRIANGLE USA PETROLEUM CORPORATION
1200 17th Street, Suite 2500
Denver, Colorado 80202
Attn: General Counsel

With a copy (which shall not constitute notice) to:

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
155 North Wacker Drive
Chicago, Illinois 60606
Attn: George N. Panagakis
Ron E. Meisler
Christopher M. Dressel
Renu P. Shah

– and –

One Rodney Square
P.O. Box 636
Wilmington, Delaware 19899
Attn: Sarah E. Pierce

If to the Office of the United States Trustee:

OFFICE OF THE UNITED STATES TRUSTEE
FOR THE DISTRICT OF DELAWARE
Room 2207, Lockbox 35
844 North King Street
Wilmington, Delaware 19801
Attn: Jane Leamy

9. Term of Injunctions or Stays

Unless otherwise provided in the Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and existing on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order) shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

10. Governing Law

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of New York shall govern the construction and implementation of the Plan, any agreements, documents, and instruments executed in connection with the Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreements shall control). Corporate governance matters shall be governed by the laws of the state of incorporation, formation, or functional equivalent thereof, as applicable, of the applicable Reorganized Debtor.

11. Entire Agreement

Except as otherwise indicated, the Plan supersedes all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan.

12. Severability

If, prior to Confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is (a) valid and enforceable pursuant to its terms, (b) integral to the Plan and may not be deleted or modified without the consent of (i) the Debtors, (ii) Required Participating Noteholders (not to be unreasonably withheld), (iii), with respect to any document over which the Backstop Parties have consent rights pursuant to the Backstop and Rights Offering Procedures Approval Order, the Backstop Parties, and (iv) to the extent set forth in the Cash Collateral Order, the Prepetition Secured Parties, and (c) non-severable and mutually dependent.

13. No Waiver or Estoppel

Upon the Effective Date, each Holder of a Claim or Interest shall be deemed to have waived any right to assert that its Claim or Interest should be Allowed in a certain amount, in a certain priority, be secured, or not be subordinated by virtue of an agreement made with the Debtors and/or their counsel or any other party, if such agreement was not disclosed in the Plan, the Disclosure Statement, or papers filed with the Bankruptcy Court.

14. Conflicts

In the event that the provisions of the Disclosure Statement and the provisions of the Plan conflict, the terms of the Plan shall govern.

VIII. RISK FACTORS TO BE CONSIDERED

PRIOR TO VOTING TO ACCEPT OR REJECT THE PLAN, ALL HOLDERS OF CLAIMS THAT ARE IMPAIRED AND ENTITLED TO VOTE SHOULD READ AND CONSIDER CAREFULLY THE FACTORS SET FORTH HEREIN, AS WELL AS ALL OTHER INFORMATION SET FORTH OR OTHERWISE REFERENCED IN THIS DISCLOSURE STATEMENT. ALTHOUGH THESE RISK FACTORS ARE MANY, THESE FACTORS SHOULD NOT BE REGARDED AS CONSTITUTING THE ONLY RISKS PRESENT IN CONNECTION WITH THE DEBTORS' BUSINESS OR THE PLAN AND ITS IMPLEMENTATION.

As noted above, there can be no guarantee that the assumptions, estimates, and projections underlying the Plan will continue to be accurate or valid at any time after the date hereof. This section of this Disclosure Statement explains that there are certain risk factors that each voting Holder of a Claim should consider in determining whether to vote to accept or reject the Plan. Accordingly, each Holder of a Claim who is entitled to vote on the Plan should read and carefully consider the following factors, as well as the other information set forth in this Disclosure Statement (and the documents delivered together herewith and/or incorporated by reference herein), before deciding whether to vote to accept or to reject the Plan.

A. General

The Plan sets forth the means for satisfying the Claims against and Interests in each of the Debtors. Certain Claims are not expected to be paid in full. Nevertheless, the reorganization of the Debtors' business and operations under the proposed Plan avoids the potentially adverse impact of the likely increased delays and costs associated with a chapter 7 liquidation of the Debtors. The Plan has been proposed after a careful consideration of all reasonable restructuring alternatives. Despite the risks inherent in the Plan, as described herein, the Debtors believe that the Plan is in the best interests of creditors when compared to all reasonable alternatives.

B. The Plan May Not Be Accepted by Sufficient Holders of Impaired Claims.

The Plan is subject to a vote of Holders of Impaired Claims in voting Classes and to confirmation by the Bankruptcy Court. Article X hereof summarizes the numerous requirements for confirmation of the Plan, including that the Plan be accepted by at least one Class of Impaired Claims. There can be no assurance that the requisite acceptances to confirm the Plan will be obtained. Thus, while the Debtors believe the Plan is confirmable under the standards set forth in Bankruptcy Code section 1129, there is no guarantee that the Plan will be accepted by the requisite Classes entitled to vote on the Plan.

C. The Bankruptcy Court May Not Confirm the Plan.

Even if all voting Impaired Classes vote in favor of the Plan, and even if with respect to any Impaired Class deemed to have rejected the Plan the requirements for "cramdown" (discussed in more detail in Section X.F herein) are met, the Bankruptcy Court, which, as a court of equity, has substantial discretion concerning Plan confirmation, and may choose not to confirm the Plan. Bankruptcy Code section 1129 requires, among other things, a showing that confirmation of the Plan will not be followed by liquidation or the need for further financial

reorganization of the Debtors, and that the value of distributions to dissenting Holders of Claims and Interests will not be less than the value such Holders would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code, see *infra* Section X.C. Although the Debtors believe that the Plan will meet such tests, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

Based on a valuation of the Reorganized Debtors described in **Exhibit C** of this Disclosure Statement, the Debtors estimate that distributions under the Plan to holders of Allowed Claims in Class 5 (*i.e.*, TUSA General Unsecured Claims) will result in a recovery less than total Allowed Amount of Claims in such Class. Consist with the Debtors' valuation of the Reorganized Debtors, the Plan provides that the Existing TUSA Common Stock will be cancelled as of the Effective Date and that there will be no recovery for TPC, the Holder of the Existing TUSA Common Stock.

The Debtors understand that TPC is currently investigating the assumptions underlying the valuation analysis described in **Exhibit C**, and, if it concludes that these assumptions are incorrect and the value proposed to be distributed under the Plan to Holders of Claims in Class 5 exceeds the Allowed Amount of such Claims, it may assert that the Plan violates the "absolute priority rule," "discriminates unfairly" against TPC, and is not be confirmable.

D. Industry-Specific Risk Factors

The following are risk factors pertaining to the Debtor's operations and industry:

(a) Oil and natural gas prices are volatile and change for reasons beyond the Debtors' control. Decreases in the price the Debtors receive for their production adversely affect the Debtors' business, financial condition, results of operations, and liquidity.

(b) Oil and natural gas exploration, exploitation, and development activities may not be successful and could result in a complete loss of a significant investment.

(c) The oil and natural gas industries are subject to complex laws and regulations, including environmental laws and regulations that can adversely affect the cost, manner, and feasibility of doing business and limit Debtors' future growth.

E. Bankruptcy-Specific Risk Factors That Could Negatively Impact the Debtors' Business

1. The Debtors are subject to the risks and uncertainties associated with the Chapter 11 Cases.

For the duration of the Chapter 11 Cases, the Debtors' operations and their ability to execute their business strategy will be subject to risks and uncertainties associated with bankruptcy. These risks include:

(a) the Debtors' ability to continue as a going concern;

(b) the Debtors' ability to obtain Bankruptcy Court approval with respect to motions filed in the Chapter 11 Cases;

(c) the Debtors' ability to develop, prosecute, confirm, and consummate the proposed Plan or any other plan of reorganization with respect to the Chapter 11 Cases;

(d) the ability of third parties to seek and obtain court approval to terminate or shorten the exclusivity period for the Debtors to propose and confirm a plan of reorganization, to appoint a chapter 11 trustee, or to convert the Chapter 11 Cases to chapter 7 cases;

(e) the Debtors' ability to retain key vendors or secure alternative supply sources;

(f) the Debtors' ability to obtain and maintain normal payment and other terms with vendors and service providers;

(g) the Debtors' ability to maintain contracts that are critical to its operations;

(h) the Debtors' ability to attract, motivate, and retain management and other key employees; and

(i) the Debtors' ability to fund and execute their business plan.

2. The Debtors' business could suffer from a long and protracted restructuring.

Although the Debtors will seek to make their stay in chapter 11 as brief as possible and to obtain relief from the Bankruptcy Court so as to minimize any potential disruption to their business operations, it is possible that the commencement and pendency of the Chapter 11 Cases could materially adversely affect the relationship among the Debtors, customers, employees, vendors, and service providers.

The Debtors' future results are dependent upon the successful confirmation and implementation of a plan of reorganization. Failure to obtain this approval in a timely manner could adversely affect the Debtors' operating results, as their ability to obtain financing to fund operations may be harmed, and the Debtors may need to pursue the Sales Process pursuant to the Final Cash Collateral Order. Accordingly, if the Plan is not confirmed and implemented within the Plan Milestones, there is a significant risk that the value of the Debtors' enterprise would be substantially eroded to the detriment of all stakeholders.

Furthermore, the Debtors cannot predict the ultimate amount of all settlement terms for the liabilities that will be subject to a plan of reorganization. Even once a plan of reorganization is approved and implemented, the Debtors' operating results may be adversely affected by the possible reluctance of prospective lenders, customers, or vendors to do business with a company that recently emerged from bankruptcy proceedings.

F. Classification and Treatment of Claims and Interests

Bankruptcy Code section 1122 requires that the Plan classify Claims against, and Interests in, the Debtors. The Bankruptcy Code also provides that the Plan may place a Claim or Interest in a particular Class only if such Claim or Interest is substantially similar to the other Claims or Interests of such Class. The Debtors believe that all Claims and Interests have been appropriately classified in the Plan.

To the extent that the Bankruptcy Court finds that a different classification is required for the Plan to be confirmed, the Debtors would seek (a) to modify the Plan to provide for whatever classification might be required for confirmation and (b) to use the acceptances received from any creditor pursuant to this solicitation for the purpose of obtaining the approval of the Class or Classes of which such creditor ultimately is deemed to be a member. Any such reclassification of creditors, although subject to the notice and hearing requirements of the Bankruptcy Code, could adversely affect the Class in which such creditor was initially a member, or any other Class under the Plan, by changing the composition of such Class and the vote required for approval of the Plan. There can be no assurance that the Bankruptcy Court, after finding that a classification was inappropriate and requiring a reclassification, would approve the Plan based upon such reclassification. Except to the extent that modification of classification in the Plan requires resolicitation, the Debtors will, in accordance with the Bankruptcy Code and the Bankruptcy Rules, seek a determination by the Bankruptcy Court that acceptance of the Plan of any Holder of Claims pursuant to this solicitation will constitute a consent to the Plan's treatment of such Holder regardless of the Class as to which such Holder is ultimately deemed to be a member. The Debtors believe that under the Bankruptcy Rules, they would be required to resolicit votes for or against the Plan only when a modification adversely affects the treatment of the Claim of any creditor or equity holder.

The Bankruptcy Code also requires that the Plan provide the same treatment for each Claim or Interest of a particular Class unless the Holder of a particular Claim or Interest agrees to a less favorable treatment of its Claim or Interest. The Debtors believe that the Plan complies with the requirement of equal treatment. To the extent that the Bankruptcy Court finds that the Plan does not satisfy such requirement, the Bankruptcy Court could deny confirmation of the Plan.

Issues or disputes relating to classification and/or treatment could result in a delay in the confirmation and consummation of the Plan and could increase the risk that the Plan will not be consummated.

G. Conditions Precedent to Consummation of the Plan

Article XI of the Plan provides for certain conditions that must be satisfied (or waived) prior to the Effective Date. As of the date of this Disclosure Statement, there can be no assurance that any or all of the conditions in the Plan will be satisfied (or waived). Accordingly, even if the Plan is confirmed by the Bankruptcy Court, there can be no assurance that the Plan will be consummated and the restructuring completed.

H. Funding Necessary for the Consummation of the Plan

The Debtors require additional capital to fund their future operations. Although the Debtors have made substantially progress toward securing the capital necessary to consummate the Plan, there can be no assurance that the contemplated financing transactions will be successfully and timely completed.

More specifically, the occurrence of the Effective Date is predicated on, among other things, (i) consummation of the backstopped Rights Offering and (ii) entry into a new senior-secure reserve-based Exit Facility. Certain Backstop Parties (each of whom is a member of the Ad Hoc Noteholder Group) have agreed to backstop $150 million of the Rights Offering on the terms appended to the Rights Offering Motion and definitively documented in the Backstop Commitment Agreement. The Backstop Parties' agreement to backstop the Rights Offering is conditioned, however, on certain other conditions precedent described in the Backstop Commitment Agreement. Although the Debtors believe that the conditions precedent and other terms of the Backstop Commitment Agreement are reasonable and customary for an agreement of that type, there can be no assurance that the Debtors will satisfy the applicable conditions necessary to consummate the backstopped Rights Offering.

Similarly, while the Debtors have engaged JPMorgan to arrange and syndicate an Exit Facility, a role in which JPMorgan has substantial experience and expertise, the Debtors' ability to realize the contemplated Exit Facility is subject to certain risks and contingencies. JPMorgan's ability to successfully syndicate the Exit Facility among other financial institutions is not assured. In addition, while the indicative proposed terms of the Exit Facility, as described in **Exhibit F**, are in the Debtors' judgment reasonable and customary for a facility of that nature, the final terms of the Exit Facility are subject to further agreement and definitive documentation. Moreover, the closing of the Exit Facility will be subject to various conditions, and there can be no guarantee that the applicable conditions will be satisfied or waived. If the Debtors are unsuccessful in executing the contemplated exit financing transactions with JPMorgan, they may have to seek alternative sources of capital. There can be no guarantee that comparable financing will be available from other providers on as favorable terms or at all.

If the Debtors do not receive the necessary exit financing, and/or are unable to consummate the Rights Offering and backstop, the Debtors will not be able to effectuate the transactions necessary for consummation on the Effective Date.

I. Liquidation Under Chapter 7

If no plan can be confirmed, the Chapter 11 Cases may be converted to a case under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be elected or appointed to liquidate the assets of the Debtors for distribution in accordance with the priorities established by the Bankruptcy Code. A discussion of the effects that chapter 7 liquidation would have on the recoveries of holders of Claims and the Debtors' Liquidation Analysis is described herein and attached hereto as **Exhibit B**.

J. Certain Tax Consequences of the Plan

Some of the material consequences of the Plan regarding United States federal income taxes, including certain relevant tax risks, are summarized in Article XII. You are urged to consider such analysis carefully.

K. The Debtors May Be Unsuccessful in Addressing Their Above-Market Midstream Arrangements.

The Debtors have identified the realignment of their midstream cost structure with prevailing market conditions as a key objective of these Chapter 11 Cases. Accordingly, as discussed in detail above, the Debtors have made extensive efforts to renegotiate or, if necessary, reject their burdensome and above-market midstream services agreements with Caliber. There can be no guarantee, however, that the Debtors will reach a consensual, commercial resolution with Caliber or succeed in their litigation with Caliber.

Section 6.03 the Plan provides for the rejection of the Specified Caliber Contracts, subject to: (i) the entry of a final order or judgment in the Caliber Declaratory Judgment Action determining that the Specified Caliber Contracts do not constitute or contain a covenant running with the land; and (ii) the entry of a Final Order or judgment determining the Allowed amount of the Caliber Rejection Damages Claim, or estimating the maximum amount thereof, in an amount less than or equal to the Caliber Rejection Damages Cap (*i.e.* $75 million). There is no guarantee that the Debtors will succeed in the litigation necessary to satisfy both of these conditions. If the Debtors fail to satisfy either or both of these conditions, then the Specified Caliber Contracts will be deemed assumed and (absent a consensual resolution with Caliber) the Debtors will not realize the cost savings associated with rejection of the Specified Caliber Contracts. While the Debtors believe the Plan would be feasible even if the Specified Caliber Contracts were assumed (as the Financial Projections illustrate), assumption of these above-market agreements necessarily will make the Debtors' post-emergence business less valuable and thereby depress recoveries for creditors.

L. The Debtors May Be Unsuccessful in Obtaining Approval of Section 9.09 of the Plan.

To preserve the ability of the Debtors to use any available tax attributes, the Debtors have requested an injunction (the "**Tax Injunction**") in Section 9.09 of the Plan prohibiting any person or group of persons constituting a "fifty percent shareholder" of TUSA within the meaning of section 382(g)(4)(D) of the Internal Revenue Code from, among other things, taking a worthless stock deduction with respect to any Old TUSA Common Stock for any taxable year ending prior to the Effective Date and any other action that would reduce, limit, or otherwise adversely affect the U.S. federal income tax attributes of TUSA. Without entry of the Tax Injunction to be contained in the Confirmation Order, the Debtors believe their ability to use the tax attributes could be eliminated or significantly impaired, which could limit the Debtors' ability to take advantage of future business opportunities such as asset sales without incurring significant additional taxes. To the extent any tax attributes of the Debtor survive after any reduction of attributes due to any cancellation of debt income, such attributes could be used to offset the Debtors' future taxable income.

The Debtors have requested from TPC information relating to the Debtors' tax attributes and to analyses performed by TPC's advisors addressing the extent to which New TUSA HoldCo and Reorganized TUSA will have tax attributes available to them following the restructuring. However, the Debtors have not received this information. As a result, no assurance can be made that the Debtors will have tax attributes available to them following the restructuring.

TUSA's parent, TPC, indicates that it opposes the relief sought by the Debtors on the grounds that the relief to be requested in the Confirmation Order, if granted, would impermissibly prevent TPC from taking a worthless stock deduction for any taxable year ending prior to the Effective Date due to loss of TPC's investment in TUSA stemming from TUSA's proposed cancellation of Old TUSA Common Stock owned by TPC under the Plan without any return distribution or other consideration to TPC. The Debtors understand that TPC intends to challenge the Tax Injunction being sought under the Confirmation Order but the Debtors believe that the Tax Injunction is appropriate and supported by applicable law.

Based upon this dispute, there can be no guarantee that the Tax Injunction or Confirmation Order will be approved by the Bankruptcy Court.

IX. SOLICITATION AND VOTING PROCEDURES

A. Voting Status of Each Class

Under the Bankruptcy Code, creditors are entitled to vote on the Plan if their contractual rights are Impaired by the Plan and they are receiving a distribution under the Plan. Creditors are not entitled to vote if their contractual rights are Unimpaired by the Plan or if they will receive no distribution of property under the Plan. The following table sets forth which Classes of Claims will or will not be entitled to vote on the Plan:

Class	Claim or Interest	Status	Voting Rights
1	Other Priority Claims	Unimpaired	Presumed to Accept
2	Other Secured Claims	Unimpaired	Presumed to Accept
3	RBL Claims	Unimpaired	Presumed to Accept
4	Ranger General Unsecured Claims	Impaired	Entitled to Vote
5	TUSA General Unsecured Claims	Impaired	Entitled to Vote
6	Convenience Claims against the TUSA Debtors	Impaired	Entitled to Vote
7	Intercompany Claims	Unimpaired	Presumed to Accept
8	Intercompany Interests	Unimpaired	Presumed to Accept
9	Subordinated Claims	Impaired	Deemed to Reject
10	Ranger Interests	Impaired	Deemed to Reject
11	TUSA Interests	Impaired	Deemed to Reject

B. Classes Entitled to Vote

The following Classes are the only Classes entitled to vote to accept or reject the Plan:

Class	Claim or Interest	Status
4	Ranger General Unsecured Claims	Impaired
5	TUSA General Unsecured Claims	Impaired
6	Convenience Claims against the TUSA Debtors	Impaired

If your Claim or Interest is not included in any of these Classes, you are not entitled to vote and you will not receive a Solicitation Package.

Under the Bankruptcy Code, acceptance of a plan of reorganization by a Class of Claims is determined by calculating the number and the amount of Claims voting to accept, based on the actual total Allowed Claims voting on the Plan. Acceptance by a Class requires more than one-half of the number of total Allowed Claims in the Class to vote in favor of the Plan and at least two-thirds in dollar amount of the total Allowed Claims in the Class to vote in favor of the Plan.

C. Voting Procedures[22]

The Debtors retained Prime Clerk LLC to, among other things, act as the Debtors' agent in connection with the solicitation of votes to accept or reject the Plan.

[22] All capitalized terms used in this Article IX.C and not otherwise defined shall have the meanings ascribed to them in the Solicitation Procedures

1. Voting Record Date

The Voting Record Date (as defined in the Disclosure Statement Motion)[23] is [January 9, 2017] (the "**Voting Record Date**"). The Voting Record Date is the date for determining (a) which Holders of Claims are entitled to vote to accept or reject the Plan and receive a package containing relevant solicitation materials (the "**Solicitation Package**") in accordance with the Solicitation Procedures (as defined in the Disclosure Statement Motion) and (b) whether Claims have been properly assigned or transferred to an assignee under Bankruptcy Rule 3001(e) such that the assignee can vote as the Holder of a Claim. The Voting Record Date and all of the Debtors' solicitation and voting procedures shall apply to all of the Debtors' creditors and other parties in interest.

2. Distribution of Solicitation Packages

Under the Plan, Holders of Claims in Classes 4, 5, and 6 (collectively, the "**Voting Classes**") are entitled to vote to accept or reject the Plan. As such, the Debtors are providing Solicitation Packages to record Holders of Ranger General Unsecured Claims, TUSA General Unsecured Claims, and Convenience Claims against the TUSA Debtors.

3. General Voting Instructions

In order for the Holder of a Claim in the Voting Classes to have such Holder's Ballot (as defined in the Disclosure Statement Motion) counted as a vote to accept or reject the Plan, such Holder's Ballot, must be either (a) properly completed by hand, executed, and delivered in accordance with the instructions included in the Ballot by: (i) first class mail, (ii) courier, or (iii) personal delivery to the Solicitation Agent, or (b) properly completed electronically using the Solicitation Agent's E-Balloting platform; *provided*, *however*, that E-Balloting will not be available to Holders of Claims arising out of an interest in the Senior Notes. Whether completing the ballot by hand or electronically using the Solicitation Agent's E-Balloting Platform, each Holder's Ballot must be **actually received by** [**February 10, 2017], at 4:00 p.m. (Eastern)** at the following address: Triangle USA Petroleum Corporation, c/o Prime Clerk LLC, 830 3rd Avenue, 3rd Floor, New York, New York 10022 prior to 4:00 p.m. (Eastern) on [February 10, 2017] (the "**Voting Deadline**"). It is important that the Holder of a Claim in the Voting Classes follow the specific instructions provided on such Holder's Ballot and the accompanying instructions. The Holder of a Claim should also provide all of the information requested by the Ballot, and, if completing the ballot by hand, should complete and return all Ballots received in the enclosed, self-addressed, postage-paid envelope provided with each such Ballot either to the Solicitation Agent or their Direct Participant, as applicable. Except in the Debtors' sole discretion, ballots may not be transmitted by facsimile, email, or other electronic means, other than the Solicitation Agent's E-Balloting Platform.

---

[23] As used herein, the "**Disclosure Statement Motion**" refers to the *Motion of the Debtors for Order Under Bankruptcy Code Sections 105, 1125, 1126, and 1128, Bankruptcy Rules 2002, 3017, and 3018, and Local Bankruptcy Rule 2002-1 and 3017-1 (I) Approving the Adequacy of the Debtors' Disclosure Statement, (II) Approving Solicitation and Notice Procedures, with Respect to Confirmation of the Debtors' Proposed Plan of Reorganization, (III) Approving the Form of Various Ballots and Notices in Connection Therewith, and (IV) Scheduling Certain Dates with Respect Thereto* [Docket No. 498].

Holders of Class 5 TUSA General Unsecured Claims that arise out of an interest in the Senior Notes will receive a Class 5 Beneficial Ballot (the "**Beneficial Ballots**"). Such Holders should carefully review any instructions accompanying the Beneficial Ballots, and direct any inquiries regarding such Ballots to the Direct Participant. Unless otherwise indicated, the Beneficial Ballots will be returned to the Direct Participant, and not the Solicitation Agent. E-Balloting cannot be used to complete the Beneficial Ballots.

IF A BALLOT IS RECEIVED AFTER THE VOTING DEADLINE, IT WILL NOT BE COUNTED UNLESS THE DEBTORS DETERMINE OTHERWISE IN THEIR SOLE AND ABSOLUTE DISCRETION.

ANY BALLOT THAT IS PROPERLY EXECUTED BY THE HOLDER OF A CLAIM BUT THAT DOES NOT CLEARLY INDICATE AN ACCEPTANCE OR REJECTION OF THE PLAN OR ANY BALLOT THAT INDICATES BOTH AN ACCEPTANCE AND A REJECTION OF THE PLAN WILL NOT BE COUNTED FOR PURPOSES OF ACCEPTING OR REJECTING THE PLAN.

EACH HOLDER OF A CLAIM MUST VOTE ALL OF ITS CLAIMS WITHIN A PARTICULAR CLASS EITHER TO ACCEPT OR REJECT THE PLAN AND MAY NOT SPLIT SUCH VOTES. BY SIGNING AND RETURNING A BALLOT, EACH HOLDER OF A CLAIM WILL CERTIFY TO THE BANKRUPTCY COURT AND THE DEBTORS THAT NO OTHER BALLOTS WITH RESPECT TO SUCH CLAIM HAVE BEEN CAST.

IT IS IMPORTANT TO FOLLOW THE SPECIFIC INSTRUCTIONS PROVIDED ON EACH BALLOT, AS APPROPRIATE, WHEN SUBMITTING A VOTE.

IF YOU ARE A HOLDER OF A CLAIM ENTITLED TO VOTE ON THE PLAN AND YOU DID NOT RECEIVE A BALLOT, YOU RECEIVED A DAMAGED BALLOT, OR YOU LOST YOUR BALLOT, OR IF YOU HAVE ANY QUESTIONS CONCERNING THIS DISCLOSURE STATEMENT, THE PLAN, OR PROCEDURES FOR VOTING ON THE PLAN, PLEASE CONTACT THE SOLICITATION AGENT, PRIME CLERK, AT (855) 842-4122, WITHIN THE UNITED STATES OR CANADA, OR (929) 333-8982, OUTSIDE OF THE UNITED STATES OR CANADA, OR AT tusaballots@primeclerk.com.

4. Miscellaneous

All Ballots must be signed by the holder of record of the appropriate classes of claims, as applicable, or any person who has obtained a properly completed Ballot proxy from the record holder of the appropriate classes of claims, as applicable, on such date. An otherwise properly executed Ballot that attempts to partially accept and partially reject the Plan will likewise not be counted. If you cast more than one Ballot voting the same Claim(s) before the Voting Deadline, the last valid Ballot received on or before the Voting Deadline will be deemed to reflect your intent, and thus, to supersede any prior Ballot. If you cast Ballots received by the Solicitation Agent on the same day, but which are voted inconsistently, such Ballots will not be counted.

Except as provided below, unless the Ballot is timely submitted to the Solicitation Agent before the Voting Deadline together with any other documents required by such Ballot, the

Debtors may, in their sole discretion, reject such Ballot as invalid, and therefore decline to utilize it in connection with seeking confirmation of the Plan.

5. Fiduciaries And Other Representatives

If a beneficial holder Ballot is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation, or another acting in a fiduciary or representative capacity, such person should indicate such capacity when signing and, if requested, must submit proper evidence satisfactory to the Debtors of authority to so act. Authorized signatories should submit the separate beneficial holder Ballot of each Holder for whom they are voting.

D. Rights Offering Procedures[24]

ONLY ELIGIBLE HOLDERS OF CLASS 5 TUSA GENERAL UNSECURED CLAIMS ARE ENTITLED TO PARTICIPATE IN THE RIGHTS OFFERING. The Debtors will allocate and distribute to each Holder of an Allowed TUSA General Unsecured Claim and each holder of a Provisionally Allowed TUSA General Unsecured Claim rights (the "**Subscription Rights**"), in each case, as of the Rights Offering Record Date, to purchase an amount of Convertible Preferred Stock equal to an aggregate amount of the Rights Offering multiplied by a fraction (i) the numerator of which shall be the aggregate principal amount of such Holder's TUSA General Unsecured Claims (whether Allowed or Provisionally Allowed) and (ii) the denominator of which shall be the total amount of Allowed TUSA General Unsecured Claims and Provisionally Allowed TUSA General Unsecured Claims held by all Holders thereof, each as of the Record Date (each such fraction, as to a Holder, the "**Subscription Percentage**"). In addition, participating Eligible Holders will have the right, but not the obligation (the "**Option to Purchase Additional Shares**") to elect to purchase any shares ("A**dditional Shares**") of Convertible Preferred Stock equal to the lesser of (x) the maximum number of Additional Shares which such Participating Eligible Holder has indicated on its Rights Exercise Form; and (y) a number of shares of such stock for which Subscription Rights were allocated to Holders of Provisionally Allowed TUSA General Unsecured Claims but not validly exercised by any such Holders in accordance with the terms of the Rights Offering multiplied by a fraction (i) the numerator of which shall be the aggregate principal amount of such Participating Eligible Holder's TUSA General Unsecured Claims (whether Allowed or Provisionally Allowed) and (ii) the denominator of which shall be the total amount of Allowed TUSA General Unsecured Claims and Provisionally Allowed TUSA General Unsecured Claims held by Participating Eligible Holders that have validly exercised their Additional Shares Option in accordance with the terms hereof and the Rights Offering Procedures.

The Rights Offering process will occur substantially simultaneously with solicitation of votes to approve or reject the plan. On the date on which solicitation is commenced, Prime Clerk, LLC, (the "**Rights Offering Agent**") will distribute to each Holder of Allowed TUSA General Unsecured Claims and each Holder of Provisionally Allowed TUSA General Unsecured Claims: (i) the Rights Offering Procedures, together with all exhibits and attachments thereto, and (ii) a form for Eligible Holders to exercise their Subscription Rights (a "**Rights Exercise Form**").

[24] All capitalized terms used in this Article IX.D and not otherwise defined shall have the meanings ascribed to them in the Rights Offering Procedures

Eligible Holders who wish to exercise their Subscription Rights must confirm their eligibility by duly completing and executing the certification (the "**Investor Certification**") included in the Rights Exercise Form in which the Eligible Holder must certify that it is an "accredited investor" as defined in Rule 501(a)(1), (2), (3), (7) or (8) (provided that in the case of clause (8), all of the equity owners of such entity are accredited investors as defined in Rule 501(a)(1), (2), (3), (7) or (8) as modified by this parenthetical) under the Securities Act or a "qualified institutional buyer" as defined in Rule 144A under the Securities Act.

In order to validly exercise its Subscription Rights an Eligible Holder must:

(a) timely return the duly completed and signed Rights Exercise Form (including the Investor Certification) (each of which must be completed and returned in whole and not in part) to the Rights Offering Agent electing to exercise all or a portion of its Subscription Rights (the "**Exercised Subscription Rights**"); and

(b) if such Eligible Holder is not a Backstop Investor (as defined in the Rights Offering Procedures), deliver, via wire transfer of immediately available funds in U.S. dollars to the applicable account indicated in the Rights Exercise Form, an amount (the "**Funding Amount**") equal to the product determined by multiplying (1) the Exercise Price and (2) the total number of Exercise Shares to be issued upon its exercise of its Exercised Subscription Rights (other than with respect to any Additional Shares, which funds shall be required to be delivered prior to the Additional Shares Funding Deadline (as defined in the Rights Offering Procedures)).

THE DULY COMPLETED AND EXECUTED RIGHTS EXERCISE FORM (INCLUDING THE INVESTOR CERTIFICATION) MUST BE RECEIVED BY THE RIGHTS OFFERING AGENT, AND THE FUNDING AMOUNT (FOR ALL ELIGIBLE HOLDERS WHO ARE NOT BACKSTOP INVESTORS) MUST BE RECEIVED IN THE APPLICABLE ESCROW ACCOUNT, IN EACH CASE, PRIOR TO [FEBRUARY 13], 2017 AT 4:00 P.M (EASTERN TIME) (subject to adjustment as provided in the Rights Offering Procedures).

EACH ELIGIBLE HOLDER WHO VALIDLY SUBMITS A RIGHTS EXERCISE FORM WILL BE DEEMED TO HAVE THEREBY MADE CERTAIN CERTIFICATIONS, REPRESENTATIONS AND ACKNOWLEDGMENTS, INCLUDING HAVING AGREED TO AND ACKNOWLEDGED THE TERMS AND CONDITIONS OF THE RIGHTS OFFERING, INCLUDING, IN THE CASE OF A HOLDER OF A PROVISIONALLY ALLOWED TUSA GENERAL UNSECURED CLAIM, AN AGREEMENT AND ACKNOWLEDGEMENT THAT IT WILL NOT RECEIVE ANY SHARES OF CONVERTIBLE PREFERRED STOCK IN RESPECT OF ANY SUBSCRIPTION RIGHTS THAT IT EXERCISES (OTHER THAN, FOR THE AVOIDANCE OF DOUBT, ANY ADDITIONAL SHARES IT VALIDLY ELECTS TO PURCHASE PURSUANT TO THE OPTION TO PURCHASE ADDITIONAL SHARES) IF AND TO THE EXTENT THAT ANY OF SUCH CLAIMS FOR WHICH IT HAS RECEIVED SUBSCRIPTION RIGHTS ARE ULTIMATELY DISALLOWED BY THE BANKRUPTCY COURT, AND THAT IT WILL RECEIVE A RETURN OF THE SUBSCRIPTION MONIES IT HAD TENDERED IN RESPECT THEREOF WITHOUT INTEREST THEREON.

THE METHOD OF DELIVERY OF THE RIGHTS EXERCISE FORM AND ANY OTHER REQUIRED DOCUMENTS, AND DELIVERY OF THE FUNDING AMOUNT AND, IF APPLICABLE, THE ADDITIONAL SHARES FUNDS, BY EACH ELIGIBLE HOLDER IS AT SUCH ELIGIBLE HOLDER'S OPTION AND SOLE RISK, AND DELIVERY WILL BE CONSIDERED MADE ONLY WHEN SUCH RIGHTS EXERCISE FORM AND OTHER DOCUMENTATION ARE ACTUALLY RECEIVED BY THE RIGHTS OFFERING AGENT AND SUCH FUNDING AMOUNT AND, IF APPLICABLE, THE ADDITIONAL SHARES FUNDS, IS ACTUALLY RECEIVED IN THE APPLICABLE ESCROW ACCOUNT. IF DELIVERY OF THE RIGHTS EXERCISE FORM AND ANY OTHER REQUIRED DOCUMENTS IS BY MAIL, THE USE OF REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERLY INSURED, IS ENCOURAGED AND STRONGLY RECOMMENDED. RIGHTS EXERCISE FORMS AND OTHER REQUIRED DOCUMENTS WILL NOT BE ACCEPTED BY TELECOPY, FACSIMILE, EMAIL OR OTHER ELECTRONIC MEANS. IN ALL CASES, YOU SHOULD ALLOW SUFFICIENT TIME TO ENSURE TIMELY DELIVERY PRIOR TO [FEBRUARY 13], 2017 AT 4:00 P.M (EASTERN TIME) (SUBJECT TO ADJUSTMENT AS PROVIDED IN THE RIGHTS OFFERING PROCEDURES) OR FOR ADDITIONAL SHARES FUNDS PRIOR TO THE ADDITIONAL SHARES FUNDING DEADLINE. TO THE EXTENT ANY TUSA GENERAL UNSECURED CLAIM IS HELD THROUGH A BROKER, BANK OR OTHER NOMINEE, THE HOLDER THEREOF SHOULD ALLOW SUFFICIENT TIME TO OBTAIN THE PROPER CERTIFICATIONS FROM ITS NOMINEE.

All documents relating to the Rights Offering are available from the Rights Offering Agent via the website listed below. In addition, such documents, together with all filings made

with the Bankruptcy Court in the Debtors' Chapter 11 Cases, are available free of charge from the Debtors' restructuring website http://cases.primeclerk.com/tusa.

X. STATUTORY REQUIREMENTS FOR CONFIRMATION OF THE PLAN

The following is a brief summary of the Confirmation process. Holders of Claims and Interests are encouraged to review the relevant provisions of the Bankruptcy Code and to consult with their own advisors.

A. The Confirmation Hearing

Bankruptcy Code section 1128(a) provides that the Bankruptcy Court, after notice, may conduct a Confirmation Hearing. Bankruptcy Code section 1128(b) provides that any party in interest may object to Confirmation of the Plan.

B. Confirmation Standards

The following requirements must be satisfied under Bankruptcy Code section 1129(a) before the Bankruptcy Court may confirm a plan of reorganization.

1. The Plan complies with the applicable provisions of the Bankruptcy Code.

2. The proponents of the Plan have complied with the applicable provisions of the Bankruptcy Code.

3. The Plan has been proposed in good faith and not by any means forbidden by law.

4. Any payment made or to be made by the proponent, by a Debtor, or by a person issuing securities or acquiring property under a Plan, for services or for costs and expenses in or in connection with the Chapter 11 Cases, in connection with the Plan and incident to the Chapter 11 Cases, has been approved by, or is subject to the approval of, the Bankruptcy Court as reasonable.

5. The proponent of the Plan has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the Plan, as a director, officer, or voting trustee of the Debtors, an Affiliate of the Debtors participating in a joint Plan with a Debtor or a successor to a Debtor under the Plan, and the appointment to, or continuance in, such office of such individual is consistent with the interests of creditors and Holders of Interests and with public policies.

6. The proponent of the Plan has disclosed the identity of any insider that will be employed or retained by the Reorganized Debtors and the nature of any compensation for such insider.

7. Any governmental regulatory commission with jurisdiction, after Confirmation, over the rates of the Debtors has approved any rate change provided for in the Plan.

8. With respect to each holder within an Impaired Class of Claims or Interests, each such Holder (a) has accepted the Plan or (b) will receive or retain under the Plan on account of such Claim or Interest property of value, as of the Effective Date of the Plan, that is not less than the amount that such Holder would so receive or retain if the Debtors were liquidated under chapter 7 of the Bankruptcy Code on such date.

9. With respect to each Class of Claims or Interests, such Class (a) has accepted the Plan or (b) is Unimpaired under the Plan; *provided*, *however*, that if the Plan is rejected by an Impaired Class, the Plan may be confirmed if it "does not discriminate unfairly" and is "fair and equitable" as to such Class, is feasible, and is in the "best interests" of Holders of Claims and Interests that are Impaired under the Plan.

10. Except to the extent that the Holder of a particular Claim has agreed to a different treatment of such Claim, the Plan provides that:

(a) With respect to a Claim of a kind specified in Bankruptcy Code sections 507(a)(2) or 507(a)(3), on the Effective Date of the Plan, the Holder of the Claim will receive on account of such Claim Cash equal to the Allowed amount of such Claim, unless otherwise agreed;

(b) With respect to a Class of Claim of the kind specified in Bankruptcy Code sections 507(a)(1), 507(a)(4), 507(a)(5), 507(a)(6), or 507(a)(7), each Holder of a Claim of such Class will receive (a) if such Class has accepted the Plan, deferred Cash payments of a value, on the Effective Date of the Plan, equal to the Allowed amount of such Claim or (b) if such Class has not accepted the Plan, Cash on the Effective Date of the Plan equal to the Allowed amount of such Claim; and

(c) With respect to a Priority Tax Claim of a kind specified in Bankruptcy Code section 507(a)(8), the Holder of such Claim will receive on account of such claim deferred Cash payments, over a period not exceeding five years after the date of the order for relief, of a value, as of the Effective Date of the Plan, equal to the Allowed amount of such Claim.

11. If a Class of Claims is Impaired under the Plan, at least one Class of Claims that is Impaired under the Plan has accepted the Plan, determined without including any acceptance of the Plan by any Insider.

12. Confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtors or any successor to the Debtors under the Plan, unless such liquidation or reorganization is proposed in the Plan.

13. All fees payable under section 1930 of title 28, as determined by the Bankruptcy Court at the Confirmation Hearing, have been paid or the Plan provides for the payment of all such fees on the Effective Date of the Plan.

14. The Plan provides that following the Effective Date of the Plan, subject to the Reorganized Debtors' rights, if any, under applicable non-bankruptcy law, unless otherwise ordered by the Bankruptcy Court, the Reorganized Debtors shall continue to pay all retiree

benefits, as that term is defined in Bankruptcy Code section 1114, at the level established under subsection (e)(1)(B) or (g) of section 1114 of the Bankruptcy Code, at any time prior to confirmation, for the duration of the period the debtor has obligated itself to provide such benefits.

C. Liquidation Analysis

As described above, Bankruptcy Code section 1129(a)(7) requires that each Holder of an Impaired Claim or Interest either (a) accept the Plan or (b) receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the value such Holder would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code.

Based on the liquidation analysis attached hereto as **Exhibit B** (the "**Liquidation Analysis**"), the Debtors believe that the value of any distributions if the Chapter 11 Cases were converted to cases under chapter 7 of the Bankruptcy Code would be no greater than the value of distributions under the Plan.

D. Valuation Analysis

The Debtors' financial advisor, PJT, at the direction of the Debtors, has estimated the value of the Reorganized Debtors as of the Effective Date, based on information available as of December 2016 (the "**Valuation Analysis**"). PJT has undertaken the Valuation Analysis to determine the value available for distribution to Holders of Allowed Claims and Holders of Allowed Interests, if any, pursuant to the Plan and to analyze the recoveries of such Holders thereunder. The estimated total value available for distribution to Holders of Allowed Claims and Allowed interests as applicable (the "**Total Enterprise Value**") consists of the estimated value of the Reorganized Debtors' operations on a going-concern basis. The Valuation Analysis assumes that the Effective Date occurs on March 1, 2017 and is based on the financial projections, a copy of which is attached hereto as **Exhibit D** (the "**Financial Projections**").

THE TOTAL ENTERPRISE VALUE RANGE, AS OF AN ASSUMED EFFECTIVE DATE OF MARCH 1, 2017, REFLECTS WORK PERFORMED BY PJT ON THE BASIS OF INFORMATION AVAILABLE TO PJT AS OF DECEMBER 2016. ALTHOUGH SUBSEQUENT DEVELOPMENTS MAY AFFECT PJT'S CONCLUSIONS, NEITHER PJT, NOR THE DEBTORS HAVE ANY OBLIGATION TO UPDATE, REVISE, OR REAFFIRM THE VALUATION ANALYSIS.

E. Financial Feasibility

Bankruptcy Code section 1129(a)(11) requires that a debtor demonstrate that confirmation of a plan is not likely to be followed by liquidation or the need for further financial reorganization. For purposes of determining whether the Plan meets this requirement, the Debtors have analyzed their ability to meet their obligations under the Plan.

The Debtors believe that the Plan meets the feasibility requirement set forth in Bankruptcy Code section 1129(a)(11). As part of this analysis, the Debtors' management, with the assistance of their advisors, prepared the Financial Projections for the annual periods ending

January 31, 2018 (fiscal year 2018)[25] through January 31, 2021 (fiscal year 2021). The Financial Projections, together with the assumptions upon which they are based, are attached hereto as **Exhibit D**. Based on such Financial Projections, the Debtors believe that they will be able to make all payments required under the Plan. Therefore, the Debtors believe that confirmation and consummation of the Plan is not likely to be followed by liquidation or the need for further reorganization.

THE PROJECTIONS, INCLUDING THE UNDERLYING ASSUMPTIONS, SHOULD BE CAREFULLY REVIEWED IN EVALUATING THE PLAN. WHILE MANAGEMENT BELIEVES THE ASSUMPTIONS UNDERLYING THE PROJECTIONS, WHEN CONSIDERED ON AN OVERALL BASIS, ARE REASONABLE IN LIGHT OF CURRENT CIRCUMSTANCES AND EXPECTATIONS, NO ASSURANCE CAN BE GIVEN THAT THE PROJECTIONS WILL BE REALIZED. THE DEBTORS MAKE NO REPRESENTATION OR WARRANTY AS TO THE ACCURACY OF THE FINANCIAL PROJECTIONS.

The Financial Projections have not been examined or compiled by independent accountants. The Debtors make no representation as to their ability to achieve the projected results. Many of the assumptions on which the projections are based are inherently subject to significant economic and competitive uncertainties and contingencies beyond the control of the Debtors and their management. Inevitably, some assumptions will not materialize and unanticipated events and circumstances may affect the actual financial results. Therefore, the actual results achieved throughout the four-year period of the Financial Projections may vary from the projected results, and the variations may be material. All Holders of Claims that are entitled to vote to accept or reject the Plan are urged to examine carefully all of the assumptions on which the Financial Projections are based in connection with their evaluation of the Plan.

F. Acceptance by Impaired Classes

The Bankruptcy Code also requires, as a condition to Confirmation, that each Class of Claims or Interests that is Impaired but still receives distributions under the Plan vote to accept the Plan, unless the Debtors can "cramdown" such Classes, as described below. A Class that is Unimpaired is presumed to have accepted the Plan and, therefore, solicitation of acceptances with respect to such Class is not required. A Class is Impaired unless the Plan leaves unaltered the legal, equitable, and contractual rights to which the Claim or Interest entitles the Holder of such Claim or Interest, or the Debtors cure any default and reinstate the original terms of the obligation.

Under Bankruptcy Code sections 1126(c) and 1126(d) and except as otherwise provided in Bankruptcy Code section 1126(e): (a) an Impaired Class of Claims has accepted the Plan if the Holders of at least two-thirds in dollar amount and more than half in number of the voting Allowed Claims have voted to accept the Plan and (b) an Impaired Class of Interests has accepted the Plan if the Holders of at least two-thirds in amount of the Allowed Interests of such Class actually voting have voted to accept the Plan.

[25] Fiscal year 2018 covers the period of March 1, 2017 through January 1, 2018.

G. Confirmation Without Acceptance by All Impaired Classes

Bankruptcy Code section 1129(b) allows the Bankruptcy Court to confirm the Plan, even if the Plan has not been accepted by all Impaired Classes, provided that the Plan has been accepted by at least one Impaired Class entitled to vote, without counting the vote of any Insider, as defined in Bankruptcy Code section 101(31). Bankruptcy Code section 1129(b) permits the Debtors to confirm the Plan, notwithstanding the failure of any Impaired Class to accept the Plan, in a procedure commonly known as "cramdown," so long as the Plan "does not discriminate unfairly" and is "fair and equitable" as to each Impaired Class that has not accepted the Plan.

1. No Unfair Discrimination

A plan "does not discriminate unfairly" if (a) the legal rights of a nonaccepting class are treated in a manner that is consistent with the treatment of other classes whose legal rights are similar to those of the nonaccepting class and (b) no class receives payments in excess of that which it is legally entitled to receive for its claims or interests. The test does not require that the treatment be the same or equivalent, but that such treatment be "fair."

The Debtors do not believe the Plan discriminates unfairly against any Impaired Class of Claims or Interests. The Debtors believe the Plan and the treatment of all Classes of Claims and Interests under the Plan satisfy the foregoing requirements for nonconsensual Confirmation.

2. Fair and Equitable Treatment

With respect to a dissenting class of claims or interests, the "fair and equitable" standard requires that a plan provide that either the claims or interests in each class received everything to which they are legally entitled or, with respect to unsecured claims, that classes junior in priority to the class receive nothing.

The Bankruptcy Code establishes different "fair and equitable" tests for holders of secured claims, unsecured claims, and interests, which may be summarized as follows:

(a) *Secured Claims*. Either (i) each holder of a claim in an impaired class of secured claims retains its liens securing its secured claim and it receives on account of its secured claim deferred cash payments having a present value equal to the amount of its allowed secured claim, (ii) each holder of a claim in an impaired class of secured claims realizes the indubitable equivalent of its allowed secured claim, or (iii) the property securing the claim is sold free and clear of liens, with such liens to attach to the proceeds and the treatment of such liens on proceeds as provided in clause (i) or (ii) of this subparagraph.

(b) *Unsecured Claims*. Either (i) each holder of a claim in an impaired class of unsecured claims receives or retains under the plan property of a value equal to the amount of its allowed claim or (ii) the holders of claims and interests that are junior to the claims of the dissenting class will not receive any property under the chapter 11 plan, subject to the applicability of the judicial doctrine of contributing new value.

(c) *Interests*. Either (i) each holder of an equity interest in an impaired class of interests will receive or retain under the chapter 11 plan property of a value equal to the greater of (y) the fixed liquidation preference or redemption price, if any, of such stock or (z) the value of the stock or (ii) the holders of interests that are junior to the stock will not receive any property under the chapter 11 plan, subject to the applicability of the judicial doctrine of contributing new value.

The Debtors believe that the distributions provided under the Plan satisfy the "fair and equitable" requirements of the Bankruptcy Code. Certain Classes of Claims and Interests will receive no distribution under the Plan and are therefore conclusively deemed to reject the Plan. Accordingly, the Debtors will seek to confirm the Plan under Bankruptcy Code 1129(b) with respect to such Classes. In addition, although the Plan is predicated on the substantial support of certain of the Debtors' creditor constituencies, the Debtors reserve the right to seek confirmation of the Plan under Bankruptcy Code section 1129(b) if one or more voting Impaired Classes votes to reject the Plan.

XI. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

The Debtors believe that the Plan affords Holders of Claims and Interests the potential for the greatest realization on the Debtors' assets and, therefore, is in the best interests of such Holders. If the Plan is not confirmed, however, the theoretical alternatives include: (a) continuation of the pending Chapter 11 Cases, (b) the sale of the Debtors' assets under Bankruptcy Code section 363, (c) an alternative plan or plans of reorganization, or (d) the liquidation of the Debtors under chapter 7 or chapter 11 of the Bankruptcy Code.

A. Continuation of the Chapter 11 Cases

If the Debtors remain in chapter 11, they could continue to operate their business and manage their properties as debtors in possession, but they would remain subject to the restrictions imposed by the Bankruptcy Code and the requirements of the Final Cash Collateral Order related to the Sales Process. It is not clear whether the Debtors could survive as a going concern in protracted chapter 11 cases. In particular, the Debtors could have difficulty gaining access to sufficient liquidity to allow them to continue their operations as a going concern. Moreover, protracted chapter 11 proceedings will make it difficult for the Debtors to expand their customer base, which is critical to the ultimate success of the Debtors' business.

B. Sale of Substantially All of the Debtors' Assets Under Bankruptcy Code Section 363

In lieu of the present Plan, or if the Debtors fail to meet the Plan Milestones pursuant to the Final Cash Collateral Order, the Debtors may have to pursue the Sales Process to sell substantially all of their assets to a buyer under Bankruptcy Code section 363. A section 363 sale would leave a residual estate consisting of the proceeds of the sale and any excluded assets and unassumed liabilities. Following the sale, the Debtors would remain in chapter 11 to administer this residual estate and distribute proceeds to creditors pursuant to a chapter 11 plan of liquidation or a liquidation pursuant to chapter 7 of the Bankruptcy Code.

The Debtors believe that the Plan represents a superior structure than a sale under Bankruptcy Code section 363. The Debtors believe the Plan provides recoveries equal to or greater than what creditors would likely achieve in a section 363 sale, but with the advantages of greater efficiency and greater certainty as to outcome. In particular, an asset sale is unlikely to be a value-maximizing proposition. Given the current commodity price environment, such a sale would likely produce a lower recovery for creditors than they would otherwise obtain through confirmation of a plan. For the above-stated reasons, the Debtors believe the Plan represents a superior option than a section 363 sale at the time of this Disclosure Statement. However, the Debtors continue to monitor and assess the macro-economic and firm-specific conditions that may make a section 363 sale more favorable.

C. Alternative Plans of Reorganization

If the Plan is not confirmed, the Debtors, or, after the expiration of the Debtors' exclusive period in which to propose and solicit a reorganization plan, any other party in interest in the Chapter 11 Cases, could propose a different plan or plans. Additionally, until the Plan is consummated, subject to certain conditions, the Debtors may determine to withdraw the Plan and propose and solicit different reorganization plans. Any such plans proposed by the Debtors or others might involve either a reorganization and continuation of the Debtors' business, or an orderly liquidation of its assets, or a combination of both.

Although alternative plans of reorganization are possible, the present Plan is the result of a thorough assessment of restructuring alternatives undertaken in consultation with key stakeholders. Accordingly, the Debtors believe the prospect of an alternative plan of reorganization that delivers greater value to economic stakeholders is remote.

D. Liquidation Under Chapter 7 or Chapter 11

If no plan is confirmed, the Chapter 11 Cases may be converted to cases under chapter 7 of the Bankruptcy Code. In chapter 7 cases, a trustee or trustees would be appointed to liquidate the assets of the Debtors. It is impossible to predict precisely how the proceeds of the liquidation would be distributed to the respective Holders of Claims or Interests.

However, the Debtors believe that creditors would lose the materially higher going concern value if the Debtors were forced to liquidate. In addition, the Debtors believe that in liquidation under chapter 7, before creditors received any distribution, additional administrative expenses involved in the appointment of a trustee or trustees and attorneys, accountants, and other professionals to assist such trustees would cause a substantial diminution in the value of the Estate. The assets available for distribution to creditors would be reduced by such additional expenses and by claims, some of which would be entitled to priority, which would arise by reason of the liquidation and from the rejection of leases and other executory contracts in connection with the cessation of operations and the failure to realize the greater going concern value of the Debtors' assets.

The Debtors may also be liquidated under a chapter 11 plan. In a liquidation under chapter 11, the Debtors' assets could be sold in an orderly fashion over a more extended period of time than in a liquidation under chapter 7. Thus, a chapter 11 liquidation might result in larger

recoveries than a chapter 7 liquidation, but the delay in distributions could result in lower present values received and higher administrative costs. Because a trustee is not required in a chapter 11 case, expenses for professional fees could be lower than in a chapter 7 case, in which a trustee must be appointed. However, any distribution to the Holders of Claims or Interests under a chapter 11 liquidation plan probably would be delayed substantially. In addition, as with a chapter 7 liquidation, the Debtors believe that creditors would lose the materially higher going concern value if the Debtors were forced to liquidate under a chapter 11 plan.

The Liquidation Analysis attached hereto as **Exhibit B** illustrates the recoveries the Debtors anticipate in a liquidation scenario. The Liquidation Analysis is premised upon a hypothetical liquidation in a chapter 7 case. In the Liquidation Analysis, the Debtors have taken into account the nature, status, and underlying value of their assets, the ultimate realizable value of their assets, and the extent to which such assets are subject to liens and security interests. The likely form of any liquidation in a chapter 7 proceeding would be the sale of individual assets. Based on this analysis, it is likely that a chapter 7 liquidation of the Debtors' assets would produce less value for distribution to each class of creditors than that recoverable under the Plan. In the Debtors' opinion, the recoveries projected to be available in a chapter 7 liquidation are not likely to afford Holders of Claims and Interests as great a realization potential as does the Plan.

XII. CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

The following discussion summarizes certain U.S. federal income tax consequences of the implementation of the Plan to the Debtors and to certain Holders of Claims. The following summary does not address the U.S. federal income tax consequences to Holders whose Claims are Unimpaired, otherwise entitled to payment in full in cash under the Plan, or deemed to reject the Plan.

The following summary is based on the Internal Revenue Code (the "**Tax Code**"), Treasury Regulations promulgated thereunder, judicial decisions, and published administrative rules and pronouncements of the Internal Revenue Service (the "**IRS**"), all as in effect on the date hereof. Changes in such rules or new interpretations thereof may have retroactive effect and could significantly affect the U.S. federal income tax consequences described below.

The U.S. federal income tax consequences of the Plan are complex and are subject to significant uncertainties. The Debtors have not requested a ruling from the IRS or an opinion of counsel with respect to any of the tax aspects of the Plan. Thus, no assurance can be given that the IRS will not challenge, nor that a court will sustain, any of the considerations discussed herein. In addition, this summary generally does not address foreign, state, or local tax consequences of the Plan, nor does it address the U.S. federal income tax consequences of the Plan to special classes of taxpayers (such as broker-dealers, banks, mutual funds, insurance companies, other financial institutions, small business investment companies, regulated investment companies, tax-exempt organizations (including, without limitation, certain pension funds), persons holding a Claim as part of a constructive sale, straddle, or other integrated transaction, and investors in pass-through entities) or to holders who acquire Convertible Preferred Stock pursuant to the Backstop Commitment Agreement. Except where specifically noted below, this summary does not address the consequences to Holders of Claims that are non-U.S. holders (as defined below).

For purposes of this discussion, a "non-U.S. holder" means any Holder of a Claim (other than a partnership or other pass-through entity) that is not a "U.S. holder." A "U.S. holder" means a Holder of a Claim that, for U.S. federal income tax purposes is, or is treated as, a citizen or individual resident of the United States, a corporation (including any entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia, an estate the income of which is subject to U.S. federal income taxation regardless of its source, or a trust if (a) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust, or (b) the trust has a valid election in effect under applicable Treasury Regulations to be treated as a United States person.

If a partnership (or other entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds a Claim, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and upon the activities of the partnership.

This discussion also assumes that the New TUSA HoldCo Common Stock and Convertible Preferred Stock are held as "capital assets" (generally, property held for investment) within the meaning of section 1221 of the Tax Code, and that the various debt and other arrangements to which the Debtors are parties will be respected for U.S. federal income tax purposes in accordance with their form.

Accordingly, the following summary of certain U.S. federal income tax consequences is for informational purposes only and is not a substitute for careful tax planning and advice based upon the individual circumstances pertaining to a Holder of a Claim.

A. Consequences to the Debtors

For U.S. federal income tax purposes, the Debtors are members of an affiliated group of corporations, of which TPC is the common parent (the "**TPC Group**"), and file a single consolidated U.S. federal income tax return, or are disregarded or pass-through entities for U.S. federal income tax purposes wholly or substantially owned by members of the TPC Group. The TPC Group has reported net operating loss ("**NOL**") carryforwards of approximately $286 million for U.S. federal income tax purposes as of January 31, 2016. The amount of any such losses remains subject to audit and adjustment by the IRS.

As discussed below, in connection with the implementation of the Plan, the amount of the Debtors' currently existing NOL carryforwards and certain other tax attributes may be reduced or eliminated. The Debtors have requested from TPC information relating to the Debtors' tax attributes and to analyses performed by TPC's advisors addressing the extent to which New TUSA HoldCo and Reorganized TUSA will have NOLs or other tax attributes available to them following the restructuring. However, the Debtors have not received this information. As a result, no assurance can be made that the Debtors will have NOLs or other tax attributes available to them following the restructuring.

1. Formation of New TUSA HoldCo

Pursuant to the Plan, on or prior to the Effective Date, New TUSA HoldCo will be formed and will become the parent company of Reorganized TUSA, as more specifically described in the Restructuring Transactions Memorandum to be included in the Plan Supplement. The transaction is expected to qualify as a "reorganization" within the meaning of Section 368(a)(1)(F) of the Tax Code. Assuming the transaction so qualifies, the Debtors should not recognize any gain or loss as a result of the transaction, and New TUSA HoldCo should succeed to any tax attributes of Reorganized TUSA, including its NOL carryforwards.

2. Cancellation of Indebtedness

In general, the Internal Revenue Code provides that the amount of any cancellation of debt ("**COD**") of a solvent taxpayer is included in income. The amount of COD income realized is generally the excess of the amount of indebtedness discharged over the value of any consideration given in exchange therefor. Certain statutory or judicial exceptions may apply to limit the amount of COD income incurred for U.S. federal income tax purposes. In addition, COD income is excluded from income if a taxpayer is insolvent (but only to the extent of the taxpayer's insolvency) or if the COD income is realized pursuant to a confirmed plan of reorganization or court order in a chapter 11 bankruptcy case of the taxpayer, such as the Plan.

When the insolvency or bankruptcy exception to COD income inclusion applies, the Internal Revenue Code provides that a taxpayer must reduce certain of its attributes—such as NOL carryforwards, capital losses, tax credits, and tax basis in assets—by the amount of any COD excluded from income. The taxpayer can elect to reduce the basis of depreciable property prior to any reduction in its NOL carryforwards or other tax attributes.

To the extent that the Debtors are required to reduce their tax attributes, the mechanics of such attribute reduction will be governed by Treasury Regulation section 1.1502-28, which contains rules that apply where the debtor corporation is a member of a group filing a consolidated return. These rules generally provide that the tax attributes attributable to the debtor corporation are the first to be reduced. For this purpose, tax attributes attributable to the debtor member include consolidated tax attributes (such as consolidated NOLs) that are attributable to the debtor member pursuant to the consolidated return regulations, and also include the basis of property of the debtor (including subsidiary stock). To the extent that the COD income of the debtor member exceeds the tax attributes attributable to it, the consolidated tax attributes attributable to other members of the consolidated group must be reduced. In the case of a consolidated group with multiple debtor members, each debtor member's tax attributes must be reduced before such member's COD income can be reduced by tax attributes attributable to other members of the consolidated group.

Any reduction in tax attributes in respect of excluded COD income does not occur until after the determination of the taxpayer's income or loss for the taxable year in which the COD income is realized. If the amount of COD income excludes available NOL carryforwards and other tax attributes available for reduction, such excess is permanently excluded from income.

As a result of the discharge of Claims pursuant to the Plan, the Debtors expect to incur a substantial amount of COD income. The extent of such COD and resulting tax attribute reduction will depend, in part, on (a) the value of the New TUSA HoldCo Common Stock and Subscription Rights to purchase Convertible Preferred Stock pursuant to the Rights Offering and (b) the extent to which NOLs and other tax attributes of the TPC Group are allocable to TUSA. The extent to which NOLs and other tax attributes of the TPC Group that are allocable to TUSA survive tax attribute reduction (and the extent of any basis reduction and potentially the identity of the assets whose basis is reduced) will depend upon the manner of applying the attribute reduction rules in the context of a consolidated group. Accordingly, there can be no assurance that the Debtors will have NOLs following implementation of the Plan.

3. Limitation of NOL Carryforwards and Other Tax Attributes

Following the implementation of the Plan, any remaining NOLs and certain other tax attributes allocable to periods prior to the Effective Date (collectively, "pre-change losses") to offset the Debtors' future taxable income is likely to be limited under section 382 of the Code as a result of the change in ownership of TUSA.

Under section 382, if a corporation undergoes an "ownership change" and the corporation does not qualify for (or elects out of) the special bankruptcy exception discussed below, the amount of its pre-change losses that may be utilized to offset future taxable income is subject to an annual limitation. A loss corporation generally undergoes an ownership change if the percentage of stock of the corporation owned by one or more 5% shareholders has increased by more than 50 percentage points over a three-year period (with certain groups of less-than-5% shareholders treated as a single shareholder for this purpose). In general, the amount of the annual limitation to which a corporation that undergoes an ownership change would be subject is equal to the product of (a) the fair market value of the stock of the corporation immediately before the ownership change (with certain adjustments) multiplied by (b) the "long-term tax-exempt rate" in effect for the month in which the ownership change occurs (e.g., 2.04% for ownership changes occurring in January 2017). Pursuant to the Plan, an ownership change of the Debtors will occur.

This annual limitation sometimes may be increased in the event the corporation has an overall "built-in" gain in its assets at the time of the ownership change. For a corporation in bankruptcy that undergoes an ownership change pursuant to a confirmed bankruptcy plan, the stock value generally is determined immediately after (rather than before) the ownership change after giving effect to the surrender of creditors' claims, but subject to certain adjustments (which can result in a reduced stock value); in no event, however, can the stock value for this purpose exceed the pre-change gross value of the corporation's assets.

Any portion of the annual limitation that is not used in a given year may be carried forward, thereby adding to the annual limitation for the subsequent taxable year. However, if the corporation does not continue its historic business or use a significant portion of its historic assets in a new business for at least two years after the ownership change, the annual limitation resulting from the ownership change is reduced to zero, thereby precluding any utilization of the corporation's pre-change losses (absent any increases due to recognized net built-in gains).

Accordingly, the impact of an ownership change on the Debtors depends upon, among other things, the amount of pre-change losses remaining after any reduction of attributes due to the COD income, the value of both the stock and assets of the Debtors at or about the Effective Date, the continuation of their respective businesses, and the amount and timing of future taxable income.

Among the pre-change losses to which section 382 applies, section 382 can operate to limit the deduction of "built-in" losses recognized subsequent to the date of the ownership change. If a loss corporation has a net unrealized built-in loss at the time of an ownership change (taking into account most assets and items of built-in income, gain, loss, and deduction), then any built-in losses recognized during the following five years (up to the amount of the original net unrealized built-in loss) generally will be treated as pre-change losses and similarly will be subject to the annual limitation. In general, a loss corporation's net unrealized built-in loss will be deemed to be zero unless such loss exceeds the lesser of (a) $10 million or (b) 15% of the fair market value of its assets (with certain adjustments) before the ownership change. Whether a Debtor will be subject to the limitation for "built-in" losses will depend upon the respective value of the Debtor's assets immediately before the Effective Date.

An exception to the foregoing annual limitation rules generally applies where qualified (so-called "old and cold") creditors of a debtor receive, in respect of their claims, at least 50% of the vote and value of the stock of the reorganized debtor (or a controlling corporation if also in bankruptcy) pursuant to a confirmed chapter 11 plan. However, the Debtors do not expect that they will qualify for this exception.

New TUSA HoldCo will also enter into a registration rights agreement with each of the Backstop Parties, pursuant to which such Backstop Parties will be entitled in connection with the transfer of any of their shares of Convertible Preferred Stock to assign their rights, subject to the conditions contained therein. Trading of equity interests in New TUSA HoldCo after the Effective Date could subject the Debtors to a subsequent ownership change, resulting in a new annual limitation.

B. Consequences to Holders of Certain Claims

1. Consequences to TUSA General Unsecured Claims

Pursuant to the Plan and in satisfaction of their Claims, Holders of Senior Notes Claims and other Allowed TUSA General Unsecured Claims, other than Convenience Claims, will receive their Pro Rata Share of New TUSA HoldCo Common Stock, and, if such Holders are Eligible Holders, Subscription Rights to purchase Convertible Preferred Stock pursuant to the Rights Offering.

The U.S. federal income tax consequences to a Holder of a TUSA General Unsecured Claim will vary depending upon, among other things, whether such Claim constitutes a "security" for U.S. federal income tax purposes. Neither the Code nor the Treasury Regulations promulgated thereunder defines the term "security." Whether an instrument constitutes a "security" for U.S. federal income tax purposes is determined based on all of the facts and circumstances. Certain authorities have held that the length of the initial term of the debt

instrument is an important factor in making such a determination. Generally, these authorities have indicated that an initial term of less than five years is evidence that the instrument is not a security, whereas an initial term of ten years or more is evidence that it is a security. Nevertheless, there are numerous other factors that may be taken into account in determining whether a debt instrument is a security, including, but not limited to, whether repayment is secured, the level of creditworthiness of the obligor, whether or not the instrument is subordinated, whether the holders have the right to vote or otherwise participate in the management of the obligor, whether the instrument is convertible into an equity interest, whether payments of interest are fixed, variable, or contingent, and whether such payments are made on a current basis or are accrued. Due to the inherently factual nature of the determination, Holders are urged to consult their tax advisors regarding the appropriate status of their Claims for U.S. federal income tax purposes.

(a) Tax-Free Recapitalization

The surrender of a TUSA General Unsecured Claim that constitutes a "security" for U.S. federal income tax purposes in exchange for New TUSA HoldCo Common Stock, and, if such Holders are Eligible Holders, Subscription Rights to purchase Convertible Preferred Stock, should be treated as a recapitalization for U.S. federal income tax purposes. Accordingly, a Holder of a TUSA General Unsecured Claim that constitutes a "security" for U.S. federal income tax purposes generally should not recognize any gain or loss upon such an exchange of its Claim. A Holder will have interest income to the extent of any consideration allocable to accrued but unpaid interest not previously included in income. For a discussion of the U.S. federal income tax consequences of any Claim for accrued but unpaid interest, see Section XII.B.1(d).

A Holder's aggregate tax basis in New TUSA HoldCo Common Stock and Subscription Rights received in satisfaction of a Claim should equal the Holder's adjusted tax basis in such Claim, increased by any interest income received in respect of such Claim, and decreased by any deductions claimed in respect of any previously accrued interest. Such tax basis should be allocated between the New TUSA HoldCo Common Stock and any Subscription Rights received based on their relative fair market values. The Holder's holding period for any New TUSA HoldCo Common Stock and any Subscription Rights received generally should include the Holder's holding period for the Claim, except that the holding period of any New TUSA HoldCo Common Stock and any Subscription Rights issued in respect of a Claim for accrued but unpaid interest would begin on the day following the receipt of such New TUSA HoldCo Common Stock and Subscription Rights.

(b) Fully Taxable Exchange

The receipt by a Holder of a TUSA General Unsecured Claim that does not constitute a "security" for U.S. federal income tax purposes of New TUSA HoldCo Common Stock and, if such Holder is an Eligible Holder, Subscription Rights, should be a fully taxable transaction. Accordingly, a Holder of such a Claim generally should recognize gain or loss in an amount equal to the difference between (i) the amount realized by the Holder in satisfaction of its Claim, which is the sum of the fair market value of any shares of New TUSA HoldCo Common Stock and the fair market value of any Subscription Rights received (other than in respect of any Claim for accrued but unpaid interest), and (ii) the Holder's adjusted tax basis in its Claim (other than

in respect of any Claim for accrued but unpaid interest). For a discussion of the U.S. federal income tax consequences to Holders of any Claim for accrued but unpaid interest, see Section XII.B.1(d).

A Holder's tax basis in any New TUSA HoldCo Common Stock and any Subscription Rights received in satisfaction of a Claim generally should equal the fair market values of such New TUSA HoldCo Common Stock and Subscription Rights on the Effective Date. A Holder's holding period for any New TUSA HoldCo Common Stock and any Subscription Rights received generally should begin the day following the Effective Date.

(c) Character of Gain of Loss

If gain or loss is recognized by a Holder in respect of the satisfaction of its TUSA General Unsecured Claim, the character of such gain or loss will generally be long-term capital gain or loss if the Holder has held the claim for more than a year, subject to the "market discount" rules discussed below. Each Holder of a TUSA General Unsecured Claim is urged to consult its tax advisor for a determination of the character of any gain or loss recognized in respect to the satisfaction of its TUSA General Unsecured Claim. Holders of TUSA General Unsecured Claims who recognize capital losses as a result of the distributions under the Plan will be subject to limits on their use of capital losses.

(d) Accrued but Unpaid Interest

The extent to which any consideration received by a Holder of a TUSA General Unsecured Claim pursuant to the Plan will be attributable to accrued but unpaid interest is unclear. Pursuant to the Plan, distributions to any Holder of TUSA General Unsecured Claims will be allocated for U.S. federal income tax purposes to the principal amount of the Claim first and then, to the extent the consideration exceeds the principal amount of the Claim, to the portion of such Claim representing accrued but unpaid interest. There is no assurance, however, that the IRS would respect such allocation for U.S. federal income tax purposes.

In general, to the extent that any consideration received pursuant to the Plan by a Holder of a TUSA General Unsecured Claim is received in satisfaction of accrued but unpaid interest during its holding period, such amount will be taxable to the Holder as interest income (if not previously included in the Holder's gross income). Conversely, a Holder generally recognizes a loss to the extent any accrued but unpaid interest claimed or amortized market discount was previously included in its gross income and is not paid in full. Each Holder of a Claim is urged to consult its tax advisor regarding the allocation of consideration and the deductibility of accrued but unpaid interest for U.S. federal income tax purposes.

(e) Market Discount

A Holder that purchased its TUSA General Unsecured Claim from a prior holder at a "market discount" (relative to the "adjusted issue price" of the existing notes at the time of acquisition) may be subject to the market discount rules of the Internal Revenue Code. If a Holder purchased its existing claims at a price less than such claim's principal amount, the difference would constitute "market discount" for U.S. federal income tax purposes. In general, a debt obligation (other than a debt obligation with a fixed maturity of one year or less) that is

acquired by a holder in the secondary market (or, in certain circumstances, upon original issuance) is a "market discount bond" as to that holder if its stated redemption price at maturity (or, in the case of a debt obligation having original issue discount ("**OID**"), the revised issue price) exceeds the adjusted tax basis of the bond in the holder's hands immediately after its acquisition. However, a debt obligation will not be a "market discount bond" if such excess is less than a statutory de minimis amount. Any gain recognized by such holder would be treated as ordinary income to the extent of the accrued but unrecognized market discount.

2. Ownership and Disposition of New TUSA HoldCo Common Stock

(a) Distributions

Distributions, if any, with respect to the New TUSA HoldCo Common Stock will be subject to tax as dividend income when paid to the extent of New TUSA HoldCo's current and accumulated earnings and profits as determined under U.S. federal income tax principles. Any portion of a distribution that exceeds New TUSA HoldCo's current and accumulated earnings and profits will generally be treated first as a return of capital, on a share-by-share basis, to the extent of the holder's tax basis in the New TUSA HoldCo Common Stock (and will reduce the holder's basis in such stock), and, to the extent such portion exceeds the holder's tax basis in its New TUSA HoldCo Common Stock, will be treated as gain from the disposition of the stock, the tax treatment of which is discussed below in "Sale or Other Disposition."

(i) U.S. Holders

Dividends paid by New TUSA HoldCo will generally be eligible for the preferential tax rate applicable to "qualified dividend income" of eligible non-corporate U.S. holders provided that the U.S. holder meets certain holding period requirements and for the "dividends received deduction" for corporate shareholders, provided that certain requirements are met.

(ii) Non-U.S. Holders

Subject to the discussion below regarding dividends that are effectively connected with a trade or business in the United States, dividends paid to a non-U.S. holder with respect to New TUSA HoldCo Common Stock will generally be subject to U.S. federal withholding tax at a 30% rate on the gross amount of the dividend, or such lower rate as may be provided by an applicable income tax treaty, provided that the non-U.S. holder furnishes proper certification of the applicability of such income tax treaty. In addition, because the Debtors believe that New TUSA HoldCo will be treated as a "United States real property holding corporation" (as described below) upon substantial consummation of the Plan, New TUSA HoldCo may, if required, withhold 15% of any distribution that exceeds New TUSA HoldCo's current and accumulated earnings and profits. Such withholding does not apply if New TUSA HoldCo's stock is regularly traded on an established securities market and the non-U.S. holder did not own (directly, indirectly or constructively) more than 5% of New TUSA HoldCo Common Stock at any time during the shorter of the five-year period ending on the date of the distribution or the period that the non-U.S. holder held New TUSA HoldCo Common Stock. There can be no assurance that New TUSA HoldCo Common Stock will qualify as regularly traded on an established securities market.

Non-U.S. holders should consult their tax advisors regarding their entitlement to benefits under an applicable income tax treaty and the manner of claiming the benefits of such treaty. A non-U.S. holder that is eligible for a reduced rate of U.S. federal withholding tax under an income tax treaty may obtain a refund of any excess amounts withheld by timely filing a properly executed IRS Form W-8BEN or W-8BEN-E (or successor form) upon which the non-U.S. holder certifies, under penalties of perjury, its status as a non-U.S. person and its entitlement to the lower treaty rate or exemption from tax with respect to such distributions.

Dividends that (a) are effectively connected with a non-U.S. holder's conduct of a trade or business in the United States and, (b) if an income tax treaty requires, are attributable to a permanent establishment maintained by the non-U.S. holder in the United States, will not be subject to U.S. federal withholding tax, assuming that the non-U.S. holder timely files a properly executed IRS Form W-8ECI certifying an exemption from withholding with respect to such dividends. Instead, such dividends will be subject to tax on a net income basis at regular graduated U.S. federal income tax rates, in the manner applicable to U.S. persons. In addition, dividends received by a corporate non-U.S. holder that are effectively connected with the conduct of a trade or business in the United States (and, if an income tax treaty requires, that are attributable to a permanent establishment maintained by the non-U.S. holder in the United States) may be subject to a branch profits tax at a 30% rate, or at a lower rate if provided by an applicable income tax treaty.

(b) Sale or Other Disposition

(i) U.S. Holders

Any gain or loss recognized by a U.S. holder on the sale, exchange, or other disposition of New TUSA HoldCo Common Stock should generally be capital gain or loss in an amount equal to the difference, if any, between the amount realized by the holder and the holder's adjusted tax basis in the New TUSA HoldCo Common Stock immediately before the sale, exchange, or other disposition. A holder's amount realized should equal the amount of cash and the fair market value of any property received in consideration of its stock. Any such gain or loss should generally be long-term if the holder's holding period for its stock is more than one year at that time. The use of capital losses is subject to limitations.

(ii) Non-U.S. Holders

Subject to the discussion below on backup withholding and the Foreign Account Tax Compliance Act, a non-U.S. holder will generally not be subject to U.S. federal income tax on gain recognized on a sale, exchange or other taxable disposition of New TUSA HoldCo Common Stock unless (a) the non-U.S. holder is an individual present in the United States for 183 days or more during the taxable year of the disposition and certain other conditions are met, (b) the gain is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States and, if an income tax treaty requires, is attributable to a permanent establishment maintained by the non-U.S. holder in the United States; or (c) New TUSA HoldCo is, or has been, a "United States real property holding corporation" for U.S. federal income tax purposes at any time during the shorter of the five-year period ending on the date of disposition or the period that the non-U.S. holder held New TUSA HoldCo Common Stock, and either (i)

the non-U.S. holder owns or owned (directly, indirectly, or constructively), at any time during the shorter of such periods, more than 5% of New TUSA HoldCo Common Stock, or (ii) New TUSA HoldCo Common Stock has ceased to be regularly traded on an established securities market prior to the beginning of the calendar year in which the sale, exchange, or other taxable disposition occurs.

Under U.S. federal income tax laws, New TUSA HoldCo will be a "United States real property holding corporation" if the fair market value of New TUSA HoldCo's "United States real property interests" equals or exceeds 50% of the sum of (a) New TUSA HoldCo's real property interests, plus (b) any other of New TUSA HoldCo's assets used or held for use in a trade or business. The Debtors believe that New TUSA HoldCo will be treated as a "United States real property holding corporation" on the Effective Date. Nevertheless, a non-U.S. holder will not be subject to U.S. federal income tax on a disposition of New TUSA HoldCo Common Stock so long as (i) the non-U.S. holder did not own (directly, indirectly, or constructively) more than 5% of New TUSA HoldCo Common Stock at any time during the shorter of the five-year period ending on the date of disposition or the period that the non-U.S. holder held New TUSA HoldCo Common Stock, and (ii) New TUSA HoldCo Common Stock is regularly traded on an established securities market. If such conditions are not satisfied, a non-U.S. holder will be subject to U.S. federal income tax on a disposition of New TUSA HoldCo Common Stock as if the gain were effectively connected with the conduct of the non-U.S. holder's trade or business in the United States, as discussed below. In addition, if New TUSA HoldCo Common Stock is not treated as regularly traded on an established securities market, a buyer of New TUSA HoldCo Common Stock from a non-U.S. holder generally would be required to withhold tax in an amount equal to 15% of the amount realized by the non-U.S. holder on the sale or other taxable disposition of the New TUSA HoldCo Common Stock. There can be no assurance that New TUSA HoldCo Common Stock will qualify as regularly traded on an established securities market. The rules regarding "United States real property holding corporations" are complex, and non-U.S. holders are urged to consult with their tax advisors on the application of these rules based on their particular circumstances.

An individual non-U.S. holder who is subject to U.S. tax because such holder was present in the United States for 183 days or more during the year of disposition will generally be taxed on such holder's gain from the disposition of New TUSA HoldCo Common Stock at a flat rate of 30% (net of any United States-source capital loss recognized in such year), or at a lower rate if provided by an applicable income tax treaty. However, non-U.S. holders whose gain from the disposition of New TUSA HoldCo Common Stock is treated as effectively connected (including for reasons described in the preceding paragraph) with such non-U.S. holder's conduct of a trade or business in the United States (and, if an income tax treaty requires, that is attributable to a permanent establishment maintained by the non-U.S. holder in the United States) will generally be taxed on such disposition on a net income basis at regular graduated U.S. federal income tax rates, in the same manner in which citizens or residents of the United States would be taxed. In addition, gain recognized by a corporate non-U.S. holder that is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States (and, if an income tax treaty requires, that is attributable to a permanent establishment maintained by the non-U.S. holder in the United States) may be subject to a branch profits tax at a 30% rate, or at a lower rate if provided by an applicable income tax treaty. Accordingly, non-U.S. holders of New TUSA HoldCo Common Stock are urged to consult their tax advisors regarding the U.S. federal income

tax consequences to them of owning, selling or disposing of New TUSA HoldCo Common Stock.

(iii) Foreign Account Tax Compliance Act

Under certain provisions of the Tax Code referred to as the Foreign Account Tax Compliance Act, withholding at a rate of 30% will generally be required in certain circumstances on dividends in respect of, and after December 31, 2018, gross proceeds from the sale or other disposition of, shares of New TUSA HoldCo Common Stock held by or through certain foreign financial institutions (including investment funds), unless such institution (a) enters into, and complies with, an agreement with the IRS to report, on an annual basis, information with respect to certain interests in, or accounts maintained by, the institution that are owned by certain U.S. persons or by certain non-U.S. entities that are wholly or partially owned by U.S. persons and to withhold on certain payments, or (b) if required under an intergovernmental agreement between the United States and an applicable foreign country, reports such information to its local tax authority, which will exchange such information with the U.S. authorities. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. Accordingly, the entity through which New TUSA HoldCo Common Stock is held will affect the determination of whether such withholding is required. Similarly, dividends in respect of, and after December 31, 2018, gross proceeds from the sale or other disposition of, New TUSA HoldCo Common Stock held by a holder that is a non-financial non-U.S. entity that does not qualify under certain exceptions will generally be subject to withholding at a rate of 30%, unless such entity either (i) certifies to the withholding agent that such entity does not have any "substantial United States owners" or (ii) provides certain information regarding the entity's "substantial United States owners," which in turn will be required to be provided to the United States Department of the Treasury. Holders should consult their tax advisors regarding the possible implications of these rules on their ownership in New TUSA HoldCo Common Stock.

3. Ownership and Disposition of Convertible Preferred Stock

A holder of Subscription Rights to purchase Convertible Preferred Stock pursuant to the Rights Offering generally should not recognize any gain or loss upon the exercise of such Subscription Rights. A holder's aggregate tax basis in the Convertible Preferred Stock received upon exercise of a Subscription Right should be equal to the sum of the amount of cash paid by the holder to exercise the Subscription Right and the holder's tax basis in the right exercised (i.e., the fair market value of the Subscription Right). A holder's holding period in the Convertible Preferred Stock received on exercise of the Subscription Right should begin on the day after the day of receipt.

It is uncertain whether a Holder that receives but does not exercise a Subscription Right should be treated as receiving anything of additional value in respect of its Claim. If the Holder is treated as having received a Subscription Right of value (despite its subsequent lapse), such that it obtains a tax basis in the Subscription Right, the Holder generally would recognize a loss to the extent of the holder's tax basis in the Subscription Right. In general, such loss would be a short-term capital loss.

Because, among other things, (A) upon liquidation, a holder of Convertible Preferred Stock is entitled to receive the greater of (i) its liquidation preference plus any applicable redemption premium and (ii) the amount such holder would have received if the Convertible Preferred Stock were converted into New TUSA HoldCo Common Stock immediately prior to such liquidation, and (B) upon redemption, a holder of Convertible Preferred Stock is entitled to receive the greater of (i) its liquidation preference plus any applicable redemption premium and (ii) the amount equal to the value of the New TUSA HoldCo Common Stock such holder would have received if the Convertible Preferred Stock were converted into New TUSA HoldCo Common Stock, the Debtors believe that the Convertible Preferred Stock should be considered participating stock for U.S. federal income tax purposes that generally should not be subject to the preferred OID rules under section 305 of the Internal Revenue Code. No regulations or other administrative guidance have been issued addressing an instrument with terms similar to the Convertible Preferred Stock, and, consequently, there is uncertainty regarding the application of the preferred OID rules to the Convertible Preferred Stock. Accordingly, Holders of Claims should consult their tax advisors regarding the U.S. federal income tax consequences of the acquisition, ownership, and disposition of the Convertible Preferred Stock. The Debtors intend to treat the Convertible Preferred Stock as participating stock for U.S. federal income tax purposes, and the remainder of this discussion assumes the correctness of the Debtors' position. However, no assurance can be made that the IRS will not successfully challenge this characterization.

Accordingly, the U.S. federal income tax consequences of the ownership and disposition of Convertible Preferred Stock generally should be the same as those discussed in respect of New TUSA HoldCo Common Stock, unless indicated otherwise herein.

The conversion of Convertible Preferred Stock into New TUSA HoldCo Common Stock will not be a taxable event. A holder's tax basis in the New TUSA HoldCo Common Stock received upon a conversion of Convertible Preferred Stock will equal the tax basis of the Convertible Preferred Stock that was converted. The holder's holding period for the New TUSA HoldCo Common Stock received will include the holder's holding period for the Convertible Preferred Stock converted.

A redemption of the Convertible Preferred Stock will be treated as a distribution taxable as a dividend to holders of the Convertible Preferred Stock to the extent of the Debtors' current or accumulated earnings and profits, unless it can be satisfactorily established that, for U.S. federal income tax purposes, (a) the redemption is "not essentially equivalent to a dividend,'' (b) the redemption results in a "complete termination'' of the holder's interest in the stock (both preferred and common) of New TUSA HoldCo, or (c) the redemption is "substantially disproportionate'' with respect to the holder, all within the meaning of section 302(b) of the Internal Revenue Code. In any such case, the redemption would be treated as a sale or exchange that gives rise to capital gain or loss generally equal to the difference between (a) the amount of cash received by the holder and (b) the holder's tax basis in the Convertible Preferred Stock redeemed, subject to any limitations on such holder's ability to deduct capital losses.

In the event that New TUSA HoldCo does not declare and pay in full in cash the quarterly dividend on the Convertible Preferred Stock pursuant to the terms of the Convertible Preferred Stock, and instead the liquidation preference of the Convertible Preferred Stock is automatically increased by such undeclared and unpaid portion of such dividend, such action

may, in some circumstances, result in a deemed distribution to the holder. Pursuant to section 305(b)(2) of the Tax Code, an increase in the liquidation preference or certain rights of stock constitutes a "disproportionate distribution," and is therefore taxable, if it results in (a) the receipt of cash or property by some stockholders and (b) an increase in the proportionate interest of other stockholders in the assets or earnings and profits of the distributing corporation. Under the applicable Treasury Regulations, where the receipt of cash or property occurs more than 36 months following the increase in liquidation preference, or where the increase in liquidation preference occurs more than 36 months following the receipt of cash or property, such transaction will be presumed not to result in the receipt of cash or property by some stockholders and an increase in the proportionate interest of other stockholders, unless the receipt of cash or property by some stockholders and the increase in the proportionate interest of other stockholders are made pursuant to a plan. Accordingly, if New TUSA HoldCo pays a cash or stock dividend to holders of another class of stock (other than the Convertible Preferred Stock) or convertible securities of New TUSA HoldCo, such action could result in the increase in liquidation preference of the Convertible Preferred Stock as being treated as a deemed distribution to the holder.

Holders of Convertible Preferred Stock may also be treated as receiving deemed distributions in certain circumstances where the conversion rate of the Convertible Preferred Stock will be adjusted. Adjustments (or failure to make adjustments) that have the effect of increasing a holder's proportionate interest in our assets or earnings and profits may, in some circumstances, result in a deemed distribution to the holder. Adjustments to the conversion rate made pursuant to a bona fide reasonable adjustment formula that has the effect of preventing the dilution of the interest of the holder of the Convertible Preferred Stock, however, will generally not be considered to result in a deemed distribution to the holder. Certain of the possible conversion rate adjustments provided in the terms of the Convertible Preferred Stock (including adjustments in respect of taxable dividends paid to holders of common stock) may not qualify as being pursuant to a bona fide reasonable adjustment formula. If adjustments that have the effect of increasing a holder's proportionate interest in our assets or earnings and profits and that do not qualify as being pursuant to a bona fide reasonable adjustment formula are made, holders of Convertible Preferred Stock may generally be deemed to have received a distribution even though they have not received any cash or property.

Any such deemed distributions under the circumstances described above will generally be taxable to a holder in the same manner as an actual distribution as described above under Section XII.B.2(a). For holders that are non-U.S. holders, constructive distributions may be subject to U.S. federal withholding tax at a 30% rate (or at a reduced rate or exemption from tax established through adequate documentation to be available to the non-U.S. holder under an applicable income tax treaty), which tax may be withheld by or on behalf of New TUSA HoldCo from other payments due to such holders. New TUSA HoldCo may also take other measures to obtain cash to satisfy its withholding requirements with respect to such constructive distributions, including by retaining, selling or liquidating property of the applicable holders held in its custody or over which it has control. Such holders would not be entitled to receive any additional amounts in respect of any amounts withheld or required to be withheld.

C. Information Reporting and Withholding

All distributions to Holders of Allowed TUSA General Unsecured Claims under the Plan are generally subject to any applicable tax withholding. Under U.S. federal income tax law, interest, dividends, and other reportable payments may, under certain circumstances, be subject to "backup withholding." Backup withholding generally applies if the holder (a) fails to furnish its social security number or other TIN, (b) furnishes an incorrect TIN, (c) fails properly to report interest or dividends, or (d) under certain circumstances, fails to provide a certified statement, signed under penalty of perjury, that the TIN provided is its correct number and that it is a United States person that is not subject to backup withholding.

Backup withholding is not an additional tax and may be refunded by the IRS to the extent it results in an overpayment of tax and the appropriate information is timely supplied to the IRS. Certain persons are exempt from backup withholding, including, in certain circumstances, corporations and financial institutions.

In addition, from an information reporting perspective, Treasury Regulations generally require disclosure by a taxpayer on its U.S. federal income tax return of certain types of transactions in which the taxpayer participated, including, among other types of transactions, certain transactions that result in the taxpayer's claiming a loss in excess of specified thresholds. Holders are urged to consult their tax advisors regarding these regulations and whether the transactions contemplated by the Plan would be subject to these regulations and require disclosure on the holders' tax returns.

The foregoing summary has been provided for informational purposes only. All Holders of Claims receiving a distribution under the Plan are urged to consult their tax advisors concerning the U.S. federal, state and local, and foreign tax consequences applicable under the Plan.

XIII. PLAN SUPPLEMENT

Exhibits to the Plan not attached hereto shall be filed in one or more Plan Supplements. Any Plan Supplement (and amendments thereto) filed by the Debtors shall be deemed an integral part of the Plan and shall be incorporated by reference as if fully set forth therein. The Plan Supplements may be viewed at the office of the clerk of the Court or its designee during normal business hours, by visiting the Bankruptcy Court's website at http://www.deb.uscourts.gov (PACER account required) or at the Solicitation Agent website https://cases.primeclerk.com/tusa, or by written request to the Solicitation Agent at:

By regular mail, hand delivery, or overnight mail at:

Prime Clerk LLC
Re: Triangle USA Petroleum Corp.
830 3rd Avenue, 3rd Floor
New York, New York 10022

By electronic mail at:

tusainfo@primeclerk.com

By telephone at:

(855) 842-4122 within the United States or Canada; or
(929) 333-8982 outside the United States or Canada.

The documents contained in any Plan Supplements shall be subject to approval by the Bankruptcy Court pursuant to the Confirmation Order.

[Remainder of Page Intentionally Left Blank]

XIV. RECOMMENDATION AND CONCLUSION

In the opinion of the Debtors, the Plan is preferable to all other available alternatives and provides for a larger distribution to the Debtors' creditors than would otherwise result in any other scenario. Accordingly, the Debtors recommend that Holders of Claims entitled to vote on the Plan vote to accept the Plan and support Confirmation of the Plan.

Dated: January 12, 2016

TRIANGLE USA
on behalf of itself and all other Debtors

/s/ John R. Castellano
Name: John R. Castellano
Title: Chief Restructuring Officer

Exhibit A

Plan of Reorganization

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
TRIANGLE USA PETROLEUM CORPORATION, *et al.*,	:	Case No. 16-11566 (MFW)
Debtors.[1]	:	Jointly Administered

SECOND AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION OF TRIANGLE USA PETROLEUM CORPORATION AND ITS AFFILIATED DEBTORS

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

George N. Panagakis
Ron E. Meisler
Christopher M. Dressel
Renu P. Shah
155 N. Wacker Drive
Chicago, Illinois 60606-1720
Telephone: (312) 407-0700
Fax: (312) 407-0411

Sarah E. Pierce (I.D. No. 4648)
Alison M. Keefe (I.D. No. 6187)
One Rodney Square
P.O. Box 636
Wilmington, Delaware 19899-0636
Telephone: (302) 651-3000
Fax: (302) 651-3001

Counsel for Debtors and Debtors in Possession

Dated: January 12, 2017
Wilmington, Delaware

[1] The Debtors and the last four digits of their respective taxpayer identification numbers are: Triangle USA Petroleum Corporation (0717); Foxtrot Resources LLC (6690); Leaf Minerals, LLC (9522); Ranger Fabrication, LLC (6889); Ranger Fabrication Management, LLC (1015); and Ranger Fabrication Management Holdings, LLC (0750). The address of the Debtors' corporate headquarters is 1200 17th Street, Suite 2500, Denver, Colorado 80202.

TABLE OF CONTENTS

INTRODUCTION

Each of Triangle USA Petroleum Corporation; Foxtrot Resources LLC; Leaf Minerals, LLC; Ranger Fabrication, LLC; Ranger Fabrication Management, LLC; and Ranger Fabrication Management Holdings, LLC, the debtors and debtors in possession in the above-captioned Chapter 11 Cases, hereby propose this second amended joint chapter 11 plan of reorganization for the resolution of outstanding Claims and Interests.[2] The Debtors are the proponents of this Plan within the meaning of section 1129 of the Bankruptcy Code. The distributions to be made to Holders of Claims are set forth herein. The Debtors' non-Debtor Affiliates, including their ultimate parent company, Triangle Petroleum Corporation, are not Debtors in the Chapter 11 Cases or under this Plan.

Under section 1125(b) of the Bankruptcy Code, a vote to accept or reject this Plan cannot be solicited from a Holder of a Claim or Interest until a disclosure statement has been approved by the Bankruptcy Court and distributed to Holders of Claims and Interests. The Disclosure Statement relating to this Plan was approved by the Bankruptcy Court on _____ ___, 201_ and has been distributed simultaneously with this Plan to all parties whose votes are being solicited. The Disclosure Statement contains, among other things, a discussion of the Debtors' history, business, properties, and operations, risk factors associated with the business and this Plan, a summary and analysis of this Plan, and certain related matters.

All Holders of Claims who are entitled to vote are encouraged to read the Plan and the Disclosure Statement in their entirety before voting to accept or reject this Plan.

Subject to the restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 and those restrictions on modifications set forth in Article XII of this Plan, the Debtors expressly reserve their rights to alter, amend, modify, revoke, or withdraw this Plan one or more times prior to this Plan's substantial consummation.

ARTICLE I

DEFINED TERMS, RULES OF INTERPRETATION, AND COMPUTATION OF TIME

A. Scope of Definitions. For purposes of this Plan, except as expressly provided otherwise or unless the context requires otherwise, all capitalized terms not otherwise defined shall have the meanings ascribed to them in Article I.B of this Plan. Any term used in this Plan that is not defined herein, but is defined in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning ascribed to that term in the Bankruptcy Code or the Bankruptcy Rules.

[2] Capitalized terms used in this "Introduction" shall have the meanings ascribed to them in Article I.A.B of the Plan.

B. Definitions

1.1 "**Ad Hoc Noteholder Group**" means those Holders of the Debtors' Senior Notes listed in Exhibit A to the *Fourth Supplemental Verified Statement of Gibson, Dunn & Crutcher LLP and Young Conaway Stargatt & Taylor, LLP Pursuant to Federal Rule of Bankruptcy Procedures 2019* [Docket No. 528], filed on December 23, 2016, as may be supplemented from time to time.

1.2 "**Adequate Protection Obligations**" means the liens, claims, and other obligations granted or incurred by the TUSA Debtors pursuant to the Cash Collateral Order, for the benefit of the Prepetition Secured Parties, as adequate protection of the Prepetition Secured Parties' interests in the Prepetition Collateral, including the Cash Collateral (each as defined therein).

1.3 "**Administrative Claim**" means a Claim for payment of an administrative expense of a kind specified in section 503(b) of the Bankruptcy Code and entitled to priority pursuant to section 507(a)(2) of the Bankruptcy Code, including, but not limited to, the actual, necessary costs and expenses, incurred on or after the Petition Date, of preserving the Estates and operating the businesses of the Debtors, including wages, salaries, or commissions for services rendered after the commencement of the Chapter 11 Cases, Section 503(b)(9) Claims, Professional Claims, Restructuring Expenses, all fees and charges assessed against the Estates under chapter 123 of title 28 of the United States Code, and all Allowed Claims that are entitled to be treated as Administrative Claims pursuant to a Final Order of the Bankruptcy Court under section 546(c)(2)(A) of the Bankruptcy Code.

1.4 "**Administrative Claim Bar Date**" means the deadline for filing proofs of, or requests for, payment of Administrative Claims, which shall be 30 days after the Effective Date, unless otherwise ordered by the Bankruptcy Court, and except with respect to (a) Professional Claims, including Restructuring Expenses, (b) Administrative Claims Allowed by an order of the Bankruptcy Court on or before the Effective Date, or (c) Administrative Claims that are not Disputed and arose in the ordinary course of business and were paid or are to be paid in accordance with the terms and conditions of the particular transactions giving rise to such Administrative Claims.

1.5 "**Administrative Claim Request Form**" means the form to be included in the Plan Supplement for submitting Administrative Claim requests.

1.6 "**Affiliates**" has the meaning ascribed to such term by section 101(2) of the Bankruptcy Code.

1.7 "**Allowed**" means, for distribution purposes, a Claim or Interest, or any portion thereof, or a particular Class of Claims or Interests (a) that has been allowed by a Final Order of the Bankruptcy Court (or such other court as the Reorganized Debtors and the Holder of such Claim or Interest agree may adjudicate such Claim or Interest and objections thereto) or is otherwise allowed pursuant to the

express terms of the Plan, (b) which is not the subject of a proof of Claim timely filed with the Bankruptcy Court and is Scheduled as liquidated and non-contingent, other than a Claim that is Scheduled at zero, in an unknown amount, or as disputed, but only to the extent such Claim is Scheduled as liquidated and non-contingent, (c) for which a proof of Claim in a liquidated amount has been timely filed with the Bankruptcy Court pursuant to the Bankruptcy Code, any Final Order of the Bankruptcy Court or other applicable bankruptcy law, and as to which either (i) no objection to its allowance has been filed within the periods of limitation fixed by this Plan, the Bankruptcy Code, or by any order of the Bankruptcy Court or (ii) any objection to its allowance has been settled or withdrawn, or has been denied by a Final Order of the Bankruptcy Court, or (d) that is expressly allowed in a liquidated amount pursuant to this Plan. Pursuant to Bankruptcy Code section 503(b)(1)(D), Governmental Units need not file a Claim to request payment of an Administrative Claim relating to taxes under Bankruptcy Code section 503(b)(1)(B) or (C) as a condition of its being an Allowed Administrative Claim.

1.8 "**Avoidance Actions**" means any and all actual or potential claims and causes of action to avoid a transfer of property or an obligation incurred by the Debtors and its recovery, subordination, or other remedies that may be brought by and on behalf of the Debtors and their Estates under the Bankruptcy Code or applicable non-bankruptcy law, including actions or remedies under section 502, 510, 542, 544, 545, 547 through 553, and 724(a) of the Bankruptcy Code.

1.9 "**Backstop Amount**" means $150,000,000, representing the amount of the Rights Offering backstopped by the Backstop Parties pursuant to the Backstop Commitment Agreement.

1.10 "**Backstop and Rights Offering Procedures Approval Order**" means a Final Order entered by the Bankruptcy Court authorizing the Debtors' entry into, and approving the terms of, a Backstop Commitment Agreement and the Rights Offering Procedures, which shall also approve the payment of related reasonable and documented fees and expenses of the Ad Hoc Noteholder Group and the Backstop Parties.

1.11 "**Backstop Commitment Agreement**" means that certain Backstop Commitment Agreement by and among the TUSA Debtors and each of the Backstop Parties thereto, dated as of January [11], 2017, as may be amended, supplemented, or otherwise modified from time to time.

1.12 "**Backstop Parties**" means the members of the Ad Hoc Noteholder Group that have agreed to backstop the Rights Offering, up to the Backstop Amount, pursuant to the Backstop Commitment Agreement.

1.13 "**Bankruptcy Code**" means the Bankruptcy Reform Act of 1978, as amended and codified in title 11 of the United States Code, 11 U.S.C. §§ 101–1532, as in effect on the date hereof but, with respect to amendments to the Bankruptcy Code

subsequent to commencement of the Chapter 11 Cases, only to the extent that such amendments were made expressly applicable to bankruptcy cases which were filed as of the enactment of such amendments.

1.14 "**Bankruptcy Court**" means the United States Bankruptcy Court for the District of Delaware or such other court as may have jurisdiction over the Chapter 11 Cases.

1.15 "**Bankruptcy Rules**" means the Federal Rules of Bankruptcy Procedure and the Official Bankruptcy Forms, as amended; the Federal Rules of Civil Procedure, as amended, as applicable to the Chapter 11 Cases or proceedings therein; and the Local Rules of the Bankruptcy Court, as applicable to the Chapter 11 Cases or proceedings therein, as the case may be.

1.16 "**Bar Date**" means the deadlines set by the Bankruptcy Court pursuant to the Bar Date Order or other Final Order for filing proofs of Claim in the Chapter 11 Cases, as the context may require, which was October 13, 2016, except for Governmental Units, for whom the Bar Date is December 27, 2016.

1.17 "**Bar Date Order**" means the order entered by the Bankruptcy Court on August 30, 2016 [Docket No. 270], which established the Bar Date, and any subsequent order supplementing such order or relating thereto.

1.18 "**Business Day**" means any day, excluding Saturdays, Sundays, and "legal holidays" (as defined in Bankruptcy Rule 9006(a)).

1.19 "**Caliber**" means Caliber Midstream Partners, L.P., and its direct and indirect subsidiaries.

1.20 "**Caliber Declaratory Judgment Action**" means, as applicable, (a) the civil action commenced by Caliber against TUSA in the District Court for the Northwest Judicial District of North Dakota, as Civil Case No. 27-2016-CV-00218, seeking a declaratory judgment that the "dedications" in certain of the Specified Caliber Contracts are valid and enforceable covenants running with the land; and (b) any other Legal Proceeding that seeks to determine whether one or more of the Specified Caliber Contracts contains covenants that run with the land under applicable law, or similar issues.

1.21 "**Caliber Rejection Damages Cap**" means an Allowed or estimated amount of the Caliber Rejection Damages Claim of $75,000,000.

1.22 "**Caliber Rejection Damages Claim**" means any Rejection Damages Claim asserted by Caliber arising out of the rejection of the Specified Caliber Contracts, including the proofs of Claim filed by Caliber as proofs of Claim 338, 339, and 341 in the Chapter 11 Cases.

1.23 "**Caliber Rejection Motion**" means the motion filed by the Debtors on July 5, 2016 [Docket No. 67] seeking authorization but not direction to reject one or more of the Specified Caliber Contracts.

1.24 "**Cash**" means legal tender of the United States of America and equivalents thereof.

1.25 "**Cash Collateral Order**" means that certain *Final Order Pursuant to Bankruptcy Code Sections 105(a), 361, 362, 363, 503, and 507, Bankruptcy Rules 2002, 4001, and 9014, and Local Bankruptcy Rule 4001-2 (I) Authorizing Debtors to Use Cash Collateral; (II) Granting Adequate Protection to Prepetition Secured Parties; (III) Modifying Automatic Stay; and (IV) Granting Related Relief* [Docket No. 295] entered on September 12, 2016.

1.26 "**Causes of Action**" means any and all actions, claims, proceedings, causes of action, suits, accounts, demands, controversies, agreements, promises, rights to legal remedies, rights to equitable remedies, rights to payment and claims, whether known, unknown, reduced to judgment, not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured, and whether asserted or assertable directly or derivatively, at law, in equity, or otherwise, including actions brought prior to the Petition Date, actions under chapter 5 of the Bankruptcy Code, including Avoidance Actions, and actions against any Entity for failure to pay for products or services provided or rendered by the Debtors, all claims, suits, or proceedings relating to the enforcement of the Debtors' intellectual property rights, including patents, copyrights, and trademarks, and all claims or causes of action seeking recovery of the Debtors' or the Reorganized Debtors' accounts receivable or other receivables or rights to payment created or arising in the ordinary course of the Debtors' or the Reorganized Debtors' businesses, based in whole or in part upon any act or omission or other event occurring prior to the Petition Date or during the course of the Chapter 11 Cases, including through the Effective Date.

1.27 "**Certificate**" means any instrument evidencing a Claim or an Interest.

1.28 "**Chapter 11 Cases**" means the chapter 11 cases of the Debtors pending in the Bankruptcy Court and being jointly administered under Case No. 16-11566 (MFW).

1.29 "**Claim**" means any claims against the Debtors, whether or not asserted, as defined in section 101(5) of the Bankruptcy Code, or an Administrative Claim, as applicable.

1.30 "**Claims and Solicitation Agent**" means Prime Clerk LLC.

1.31 "**Claims Objection Deadline**" means the later of (a)(i) as to Rejection Damages Claims, the first Business Day that is at least 180 days after such Rejection Damages Claim is timely filed pursuant to Section 6.02(b) hereof; (ii) as to late-filed proofs of Claim, the first Business Day that is at least 60 days after a Final

Order is entered deeming the late-filed Claim timely filed; and (iii) as to all other Claims the first Business Day that is at least one year after the Effective Date; or (b) such later date as may be established by the Bankruptcy Court by motion of the Reorganized Debtors.

1.32 "**Class**" means a category of Claims or Interests classified together pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code, as described in Article III of this Plan.

1.33 "**Confirmation Date**" means the date on which Confirmation occurs.

1.34 "**Confirmation Hearing**" means the hearing before the Bankruptcy Court held under section 1128 of the Bankruptcy Code to consider confirmation of the Plan and related matters, as such hearing may be adjourned or continued from time to time.

1.35 "**Confirmation**" means the entry, within the meaning of Bankruptcy Rules 5003 and 9012, of the Confirmation Order, subject to all conditions specified having been satisfied or waived.

1.36 "**Confirmation Order**" means the order of the Bankruptcy Court confirming this Plan under section 1129 of the Bankruptcy Code.

1.37 "**Convenience Claim**" means (a) a TUSA General Unsecured Claim with an Allowed amount of $150,000 or less or (b) a TUSA General Unsecured Claim with an Allowed amount of greater than $150,000, the Holder of which made a Convenience Claim Election; *provided, however*, that if, after accounting for all such Holders' Convenience Claim Elections, distributions of $0.50 to Holders for each $1.00 of Allowed Convenience Claims would cause total distributions to Holders of Convenience Claims to exceed the Convenience Claim Pool, then recoveries to such Holders shall be reduced proportionately; *provided further, however*, that if, after accounting for all such Holders' elections and making any proportionate reductions pursuant to the foregoing clause, distributions to such Holders would be less than $0.33 for each $1.00 of Allowed Convenience Claims, the Convenience Claim Elections of such Holders shall be disregarded from largest Allowed amount to smallest Allowed amount.

1.38 "**Convenience Claim Election**" means the election of the Holder of a TUSA General Unsecured Claim with an Allowed amount greater than $150,000 to reduce the Allowed amount of such Claim to $150,000 and to have such Claim treated as a Convenience Claim, as set forth on such Holder's ballot.

1.39 "**Convenience Claim Excess Balance**" means the remaining balance of the Convenience Claim Pool, if any, after making distributions to all Holders of Allowed Convenience Claims.

1.40 "**Convenience Claim Pool**" means the aggregate Cash fund available from the sources identified in Section 5.03 for distributions to Holders of Allowed Convenience Claims, which shall be $1,250,000.

1.41 "**Cure**" means the payment or other honoring of all obligations required to be paid or honored in connection with the assumption of an Executory Contract or Unexpired Lease pursuant to section 365 of the Bankruptcy Code, including (a) the cure of any non-monetary defaults to the extent required pursuant to section 365 of the Bankruptcy Code, and (b) with respect to monetary defaults, the distribution, within a reasonable period of time following the Effective Date, of Cash, or such other property as may be agreed upon by the parties or ordered by the Bankruptcy Court, with respect to the assumption (or assumption and assignment) of an Executory Contract or Unexpired Lease pursuant to section 365(b) of the Bankruptcy Code, in an amount equal to all unpaid monetary obligations or such other amount as may be agreed upon by the parties, under such Executory Contract or Unexpired Lease, to the extent such obligations are enforceable under the Bankruptcy Code and applicable non-bankruptcy law.

1.42 "**Cure Notice**" means the notice of proposed Cure amount provided to (a) counterparties to assumed Executory Contracts or Unexpired Leases pursuant to Section 6.01(e) of the Plan, and (b) Caliber, with respect to the Specified Caliber Contracts, pursuant to Section 6.03(c).

1.43 "**Cure Objection Deadline**" means the deadline for filing objections to a Cure Notice or proposed Cure, which shall be on or before 14 days after the applicable counterparty was served with a Cure Notice.

1.44 "**Debtors**" means, collectively, Triangle USA Petroleum Corporation, Foxtrot Resources LLC, Leaf Minerals, LLC, Ranger Fabrication, LLC, Ranger Fabrication Management, LLC, and Ranger Fabrication Management Holdings, LLC.

1.45 "**Disallowed**" means (a) a Claim, or any portion thereof, that has been disallowed by a Final Order or a settlement, or as provided in this Plan, (b) a Claim or any portion thereof that is Scheduled at zero or as contingent, disputed, or unliquidated and as to which a proof of Claim Bar Date has been established but no proof of Claim has been timely filed or deemed timely filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or otherwise deemed timely filed under applicable law, or (c) a Claim or any portion thereof that is not Scheduled and as to which a proof of Claim Bar Date has been established but no proof of Claim has been timely filed or deemed timely filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or otherwise deemed timely filed under applicable law.

1.46 "**Disclosure Statement**" means the written disclosure statement or any supplements thereto (including the Plan Supplement and all schedules thereto or

referenced therein) that relates to this Plan, as such disclosure statement may be amended, modified, or supplemented from time to time, all as approved by an order of the Bankruptcy Court pursuant to sections 1125 and 1127 of the Bankruptcy Code and Bankruptcy Rule 3017.

1.47 "**Disclosure Statement Order**" means the order entered by the Bankruptcy Court approving the Disclosure Statement as containing, among other things, "adequate information" as required by section 1125 of the Bankruptcy Code and solicitation procedures related thereto.

1.48 "**Disputed**" means any Claim, or any portion thereof, prior to it having become an Allowed Claim or a Disallowed Claim.

1.49 "**Disputed Claims Reserve**" means the reserve of New TUSA HoldCo Common Stock and Rights Offering Securities equal to the Disputed Claims Reserve Amount reserved by the Debtors and administered by the Reorganized Debtors for distribution to Holders of Disputed TUSA General Unsecured Claims that become Allowed TUSA General Unsecured Claims after the Effective Date.

1.50 "**Disputed Claims Reserve Amount**" means, as applicable, (a) the number of shares of New TUSA HoldCo Common Stock that would be distributable to Holders of Disputed TUSA General Unsecured Claims (i) if such Claims were Allowed Claims on the Effective Date in the full amount asserted, or (ii) if any such Claim has been estimated or otherwise Provisionally Allowed by the Bankruptcy Court, in such estimated or Provisionally Allowed amount, whichever is lesser, and (b) the number of Rights Offering Securities to which Eligible Holders of Provisionally Allowed TUSA General Unsecured Claims have validly subscribed to and prefunded the purchase price to purchase pursuant to the Rights Offering Procedures.

1.51 "**Distribution Agent**" means the Reorganized Debtors, or such other Entity designated by the Reorganized Debtors as a Distribution Agent on the Effective Date.

1.52 "**Distribution Record Date**" means the date for determining which Holders of Allowed Claims are eligible to receive distributions under the Plan, which shall be (a) the Confirmation Date or (b) such other date as designated by an order of the Bankruptcy Court.

1.53 "**DTC**" means the Depository Trust Company, and its successors and assigns.

1.54 "**Effective Date**" means the date on which this Plan shall take effect, which date shall be a Business Day on or after the Confirmation Date on which all conditions precedent to the effectiveness of this Plan specified in Section 10.01, have been satisfied, or, if capable of being waived, waived, which date shall be specified in a notice filed by the Reorganized Debtors with the Bankruptcy Court.

1.55 "**Eligible Holder**" means the Holder of an Allowed or Provisionally Allowed TUSA General Unsecured Claim that is either certified as (a) an "accredited investor" as defined in Rule 501(a)(1), (2), (3), or (7) under the Securities Act or (b) a "qualified institutional buyer" as defined in Rule 144A of the Securities Act.

1.56 "**Eligible Holder Certification**" means the certification by a Holder of an Allowed or Provisionally Allowed TUSA General Unsecured Claim, in accordance with the Rights Offering Procedures, indicating that such entity is an Eligible Holder.

1.57 "**Entity**" has the meaning ascribed to such term in section 101(15) of the Bankruptcy Code.

1.58 "**Estates**" means the bankruptcy estates of the Debtors created pursuant to section 541 of the Bankruptcy Code.

1.59 "**Excluded RBL Obligations**" means all of the Debtors' contingent or unliquidated obligations (including indemnification and expense reimbursement obligations) with respect to the RBL Credit Facility, including the Adequate Protection Obligations, to the extent that any such obligations have not been paid in full in Cash on the Effective Date.

1.60 "**Exculpated Claim**" means any Claim related to any act or omission in connection with, relating to, or arising out of the Debtors' in- or out-of-court restructuring, the Chapter 11 Cases, formulation, preparation, dissemination, negotiation, or filing of the Disclosure Statement, the Plan, the Cash Collateral Order, the settlement of Claims or renegotiation of Executory Contracts or Unexpired Leases, the negotiation of the Plan, the Rights Offering, the Backstop Commitment Agreement, the Plan Supplement, the Exit Facility, or any contract, instrument, release, or other agreement or document created or entered into in connection with the Disclosure Statement or Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of consummation of the Plan, the administration, consummation, and implementation of the Plan, the distribution of property under the Plan, or any transaction contemplated by the Plan or Disclosure Statement, or in furtherance thereof.

1.61 "**Exculpated Parties**" means, collectively, each of the following in their respective capacities as such: (a) the Debtors; (b) the Reorganized Debtors; (c) to the extent provided in Bankruptcy Code section 1125(e), each other Released Party; and (d) with respect to each of the above-named Entities described in the foregoing clauses (a) and (c), such Entity's respective employees, agents, officers, directors, managers, trustees, professionals, representatives, advisors, attorneys, financial advisors, accountants, investment bankers, and consultants.

1.62 "**Executory Contract**" means any contract to which any of the Debtors is a party that is subject to assumption or rejection under sections 365 or 1123 of the Bankruptcy Code.

1.63 "**Exhibit**" means an exhibit contained in the Plan Supplement or annexed as an exhibit to the Disclosure Statement.

1.64 "**Exit Facility**" means the senior secured reserve-based revolving loan and letter of credit facility entered into by the Reorganized Debtors, the Exit Facility Agent, and the Exit Facility Lenders under the Exit Facility Documents.

1.65 "**Exit Facility Agent**" means the administrative agent for the Exit Facility Lenders under the Exit Facility. The identity of the Exit Facility Agent will be disclosed in the Plan Supplement.

1.66 "**Exit Facility Credit Agreement**" means the credit agreement, to be effective as of the Effective Date, that will govern the Exit Facility.

1.67 "**Exit Facility Documents**" means the Exit Facility Credit Agreement and all related amendments, supplements, ancillary agreements, notes, pledges, collateral agreements, mortgages, deeds of trust, and other documents or instruments to be executed or delivered in connection with the Exit Facility.

1.68 "**Exit Facility Lenders**" means the lenders under the Exit Facility as of the Effective Date and from time to time thereafter.

1.69 "**Face Amount**" means, (a) when used in reference to a Disputed Claim or Disallowed Claim, the full stated liquidated amount claimed by the Holder of a Claim in any proof of Claim, or amendment thereof in accordance with applicable law, timely filed with the Bankruptcy Court or otherwise deemed timely filed by any Final Order of the Bankruptcy Court or other applicable bankruptcy law, or the amount estimated for such Claim in an order of the Bankruptcy Court, and (b) when used in reference to an Allowed Claim or Allowed Interest, the Allowed amount of such Claim or Interest. If none of the foregoing applies, the Face Amount of the Claim shall be zero dollars.

1.70 "**Final Decree**" means a final decree entered by the Court closing the Chapter 11 Cases pursuant to Bankruptcy Rule 3022.

1.71 "**Final Order**" means an order or judgment, the operation or effect of which has not been reversed, stayed, modified, or amended, is in full force and effect, and as to which order or judgment (or any reversal, stay, modification, or amendment thereof) (a) the time to appeal, seek certiorari, or request reargument or further review or rehearing has expired and no appeal, petition for certiorari, or request for reargument or further review or rehearing has been timely filed, or (b) any appeal that has been or may be taken or any petition for certiorari or request for reargument or further review or rehearing that has been or may be filed has been resolved by the highest court to which the order or judgment was appealed, from which certiorari was sought, or to which the request was made, and no further appeal or petition for certiorari or request for reargument or further review or rehearing has been or can be taken or granted; *provided, however*, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedures,

or any analogous rule under the Bankruptcy Rules, may be filed relating to such order shall not prevent such order from being a Final Order; *provided further*, *however*, that the Debtors or the Reorganized Debtors, as applicable, reserve the right to waive any appeal period for an order or judgment to become a Final Order, but only with the consent of the Required Participating Noteholders, the RBL Agent, the Exit Facility Agent, as applicable, and each of the Backstop Parties.

1.72 "**General Unsecured Claim**" means any Claim that is not an Administrative Claim, RBL Claim, Priority Tax Claim, Other Priority Claim, Other Secured Claim, Intercompany Claim, or Subordinated Claim. Without limiting the foregoing, General Unsecured Claims include all (a) Senior Note Claims (b) Rejection Damages Claims, and (c) Reclamation Claims that are not Allowed Section 503(b)(9) Claims.

1.73 "**Governmental Unit**" has the meaning ascribed to such term in section 101(27) of the Bankruptcy Code.

1.74 "**Holdback Amount**" means the sum of (a) the aggregate amounts withheld by the Debtors as of the Confirmation Date as a holdback on payment of Professional Claims pursuant to the Interim Compensation Order and (b) 20% of that portion of the unbilled fees of Professionals estimated pursuant to Section 2.02(b) of the Plan attributable to fees incurred as of the Confirmation Date; *provided*, *however*, that if a Professional does not provide an estimate pursuant to Section 2.02(b), the Debtors may estimate the unbilled fees of such Professional incurred as of the Confirmation Date, and the sum of provision (a) above and the total amount so estimated shall comprise the Holdback Amount.

1.75 "**Holdback Escrow Account**" means the interest-bearing escrow account into which Cash equal to the Holdback Amount shall be deposited on the Effective Date for the payment of Allowed Professional Claims to the extent not previously paid or disallowed.

1.76 "**Holder**" means a holder of a Claim against or Interest in the Debtors.

1.77 "**Impaired**" means impaired within the meaning of section 1124 of the Bankruptcy Code.

1.78 "**Indemnification Obligations**" means obligations of the Debtors, if any, to indemnify, reimburse, advance, or contribute to the losses, liabilities, or expenses of an Indemnitee pursuant to the Debtors' certificates of incorporation or functional equivalents thereof, as applicable, bylaws or functional equivalents thereof, as applicable, policies of providing employee indemnification, applicable law, or specific agreements in respect of any claims, demands, suits, causes of action, or proceedings against an Indemnitee based upon any act or omission related to an Indemnitee's service with, for, or on behalf of the Debtors.

1.79 "**Indemnitee**" means all directors, officers, or employees of the Debtors, in each case employed by the Debtors or serving as a director or officer immediately prior to or as of the Effective Date and acting in their respective capacities as such immediately prior to the Effective Date, who are entitled to assert Indemnification Obligations.

1.80 "**Initial Distribution Date**" means the Effective Date, on which distributions to Holders of Allowed Claims entitled to distributions under this Plan shall commence.

1.81 "**Intercompany Claim**" means a Claim (a) by any TUSA Debtor against another TUSA Debtor or (b) by any Ranger Debtor against another Ranger Debtor.

1.82 "**Intercompany Interests**" means all Interests in the Subsidiary Debtors.

1.83 "**Interest**" means (a) the legal, equitable, contractual, and other rights (whether fixed or contingent, matured or unmatured, disputed or undisputed) in any Entity with respect to any equity Securities or Other Interests of the Debtors and (b) the legal, equitable, contractual, and other rights (whether fixed or contingent, matured or unmatured, disputed or undisputed) of any Entity to purchase, sell, subscribe to, or otherwise acquire or receive (directly or indirectly) any of the foregoing.

1.84 "**Interim Compensation Order**" means the order entered by the Bankruptcy Court on August 1, 2016 [Docket No. 183], authorizing the interim payment of Professional Claims subject to the Holdback Amount.

1.85 "**Internal Revenue Code**" means the Internal Revenue Code of 1986, as amended.

1.86 "**JIB**" has the meaning ascribed to it in the Oil and Gas Obligations Order.

1.87 "**Law**" means any law (statutory or common), statute, regulation, rule, code, or ordinance enacted, adopted, issued, or promulgated by any Governmental Unit.

1.88 "**Legal Proceeding**" means legal, governmental, administrative, judicial, or regulatory investigations, audits, actions, suits, claims, arbitrations, demands, demand letters, notices of noncompliance or violation, or proceedings.

1.89 "**Lien**" has the meaning ascribed to such term in section 101(37) of the Bankruptcy Code.

1.90 "**MIP**" means a management incentive compensation plan, which New TUSA HoldCo shall adopt on the Effective Date. The terms of the MIP will be set forth in the Plan Supplement.

1.91 "**New Board**" means the initial board of directors or functional equivalent thereof, as applicable, of New TUSA HoldCo.

1.92 "**New Bylaws**" means the bylaws, limited liability company agreement, or functional equivalent thereof, as applicable, of each of the Reorganized Debtors, the form of which shall be included in the Plan Supplement.

1.93 "**New Certificates of Incorporation**" means the certificates of incorporation, certificates of formation, or functional equivalent thereof, as applicable, of each of the Reorganized Debtors, the form of which shall be included in the Plan Supplement.

1.94 "**New Corporate Governance Documents**" means, as applicable, (a) the New Certificates of Incorporation, (b) the New Bylaws, and (c) the New Shareholders Agreement, in each case to be filed as part of the Plan Supplement.

1.95 "**New Shareholders Agreement**" means the shareholders agreement, limited liability company agreement, or functional equivalent thereof, as applicable, of New TUSA HoldCo with respect to the New TUSA HoldCo Common Stock, the form of which shall be included in the Plan Supplement.

1.96 "**New Subsidiary Debtor Boards**" means the initial boards of directors or functional equivalent thereof, as applicable, of the Reorganized Subsidiary Debtors.

1.97 "**New TUSA HoldCo**" means a newly formed Delaware company that will become the parent of Reorganized TUSA on or about the Effective Date pursuant to the transactions contemplated herein and in the Plan Transaction Documents, including the Restructuring Transactions Memorandum.

1.98 "**New TUSA HoldCo Common Stock**" means the shares of new common stock, limited liability company membership units, or functional equivalent thereof, as applicable, of New TUSA HoldCo.

1.99 **"New TUSA HoldCo Common Stock Allocation**" means the allocation of New TUSA HoldCo Common Stock distributed under this Plan, on a fully diluted basis as of the Effective Date (excluding any further dilution attributable to MIP awards after the Effective Date), approximately as follows: 55.1% to the Rights Offering Participants, assuming full exercise of the subscription rights and full conversion of the Rights Offering Securities into New TUSA HoldCo Common Stock; 36.4% to Holders of Allowed TUSA General Unsecured Claims; and 8.5% for the shares reserved for issuance under the MIP.

1.100 "**Oil and Gas Obligations Order**" means the Bankruptcy Court's *Final Order Under Bankruptcy Code Sections 105, 363, and 541 and Bankruptcy Rules 6003 and 6004 Authorizing Debtors to Honor and Pay Oil and Gas Obligations* [Docket No. 189].

1.101 "**Old TUSA Common Stock**" means shares of common stock of TUSA that are authorized, issued, and outstanding prior to the Effective Date.

1.102 "**Old TUSA Securities**" means, collectively, the Senior Notes, the Old TUSA Common Stock, and all options, warrants, rights, and other instruments evidencing an ownership interest in the Debtors (whether fixed or contingent, matured or unmatured, disputed or undisputed), contractual, legal, equitable, or otherwise, to acquire any of the foregoing.

1.103 "**Other Interests**" means all options, call rights, puts, awards, or other agreements to acquire Old TUSA Common Stock.

1.104 "**Other Priority Claim**" means any Claim, other than an Administrative Claim or Priority Tax Claim, entitled to priority payment as specified in section 507(a) of the Bankruptcy Code.

1.105 "**Other Secured Claim**" means any Secured Claim other than an RBL Claim. All Claims on account of JIBs shall be deemed to constitute Other Secured Claims for purposes of this Plan.

1.106 "**Periodic Distribution Date**" means, as applicable, (a) the first Business Day occurring 90 days after the Initial Distribution Date, and (b) subsequently, the first Business Day occurring 90 days after the immediately preceding Periodic Distribution Date.

1.107 "**Petition Date**" means June 29, 2016.

1.108 "**Plan**" means this plan of reorganization for the resolution of outstanding Claims and Interests in the Chapter 11 Cases, as may be modified in accordance with the Bankruptcy Code and Bankruptcy Rules, including the Plan Supplement and all Exhibits, supplements, appendices, and schedules.

1.109 "**Plan Supplement**" means the supplement or supplements to the Plan containing certain Exhibits and documents relevant to the implementation of the Plan, to be filed with the Bankruptcy Court on or before the Plan Supplement Filing Date, and including, without limitation: (a) the New Corporate Governance Documents, (b) the Schedule of Rejected Executory Contracts and Unexpired Leases and Schedule of Assumed Executory Contracts and Unexpired Leases, (c) a list of retained Causes of Action, (d) the Administrative Claim Request Form, (e) the Exit Facility Credit Agreement, (f) to the extent known, the New Board, (g) a description of the terms of the MIP, and (h) the Restructuring Transactions Memorandum.

1.110 "**Plan Supplement Filing Date**" means the date or dates on which the Plan Supplement shall be filed with the Bankruptcy Court. The first Plan Supplement Filing Date shall be at least seven days prior to the Voting Deadline or such later date as may be approved by the Bankruptcy Court without further notice.

1.111 "**Plan Transaction Documents**" means all definitive documents and agreements to which the Debtors or the Reorganized Debtors will be a party as contemplated by the Plan, including: (a) this Plan and any documentation or agreements related

thereto; (b) the Confirmation Order and papers in support of entry thereof; (c) the Backstop Commitment Agreement, the Rights Offering Procedures, and any documentation or agreements related thereto, including the motion to approve the Backstop Commitment Agreement and Rights Offering Procedures, and the Backstop and Rights Offering Procedures Approval Order; (d) the Disclosure Statement, the solicitation materials in respect of the Plan, the motion to approve the Disclosure Statement, and the order approving the Disclosure Statement; (e) the documents comprising the Exit Facility and any documentation or agreements related thereto; and (g) all documents that will comprise the Plan Supplement (including but not limited those set forth in Section 1.109 above). The form and substance of each document comprising the Plan Transaction Documents shall be reasonably acceptable to the Required Participating Noteholders, shall be acceptable to the Prepetition Secured Parties to the extent set forth in the Cash Collateral Order, and shall be acceptable to the Backstop Parties.

1.112 "**Prepetition Secured Parties**" means, collectively, the RBL Agent, the RBL Lenders, and the other "Secured Parties" under and as defined in the RBL Credit Agreement.

1.113 "**Priority Tax Claim**" means a Claim of a Governmental Unit entitled to priority pursuant to section 507(a)(8) of the Bankruptcy Code.

1.114 "**Pro Rata Share**" means the proportion that an Allowed Claim or Allowed Interest in a particular Class bears to the aggregate amount of Allowed Claims or Allowed Interests in that Class, or the proportion that Allowed Claims or Allowed Interests in a particular Class bear to the aggregate amount of Allowed Claims or Allowed Interests in a particular Class and other Classes entitled to share in the same recovery as such Allowed Claim or Allowed Interests under the Plan.

1.115 "**Professional**" means any Entity retained in the Chapter 11 Cases by separate Final Order pursuant to sections 327, 363, and 1103 of the Bankruptcy Code or otherwise; *provided, however*, that Professional does not include any Entity retained pursuant to an order of the Bankruptcy Court authorizing the retention of "ordinary-course professionals."

1.116 "**Professional Claim**" means an Administrative Claim of a Professional for compensation for services rendered or reimbursement of costs, expenses, or other charges and disbursements incurred relating to services rendered or expenses incurred after the Petition Date and prior to and including the Confirmation Date.

1.117 "**Provisionally Allowed**" means a Disputed Claim or Interest (a) that has been deemed temporarily allowed for voting purposes pursuant to Bankruptcy Rule 3018, or (b) the maximum amount of which has been estimated pursuant to Bankruptcy Code section 502(c) and the procedures set forth in Section 7.05 hereof; *provided, however*, that, if a Claim or Interest has been subject to multiple such estimation or temporary allowance proceedings, the Provisionally Allowed amount shall refer to the lowest amount established in any such proceedings,

unless the Bankruptcy Court rules otherwise. Without limiting the generality of the foregoing, the Caliber Rejection Damages Claim shall be Provisionally Allowed in the amount of the Caliber Rejection Damages Cap, subject to the Debtors' or the Reorganized Debtors' right to seek to estimate such Claim pursuant to Section 7.05 in a lesser amount or object to the final Allowance thereof.

1.118 "**Ranger**" means Ranger Fabrication, LLC, a Delaware limited liability company, debtor-in-possession in the above-captioned Chapter 11 Cases, Case No. 16-11570 (MFW) pending in the Bankruptcy Court.

1.119 "**Ranger Cash Distribution**" means Cash proceeds of the Rights Offering equal to the lesser of (a) 33% of the aggregate amount of Allowed Ranger General Unsecured Claims as of the Effective Date and (b) $575,000, which shall be distributed to Holders of Allowed Ranger General Unsecured Claims pursuant to Section 3.02(d).

1.120 "**Ranger Debtors**" means, collectively, Ranger Fabrication, LLC, Ranger Fabrication Management, LLC, and Ranger Fabrication Management Holdings, LLC.

1.121 "**Ranger General Unsecured Claim**" means a General Unsecured Claim against any of the Ranger Debtors.

1.122 "**RBL Agent**" means Wells Fargo Bank, National Association, in its capacity as administrative agent and issuing lender under the RBL Credit Agreement.

1.123 "**RBL Claim**" means a Claim arising under, derived from, or based upon the RBL Credit Facility, including, but not limited to, (a) principal, accrued and unpaid interest through, and including, the Effective Date, fees and other costs, expenses, charges, and amounts due and payable under the RBL Credit Facility and its related documentation, and (b) all Adequate Protection Obligations granted to or for the benefit of the Prepetition Secured Parties pursuant to the Cash Collateral Order.

1.124 "**RBL Credit Agreement**" means that certain Second Amended and Restated Credit Agreement, dated November 25, 2014, among TUSA and the Prepetition Secured Parties.

1.125 "**RBL Credit Facility**" means the reserve-based lending facility provided to the Debtors by the RBL Lenders pursuant to the RBL Credit Agreement.

1.126 "**RBL Lenders**" means the banks and other financial institutions or Entities from time to time party to the RBL Credit Agreement as lenders.

1.127 "**Reclamation Claim**" means any Claim for the reclamation of goods delivered to the Debtors and asserted under section 546(c) of the Bankruptcy Code.

1.128 "**Reinstated**" or "**Reinstatement**" means (a) leaving unaltered the legal, equitable, and contractual rights to which a Claim entitles the Claim Holder so as to leave such Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code, or (b) notwithstanding any contractual provision or applicable law that entitles the Claim Holder to demand or receive accelerated payment of such Claim after the occurrence of a default, (i) curing any such default that occurred before or after the Petition Date, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code; (ii) reinstating the maturity of such Claim as such maturity existed before such default; (iii) compensating the Claim Holder for any damages incurred as a result of any reasonable reliance by such Claim Holder on such contractual provision or such applicable law; and (iv) not otherwise altering the legal, equitable, or contractual rights to which such Claim entitles the Claim Holder; *provided*, *however*, that any contractual right that does not pertain to the payment when due of principal and interest on the obligation on which such Claim is based, including, but not limited to, financial covenant ratios, negative pledge covenants, covenants or restrictions on merger or consolidation, "going dark" provisions, and affirmative covenants regarding corporate existence prohibiting certain transactions or actions contemplated by this Plan, or conditioning such transactions or actions on certain factors, shall not be required to be cured or reinstated in order to accomplish Reinstatement.

1.129 "**Rejection Damages Claim**" means any Claim on account of the rejection of an Executory Contract or Unexpired Lease pursuant to section 365 of the Bankruptcy Code or the repudiation of such contract.

1.130 "**Released Parties**" means each of the following in their respective capacities as such: (a) the Debtors; (b) the Reorganized Debtors; (c) the Prepetition Secured Parties; (d) the Backstop Parties; (e) the Senior Notes Indenture Trustee; (f) the members of the Ad Hoc Noteholder Group; and (g) with respect to each of the above-named Entities described in the foregoing clauses (a) through (f), such Entity's respective predecessors, successors and assigns, members, limited partners, general partners, and its and their subsidiaries, principals, partners, managed funds, members, employees, agents, officers, directors, managers, trustees, professionals, representatives, advisors, attorneys, financial advisors, accountants, investment bankers, and consultants; and (h) solely with respect to the above-named Entities described in the foregoing clauses (c) through (f), such Entity's respective current and former stockholders, equity holders, Affiliates, and parents. For the avoidance of doubt, and notwithstanding anything herein to the contrary, in no event shall an Entity that checks the box on the ballot and returns such ballot in accordance with the Disclosure Statement Order to opt out of the third-party releases contained in Section 9.05 hereof be a Released Party.

1.131 "**Releasing Parties**" means each of the following in their respective capacities as such: (a) the Released Parties, (b) each Holder of a Claim voting to accept the Plan, unless such Holder checks the box on the ballot and returns such ballot in accordance with the Disclosure Statement Order to opt out of the third party releases contained in Section 9.05 hereof, (c) each Holder of a Claim voting to

reject the Plan, unless such Holder checks the box on the ballot and returns such ballot in accordance with the Disclosure Statement Order to opt out of the third party releases contained in Section 9.05 hereof, and (d) each such Holder's current and former officers, directors, managers, principals, employees, agents, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, and other professionals.

1.132 "**Reorganized**" means, with respect to any Debtor, such Debtor as a Reorganized Debtor.

1.133 "**Reorganized Debtors**" means the Debtors or any successors thereto, by merger, consolidation, or otherwise, from and after the Effective Date, including any new entity formed pursuant to the Plan to acquire or hold, directly or indirectly, the assets of or Equity Interests in the other Reorganized Debtors. "Reorganized Debtors" specifically excludes any of the Debtors who are dissolved pursuant to the Plan. For the avoidance of doubt, the Ranger Debtors shall not be Reorganized Debtors.

1.134 "**Required Participating Noteholders**" means as of any date of determination, Holders of Senior Notes Claims in the Ad Hoc Noteholder Group holding at least two-thirds of the aggregate principal amount of the Senior Notes Claims then outstanding and representing more than one-half in number of the members of the Ad Hoc Noteholder Group.

1.135 "**Restructuring Expenses**" means reasonable and documented professional fees and expenses incurred pursuant to the RBL Credit Documents (as defined in the Cash Collateral Order), the Senior Notes Indenture, the Backstop Commitment Agreement, or other applicable agreement pursuant to which the Debtors have agreed to reimburse the reasonable professional fees and expenses of the respective party.

1.136 "**Restructuring Transactions Memorandum**" means a written summary of certain of the material restructuring transactions to be implemented in connection with this Plan and the other Plan Transaction Documents.

1.137 "**Rights Offering**" means a rights offering pursuant to which Eligible Holders of Allowed TUSA General Unsecured Claims (or Disputed TUSA General Unsecured Claims that have been Provisionally Allowed) shall have the right to exercise subscription rights for the purchase of up to approximately $180,000,000 of Rights Offering Securities, the proceeds of which shall be used to fund distributions under this Plan and for general corporate purposes of the Reorganized Debtors.

1.138 "**Rights Offering Participant**" means an Eligible Holder of an Allowed TUSA General Unsecured Claim or a Disputed TUSA General Unsecured Claim that has been Provisionally Allowed that has validly exercised, and not revoked its

exercise of, subscription rights under the Rights Offering pursuant to the Rights Offering Procedures and the applicable terms of this Plan.

1.139 "**Rights Offering Procedures**" means the procedures governing the Rights Offering and required to be followed by Holders of TUSA General Unsecured Claims to validly exercise their subscription rights, as set forth in the Backstop and Rights Offering Procedures Approval Order.

1.140 "**Rights Offering Record Date**" means the "Record Date" as defined in the Rights Offering Procedures.

1.141 "**Rights Offering Securities**" means convertible preferred stock of New TUSA HoldCo, for which subscription rights shall be offered under the Rights Offering.

1.142 "**Schedule of Assumed Executory Contracts and Unexpired Leases**" means the schedule of certain Executory Contracts and Unexpired Leases to be assumed by the Debtors pursuant to the Plan, along with the proposed Cure, if any, with respect to each such Executory Contract and Unexpired Lease, in the form filed as part of the Plan Supplement, as the same may be amended, modified, or supplemented from time to time.

1.143 "**Schedule of Rejected Executory Contracts and Unexpired Leases**" means the schedule of certain Executory Contracts and Unexpired Leases to be rejected by the Debtors pursuant to the Plan, in the form filed as part of the Plan Supplement, as the same may be amended, modified, or supplemented from time to time.

1.144 "**Scheduled**" means, with respect to any Claim, the status, priority, and amount, if any, of such Claim as set forth in the Schedules.

1.145 "**Schedules**" means the schedules of assets and liabilities and the statements of financial affairs filed in the Chapter 11 Cases by the Debtors pursuant to section 521 of the Bankruptcy Code, which incorporate by reference the global notes and statement of limitations, methodology, and disclaimer regarding the Debtors' schedules and statements, as such schedules or statements have been or may be further modified, amended, or supplemented from time to time in accordance with Bankruptcy Rule 1009 or Final Orders of the Bankruptcy Court.

1.146 "**Section 503(b)(9) Claim**" means any Claim asserted under section 503(b)(9) of the Bankruptcy Code equal to the value of any goods received by the Debtors within 20 days before the Petition Date in which the goods have been sold to the Debtors in the Debtors' ordinary course of business.

1.147 "**Secured Claim**" means a Claim (a) secured by a Lien on collateral to the extent of the value of such collateral, as determined in accordance with section 506(a) of the Bankruptcy Code or (b) subject to a valid right of setoff pursuant to section 553 of the Bankruptcy Code.

1.148 "**Securities Act**" means the Securities Act of 1933, as now in effect or hereafter amended, and the rules and regulations of the United States Securities and Exchange Commission promulgated thereunder.

1.149 "**Securities Exchange Act**" means the Securities Exchange Act of 1934, as now in effect or hereafter amended, and the rules and regulations of the United States Securities and Exchange Commission promulgated thereunder.

1.150 "**Security**" has the meaning ascribed to such term in section 2(a)(1) of the Securities Act.

1.151 "**Senior Notes**" means the 6.75% senior notes due 2022 issued by TUSA under the Senior Notes Indenture.

1.152 "**Senior Notes Claim**" means a Claim of a Holder of a Senior Note arising under, derived from, based upon, or related to the Senior Notes, which Claims shall be Allowed for all purposes under the Plan in the aggregate amount of $380,799,000.00 in principal, plus accrued and unpaid interest as of the Petition Date.

1.153 "**Senior Notes Indenture Trustee**" means Wilmington Trust, National Association, solely in its capacity as the indenture trustee for the Senior Notes appointed under the Senior Notes Indenture.

1.154 "**Senior Notes Indenture**" means that certain Indenture dated as of July 18, 2014, among TUSA, the subsidiary guarantors named in the signature pages thereto, and Wilmington Trust, National Association, as indenture trustee.

1.155 "**Servicer**" means any indenture trustee, agent, servicer, or other authorized representative of Holders of Claims or Interests recognized by the Debtors.

1.156 "**Specified Caliber Contract**" has the meaning given to it in the Caliber Rejection Motion.

1.157 "**Subordinated Claim**" means any Claim against the Debtors that is subject to subordination under section 510(b) or (c) of the Bankruptcy Code, whether arising from rescission of a purchase or sale of a security of the Debtors or an Affiliate of the Debtors, for damages arising from the purchase or sale of such a security, or for reimbursement or contribution allowed under section 502 of the Bankruptcy Code on account of such Claim, or otherwise, which Claim shall be subordinated to all Claims or Interests that are senior to or equal to the Claim or Interest represented by such security, except that if such security is Old TUSA Common Stock, such Claim has the same priority as Old TUSA Common Stock.

1.158 "**Subsidiary Debtors**" means each of the Debtors other than TUSA and Ranger; *provided*, *however*, that, from and after the formation of New TUSA HoldCo on or about the Effective Date, Reorganized TUSA shall be considered a Reorganized Subsidiary Debtor.

1.159 "**TUSA**" means Triangle USA Petroleum Corporation, a Colorado corporation, debtor-in-possession in the above-captioned lead Chapter 11 Cases, Case No. 16-11566 (MFW) pending in the Bankruptcy Court.

1.160 "**TUSA Debtors**" means, collectively, TUSA, Foxtrot Resources LLC, and Leaf Minerals, LLC.

1.161 "**TUSA General Unsecured Claim**" means a General Unsecured Claim against any of the TUSA Debtors.

1.162 "**Unclaimed Distribution**" means any distribution under the Plan on account of an Allowed Claim to a Holder that has not: (a) accepted a particular distribution or, in the case of distributions made by check, negotiated and/or cashed such check; (b) given notice to the Reorganized Debtors of an intent to accept a particular distribution; (c) responded to the Debtors' or Reorganized Debtors' request for information necessary to facilitate a particular distribution; or (d) taken any other action necessary to facilitate such distribution.

1.163 "**Uncompromised Oil and Gas Obligation**" means (a) a Working Interest or a Working Interest Burden (each as defined in the Oil and Gas Obligations Order); (b) any obligation of the Debtors or the Reorganized Debtors, as applicable, under applicable law, with respect to the "plugging and abandonment" of any oil and gas well operated by the Debtors or the Reorganized Debtors, as applicable; or (c) any claim for the return or refund of any JIB collected by the Debtors, with respect to any oil and gas well on a drilling spacing unit operated by the Debtors.

1.164 "**Unexpired Lease**" means a lease of nonresidential real property to which any of the Debtors is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

1.165 "**Unimpaired**" means, with respect to a Class of Claims, a Class of Claims that is not Impaired.

1.166 "**Voting Deadline**" means the date and time established by order of the Bankruptcy Court as the deadline for ballots to be received by the Claims and Solicitation Agent.

C. Rules of Interpretation. For purposes of this Plan, unless otherwise provided herein, (a) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, shall include both the singular and the plural; (b) each pronoun stated in the masculine, feminine, or neuter includes the masculine, feminine, and neuter; (c) any reference in the Plan to an existing document or schedule filed or to be filed means such document or schedule, as it may have been or may be amended, modified, or supplemented; (d) any reference to an Entity as a Holder of a Claim or Interest includes that Entity's successors and assigns; (e) all references in this Plan to Sections, Articles, and Exhibits are references to Sections, Articles, and Exhibits of or to this Plan; (f) the words "herein," "hereunder," "hereto," and the like refer to this Plan in its entirety rather than to a particular portion of this Plan; (g) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be

a part of or to affect the interpretation of this Plan; (h) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (i) to the extent the Disclosure Statement is inconsistent with the terms of this Plan, this Plan shall control; (j) to the extent this Plan is inconsistent with the Confirmation Order, the Confirmation Order shall control; (k) references to "shares," "shareholders," "directors," and/or "officers" shall also include "membership units," "members," "managers," or other functional equivalents, as applicable, as such terms are defined under the applicable state limited liability company or alternative comparable laws, as applicable; and (l) any immaterial effectuating provision may be interpreted by the Reorganized Debtors in a manner that is consistent with the overall purpose and intent of the Plan without further Final Order of the Bankruptcy Court.

D. Computation of Time. In computing any period of time prescribed or allowed by this Plan, unless otherwise expressly provided, the provisions of Bankruptcy Rule 9006(a) shall apply.

E. Reference to Monetary Figures. All references in the Plan to monetary figures shall refer to the legal tender of the United States of America, unless otherwise expressly provided.

F. Exhibits. All Exhibits are incorporated into and are a part of this Plan as if set forth in full herein and such Exhibits shall be filed with the Bankruptcy Court on or before the Plan Supplement Filing Date. After the Plan Supplement Filing Date, copies of Exhibits may be obtained upon email request to the Claims and Solicitation Agent at tusainfo@primeclerk.com, or by downloading such Exhibits from the Debtors' informational website at https://cases.primeclerk.com/tusa.

ARTICLE II

ADMINISTRATIVE CLAIMS AND PRIORITY TAX CLAIMS

Section 2.01 Administrative Claims. Except to the extent that the Debtors or the Reorganized Debtors, as applicable, and a Holder of an Allowed Administrative Claim agree to a less favorable treatment, a Holder of an Allowed Administrative Claim (other than a Professional Claim, which shall be subject to Section 2.02 of this Plan) shall receive, in full satisfaction, settlement, release, and discharge of, and in exchange for, such Administrative Claim, Cash equal to the unpaid portion of such Allowed Administrative Claim either (a) on the later of (i) the Initial Distribution Date or (ii) the first Periodic Distribution Date occurring after the later of (1) 30 days after the date when the Administrative Claim becomes an Allowed Administrative Claim; or (2) 30 days after the date when the Administrative Claim becomes payable pursuant to any agreement between the Debtors (or the Reorganized Debtors) and the Holder of the Administrative Claim; or (b) if the Allowed Administrative Claim is based on liabilities incurred by the Debtors in the ordinary course of their business after the Petition Date, in the ordinary course of business in accordance with the terms and conditions of the particular transaction giving rise to such Allowed Administrative Claims, without any further action by the Holders of such Allowed Administrative Claims; *provided*, *however*, that other than the Holder of (x) a Professional Claim, (y) an Administrative Claim Allowed by an order of the Bankruptcy Court on or before the Effective Date, or (z) an Administrative Claim that is not Disputed and arose in

the ordinary course of business and was paid or is to be paid in accordance with the terms and conditions of the particular transaction giving rise to such Administrative Claim, the Holder of any Administrative Claim shall have filed a proof of Claim form no later than the Administrative Claim Bar Date and such Claim shall have become an Allowed Claim. Except as otherwise provided herein and as set forth in Section 2.02 of this Plan, all requests for payment of an Administrative Claim must be filed, in substantially the form of the Administrative Claim Request Form contained in the Plan Supplement, with the Claims and Solicitation Agent and served on counsel for the Debtors or the Reorganized Debtors, as applicable, no later than the Administrative Claim Bar Date. Any request for payment of an Administrative Claim pursuant to this Section 2.01 that is not timely filed and served shall be Disallowed automatically without the need for any objection from the Reorganized Debtors. The Reorganized Debtors may settle an Administrative Claim without further Bankruptcy Court approval. In the event that the Reorganized Debtors object to an Administrative Claim and there is no settlement, the Bankruptcy Court shall determine the Allowed amount of such Administrative Claim. For the avoidance of doubt, the Adequate Protection Obligations shall be deemed Allowed Administrative Claims to the extent set forth in the Cash Collateral Order, without the necessity of filing a proof of Claim with respect thereto.

Section 2.02 Professional Claims

(a) *Final Fee Applications*. All final requests for payment of Professional Claims must be filed no later than 45 days after the Effective Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code, the Bankruptcy Rules, and prior orders of the Bankruptcy Court, the Allowed amounts of such Professional Claims shall be determined by the Bankruptcy Court.

(b) *Payment of Interim Amounts*. Subject to the Holdback Amount, on the Effective Date, the Reorganized Debtors shall pay all amounts owing to Professionals for all outstanding amounts billed relating to prior periods through the Effective Date as to which no objection has been filed. No later than two days prior to the Effective Date, the Professionals shall estimate fees and expenses due for periods that have not or will not have been billed as of the Effective Date and shall deliver such estimate to the Notice Parties (as defined in the Interim Compensation Order) and such estimate shall be included in the Holdback Amount. As soon as reasonably practicable after the Effective Date, a Professional seeking payment for estimated amounts as of the Effective Date shall submit a detailed invoice covering such period. Upon receipt of such invoice, the Debtors shall pay from the Holdback Escrow Account 80% of the invoiced fees and 100% of the invoiced expenses.

(c) *Holdback Escrow Account*. On the Effective Date, the Reorganized Debtors shall fund the Holdback Escrow Account with Cash equal to the aggregate Holdback Amount for all Professionals. The Reorganized Debtors shall hold the Holdback Escrow Account in trust for all Professionals with respect to whom fees have been held back pursuant to the Interim Compensation Order. Such funds shall not be considered property of the Debtors, the Reorganized Debtors, or the Estates. Following any payments from the Holdback Escrow Account as set forth in Section 2.02(b) above, the remaining amount of Professional Claims owing to the Professionals shall be paid to such Professionals by the Reorganized Debtors from the Holdback Escrow Account when such Claims are finally Allowed by the Bankruptcy Court.

When all Professional Claims have been paid in full, amounts remaining in the Holdback Escrow Account, if any, shall revert to the Reorganized Debtors.

(d) *Post-Effective Date Retention*. Upon the Effective Date, any requirement that Professionals comply with sections 327 through 331 of the Bankruptcy Code in seeking retention or compensation for services rendered after the Effective Date shall terminate, and the Reorganized Debtors shall be permitted to employ and pay Professionals in their discretion (including the fees and expenses incurred by Professionals in preparing, reviewing, prosecuting, defending, or addressing any issues with respect to final fee applications).

Section 2.03 Priority Tax Claims. On the later of (a) the Initial Distribution Date or (b) the first Periodic Distribution Date occurring after the later of (i) 30 days after the date when a Priority Tax Claim becomes an Allowed Priority Tax Claim or (ii) 30 days after the date when a Priority Tax Claim becomes payable pursuant to any agreement between the Debtors (or the Reorganized Debtors) and the Holder of such Priority Tax Claim, except to the extent that the Debtors (or Reorganized Debtors) and a Holder of an Allowed Priority Tax Claim agree to a less favorable treatment, each Holder of an Allowed Priority Tax Claim due and payable on or before the Effective Date shall receive one of the following treatments on account of such Claim: (1) Cash in an amount equal to the amount of such Allowed Priority Tax Claim, (2) Cash in an amount agreed to by the Debtors (or the Reorganized Debtors) and such Holder, *provided, however*, that the parties may further agree for the payment of such Allowed Priority Tax Claim to occur at a later date, or (3) at the sole option of the Debtors, Cash in the aggregate amount of such Allowed Priority Tax Claim payable in installment payments over a period of not more than five years after the Petition Date pursuant to section 1129(a)(9)(C) of the Bankruptcy Code. To the extent any Allowed Priority Tax Claim is not due and owing on the Effective Date, such Claim shall be paid in full in Cash in accordance with the terms of any agreement between the Debtors and the Holder of such Claim, or as may be due and payable under applicable non-bankruptcy law or in the ordinary course of business.

ARTICLE III

CLASSIFICATION, TREATMENT, AND VOTING OF CLAIMS AND INTERESTS

Section 3.01 Classification of Claims and Interests

(a) The Plan, though proposed jointly, constitutes a separate plan for each of the Debtors for voting purposes and, except as set forth in Section 5.01, does not constitute a substantive consolidation of the Debtors' Estates. Therefore, all Claims against and Interests in a particular Debtor are placed in the Classes set forth below with respect to such Debtor. Classes that are not applicable as to a particular Debtor or group of Debtors shall be eliminated as set forth more fully in Section 4.03 below. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims of the kinds specified in sections 507(a)(1) and 507(a)(8) of the Bankruptcy Code have not been classified and their treatment is set forth in Article II above.

A Claim or Interest is placed in a particular Class for all purposes, including voting, Confirmation, and distribution under the Plan and under sections 1122 and 1123(a)(1) of the

Bankruptcy Code; *provided*, *however*, that a Claim or Interest is placed in a particular Class for the purpose of voting on the Plan and, to the extent applicable, receiving distributions pursuant to the Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and such Allowed Claim or Allowed Interest has not been satisfied, released, or otherwise settled prior to the Effective Date.

(b) Claims and Interests are divided into the numbered Classes set forth below:

CLASS	CLAIM OR INTEREST	STATUS	VOTING RIGHTS
1	Other Priority Claims	Unimpaired	Presumed to Accept
2	Other Secured Claims	Unimpaired	Presumed to Accept
3	RBL Claims	Unimpaired	Presumed to Accept
4	Ranger General Unsecured Claims	Impaired	Entitled to Vote
5	TUSA General Unsecured Claims	Impaired	Entitled to Vote
6	TUSA Convenience Claims	Impaired	Entitled to Vote
7	Intercompany Claims	Unimpaired	Presumed to Accept
8	Intercompany Interests	Unimpaired	Presumed to Accept
9	Subordinated Claims	Impaired	Deemed to Reject
10	Ranger Interests	Impaired	Deemed to Reject
11	TUSA Interests	Impaired	Deemed to Reject

Section 3.02 Treatment and Voting of Claims and Interests

(a) *Class 1 – Other Priority Claims*

(i) *Classification*. Class 1 consists of all Other Priority Claims.

(ii) *Treatment*. Except as otherwise provided in and subject to Section 8.05 of this Plan, and except to the extent that a Holder of an Allowed Other Priority Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every Allowed Other Priority Claim, each such Holder of an Allowed Other Priority Claim shall be paid in full in Cash on the later of (A) the Initial Distribution Date or (B) the first Periodic Distribution Date occurring after the later of, (1) 30 days after the date when an Other Priority Claim becomes an Allowed Other Priority Claim or (2) 30 days after the date when an Other Priority Claims becomes payable pursuant to any agreement between the Debtors (or the Reorganized Debtors) and the Holder of such Other Priority Claim; *provided*, *however*, that Other Priority Claims that arise in the ordinary course of the Debtors' business and which are not due and payable on or before the Effective Date shall be paid in the ordinary course of business in accordance with the terms thereof.

(iii) *Voting*. Class 1 is Unimpaired, and Holders of Allowed Other Priority Claims are conclusively presumed to have accepted the Plan.

(b) *Class 2 – Other Secured Claims*

(i) *Classification*. Class 2 consists of all Other Secured Claims.

(ii) *Treatment*. Except as otherwise provided in and subject to Section 8.05 of this Plan, and except to the extent that a Holder of an Allowed Other Secured Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every Allowed Other Secured Claim, each such Holder of an Allowed Other Secured Claim shall, at the election of the Debtors or the Reorganized Debtors, as applicable:

(A) have its Allowed Other Secured Claim Reinstated and rendered Unimpaired on the Effective Date in accordance with section 1124(2) of the Bankruptcy Code, notwithstanding any contractual provision or applicable non-bankruptcy law that entitles the Holder of an Allowed Other Secured Claim to demand or receive payment of such Allowed Other Secured Claim prior to the stated maturity of such Allowed Other Secured Claim from and after the occurrence of a default; or

(B) be paid in full in Cash in an amount equal to such Allowed Other Secured Claim, including postpetition interest, if any, on such Allowed Other Secured Claim required to be paid pursuant to section 506 of the Bankruptcy Code, on the later of (1) the Initial Distribution Date or (2) the first Periodic Distribution Date occurring after the later of (x) 30 days after the date such Other Secured Claim becomes an Allowed Other Secured Claim, or (y) 30 days after the date when such Other Secured Claims becomes payable pursuant to any agreement between the Debtors (or the Reorganized Debtors) and the Holder of such Other Secured Claim; *provided*, *however*, that nothing in this Section 3.02 or elsewhere in this Plan shall preclude the Debtors or the Reorganized Debtors, as applicable, from challenging the validity of any alleged Lien on any asset of the Debtors or the value of the property that secures any alleged Lien, other than as set forth in the Cash Collateral Order.

The Debtors shall be deemed to have made the election set forth in clause (A) above as to all Other Secured Claims on account of JIBs. Accordingly, all JIB Claims shall be Reinstated under this Plan and shall be reconciled and, if applicable, paid in the ordinary course of business (including the application of setoff, recoupment, netting, and similar doctrines, to the extent permitted by applicable non-bankruptcy law) by the Reorganized Debtors.

(iii) *Voting*. Class 2 is Unimpaired, and Holders of Allowed Other Secured Claims are conclusively presumed to have accepted the Plan.

(c) *Class 3 – RBL Claims*

(i) *Classification*. Class 3 consists of all RBL Claims.

(ii) *Treatment*

(A) The RBL Claims are Allowed Claims for all purposes under the Plan. Except to the extent that a Holder of an Allowed RBL Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every Allowed RBL Claim, on the Effective Date, each Holder of an Allowed RBL Claim shall receive Cash in the amount of such Allowed RBL Claim.

(B) On the Effective Date, in return for the distributions set forth in Section 3.02(c)(ii)(A) hereof, all Liens and security interests granted to secure the RBL Credit Facility shall be deemed discharged, cancelled, and released and shall be of no further force and effect; *provided*, *however*, that the Excluded RBL Obligations shall survive the Effective Date and shall not be discharged, cancelled, or released pursuant to the Plan or the Confirmation Order, notwithstanding any provision hereof or thereof to the contrary, and the payment on such date of the RBL Claims shall in no way affect or impair the obligations, duties, and liabilities of the Debtors or the rights of the Prepetition Secured Parties relating to any Excluded RBL Obligations. To the extent that the Prepetition Secured Parties have filed or recorded publicly any Liens and/or security interests to secure the Debtors' obligations under the RBL Credit Facility, the Prepetition Secured Parties shall take any commercially reasonable steps requested by the Debtors or the Reorganized Debtors, at the expense of the Reorganized Debtors, that are necessary to cancel and/or extinguish such publicly-filed Liens and/or security interests, except such Liens and/or security interests securing the Excluded RBL Obligations.

(iii) *Voting*. Class 3 is Unimpaired, and Holders of Allowed RBL Claims are not entitled to vote to accept or reject the Plan.

(d) *Class 4 – Ranger General Unsecured Claims*

(i) *Classification*. Class 4 consists of all Ranger General Unsecured Claims.

(ii) *Treatment*. Except as otherwise provided in and subject to Section 8.05 of this Plan, and except to the extent that a Holder of an Allowed Ranger General Unsecured Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every Allowed Ranger General Unsecured Claim, each Holder of an Allowed Ranger General Unsecured Claim shall receive its Pro Rata Share, based on the aggregate amount of Allowed Ranger General Unsecured Claims, of the Ranger Cash Distribution.

(iii) *Voting*. Class 4 is Impaired, and Holders of Allowed Ranger General Unsecured Claims are entitled to vote to accept or reject the Plan.

(e) *Class 5 – TUSA General Unsecured Claims*

(i) *Classification*. Class 5 consists of all TUSA General Unsecured Claims.

(ii) *Treatment*. Except as otherwise provided in and subject to Section 8.05 of this Plan, and except to the extent that a Holder of an Allowed TUSA General Unsecured Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every Allowed TUSA General Unsecured Claim, each Holder of an Allowed TUSA General Unsecured Claim shall receive its (A) Pro Rata Share of the New TUSA HoldCo Common Stock, subject to dilution in accordance with the New TUSA HoldCo Common Stock Allocation, on the later of (1) the Initial Distribution Date, or (2) the first Periodic Distribution Date occurring after the later of (x) 30 days after the date when a TUSA General Unsecured Claim becomes an Allowed TUSA General Unsecured Claim, or (y) 30 days after the date when a TUSA General Unsecured Claim becomes payable pursuant to any agreement between the Debtors (or the Reorganized Debtors) and the Holder of such TUSA General Unsecured Claim, and (B) solely if such Holder is an Eligible Holder of an Allowed TUSA General Unsecured Claim or a Disputed TUSA General Unsecured Claim that has been Provisionally Allowed, subscription rights for the purchase of Rights Offering Securities on a ratable basis in proportion to the Allowed amount (or amount deemed Provisionally Allowed) of such Eligible Holder's TUSA General Unsecured Claims as of the Rights Offering Record Date.

(iii) *Voting*. Class 5 is Impaired, and Holders of Allowed TUSA General Unsecured Claims are entitled to vote to accept or reject the Plan.

(f) *Class 6 – Convenience Claims Against TUSA Debtors*

(i) *Classification*. Class 6 consists of all Convenience Claims against the TUSA Debtors.

(ii) *Treatment*. Except as otherwise provided in and subject to Section 8.05 of this Plan, and except to the extent that a Holder of an Allowed Convenience Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every Allowed Convenience Claim, each Holder of an Allowed Convenience Claim shall receive $0.50 in Cash for each one dollar in the Face Amount of its Allowed Convenience Claim; *provided*, *however*, that if, after accounting for all such Holders' Convenience Claim Elections, distributions of $0.50 to such Holders for each $1.00 of Allowed Convenience Claims would cause total distributions to Holders of Convenience Claims to exceed the Convenience Claim Pool, then recoveries to such Holders shall be reduced proportionately; *provided further*, *however*, that if, after accounting for all such Holders' elections and making any proportionate reductions pursuant to the foregoing clause,

distributions to such Holders would be less than $0.33 for each $1.00 of Allowed Convenience Claims, the Convenience Claim Elections of such Holders shall be disregarded from largest Allowed amount to smallest Allowed amount.

(iii) *Voting*. Class 6 is Impaired by the Plan, and Holders of Allowed Convenience Claims are entitled to vote to accept or reject the Plan.

(g) *Class 7 – Intercompany Claims*

(i) *Classification*. Class 7 consists of all Intercompany Claims.

(ii) *Treatment*. On the Effective Date, all Intercompany Claims held by the Debtors shall, at the election of the Debtors or the Reorganized Debtors, as applicable, be either (A) Reinstated or (B) deemed automatically cancelled, released, and extinguished.

(iii) *Voting*. Class 7 is Unimpaired, and Holders of Allowed Intercompany Claims are conclusively presumed to have accepted the Plan.

(h) *Class 8 – Intercompany Interests*

(i) *Classification*. Class 8 consists of all Intercompany Interests.

(ii) *Treatment*. On the Effective Date, all Intercompany Interests held by the Debtors shall, at the election of the Debtors or the Reorganized Debtors, as applicable, be either (A) Reinstated or (B) deemed automatically cancelled, released, and extinguished.

(iii) *Voting*. Class 8 is Unimpaired, and Holders of Intercompany Interests are conclusively presumed to have accepted the Plan.

(i) *Class 9 – Subordinated Claims*

(i) *Classification*. Class 9 consists of all Subordinated Claims.

(ii) *Treatment*. Holders of Allowed Class 9 Claims shall not receive any distributions on account of such Allowed Class 9 Claims, and, on the Effective Date, all Allowed Class 9 Claims shall be released, waived, and discharged.

(iii) *Voting*. Class 9 is Impaired, and Holders of Allowed Subordinated Claims are deemed to have rejected the Plan.

(j) *Class 10 – Ranger Interests*

(i) *Classification*. Class 10 consists of all Interests in Ranger.

(iii) *Treatment*. On the Effective Date, Allowed Interests in Ranger shall be deemed automatically cancelled, released, and extinguished without further

action by the Debtors or the Reorganized Debtors, and the obligations of the Debtors and the Reorganized Debtors thereunder shall be discharged.

(iv) *Voting*. Class 10 is Impaired, and Holders of Allowed Ranger Interests are deemed to have rejected the Plan.

(k) *Class 11 – TUSA Interests*

(i) *Classification*. Class 11 consists of all Interests in TUSA.

(ii) *Treatment*. On the Effective Date, Allowed Interests in TUSA, including the Existing TUSA Common Stock, shall be deemed automatically cancelled, released, and extinguished without further action by the Debtors or the Reorganized Debtors, and the obligations of the Debtors and the Reorganized Debtors thereunder shall be discharged.

(iii) *Voting*. Class 11 is Impaired, and Holders of Allowed TUSA Interests are deemed to have rejected Plan.

ARTICLE IV

ACCEPTANCE

Section 4.01 Classes Entitled to Vote. Classes 4–6 are Impaired and are entitled to vote to accept or reject this Plan. By operation of law, Classes 1–3, 7, and 8 are Unimpaired and are conclusively presumed to have accepted this Plan and, therefore, are not entitled to vote. By operation of law, Classes 9–11 are deemed to have rejected this Plan and are not entitled to vote.

Section 4.02 Acceptance by Impaired Classes. An Impaired Class of Claims shall have accepted this Plan if, not counting the vote of any Holder designated under section 1126(e) of the Bankruptcy Code, (a) the Holders of at least two-thirds in amount of the Allowed Claims actually voting in the Class have voted to accept this Plan, and (b) the Holders of more than one-half in number of the Allowed Claims actually voting in the Class have voted to accept the Plan.

Section 4.03 Elimination of Classes. To the extent applicable, any Class that does not contain any Allowed Claims or any Claims temporarily allowed for voting purposes under Bankruptcy Rule 3018 as of the date of commencement of the Confirmation Hearing for all Debtors or with respect to any particular Debtor shall be deemed to have been deleted from this Plan for all Debtors or for such particular Debtor, as applicable, for purposes of (a) voting to accept or reject this Plan and (b) determining whether it has accepted or rejected this Plan under section 1129(a)(8) of the Bankruptcy Code. In particular, Classes 3, 5, 6, and 11 shall exist only with respect to the TUSA Debtors, and Classes 4 and 10 shall exist only with respect to the Ranger Debtors.

Section 4.04 Deemed Acceptance if No Votes Cast. If no Holders of Claims eligible to vote in a particular Class vote to accept or reject the Plan, this Plan shall be deemed accepted by the Holders of such Claims in such Class.

Section 4.05 Cramdown. To the extent necessary, the Debtors shall request Confirmation of this Plan under section 1129(b) of the Bankruptcy Code. The Debtors reserve the right to modify, amend, or withdraw this Plan, with respect to all Debtors or any individual Debtor or group of Debtors, to the extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification.

ARTICLE V

MEANS OF IMPLEMENTATION OF THE PLAN

Section 5.01 Substantive Consolidation. This Plan contemplates and is predicated upon the deemed substantive consolidation of (a) the Estate and Chapter 11 Case of each TUSA Debtor with the Estate and Chapter 11 Case of each other TUSA Debtor and (b) the Estate and Chapter 11 Case of each Ranger Debtor with the Estate and Chapter 11 Case of each other Ranger Debtor, in each case for distribution purposes only. On the Effective Date, each Claim filed or to be filed against any TUSA Debtor or any Ranger Debtor, as applicable, shall be deemed filed only against TUSA or Ranger, respectively, and shall be deemed a single Claim against and a single obligation of TUSA or Ranger, respectively, for distribution purposes only and the claims register shall be updated accordingly. This limited substantive consolidation effected pursuant to this Section 5.01 of the Plan shall not otherwise affect the rights of any Holder of any Claim, or affect the obligations of any Debtor with respect to such Claim. For the avoidance of doubt, the Estates and Chapter 11 Cases of the TUSA Debtors shall not be deemed to be substantively consolidated with the Estates and Chapter 11 Cases of the Ranger Debtors.

Section 5.02 General Settlement of Claims and Interests. Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, on the Effective Date, the provision of the Plan shall constitute a good-faith compromise and settlement of all Claims and Interests and controversies resolved pursuant to the Plan.

Section 5.03 Plan Funding. Distributions under this Plan and the Reorganized Debtors' post-Effective Date operations will be funded from the following sources:

(a) *Exit Facility*. On the Effective Date, Reorganized TUSA, as borrower, and, if applicable, the other Reorganized Debtors, as guarantors or additional credit parties, shall enter into the Exit Facility, the final form and substance of which shall be acceptable to the Reorganized Debtors, the Required Participating Noteholders, and the Backstop Parties. Confirmation shall be deemed approval of the Exit Facility (including the transactions contemplated thereby, such as any supplementation or additional syndication of the Exit Facility, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including the payment of all fees, indemnities, and expenses provided for therein) and authorization for the Reorganized Debtors to enter into and execute the Exit Facility and such other documents as the Exit Facility Lenders may reasonably require to effectuate the treatment afforded to such lenders pursuant to the Exit Facility, subject to such modifications as the Reorganized Debtors may deem to be reasonably necessary to consummate such Exit Facility.

(b) *Rights Offering*. On the Effective Date, the Reorganized Debtors shall consummate the Rights Offering in accordance with Section 5.10 and the terms of the Rights Offering Procedures. On or before the Effective Date, the Backstop Parties shall fulfill their funding obligations under the Backstop Commitment Agreement, including backstopping the Rights Offering up to the Backstop Amount.

(c) *Convenience Claim Excess Balance*. After all Disputed Convenience Claims have been finally Allowed or Disallowed, the Convenience Claim Excess Balance, if any, shall revert to the Reorganized Debtors and may be used, in the discretion of the Reorganized Debtors, to fund other distributions contemplated by this Plan and for general corporate purposes.

(d) *Other Plan Funding*. Other than as set forth in Sections 5.03(a), (b), and (c), all Cash necessary for the Reorganized Debtors to make payments required by this Plan shall be obtained from the Debtors' Cash balances on hand at the time such payment is required, after giving effect to the transactions contemplated herein.

Section 5.04 New TUSA HoldCo Common Stock

(a) On or about the Effective Date, New TUSA HoldCo (or other applicable Reorganized Debtor, as set forth in the Restructuring Transactions Memorandum) shall authorize and issue the New TUSA HoldCo Common Stock in accordance with the New TUSA HoldCo Common Stock Allocation. Distribution of New TUSA HoldCo Common Stock hereunder shall constitute the issuance of 100% of the New TUSA HoldCo Common Stock, and such stock shall be deemed issued on the Effective Date (or such earlier date as may be specified in the Restructuring Transactions Memorandum). The issuance of New TUSA HoldCo Common Stock by New TUSA HoldCo, options for the purchase thereof, or other equity awards, if any, providing for the issuance of New TUSA HoldCo Common Stock, is authorized without the need for any further corporate action or further action by the Debtors or the Reorganized Debtors, as applicable.

(b) The New TUSA HoldCo Common Stock issued under this Plan shall be issued in accordance with the New TUSA HoldCo Common Stock Allocation and subject to economic and legal dilution as set forth in the New TUSA HoldCo Common Stock Allocation and from any other shares, membership units, or functional equivalent thereof, as applicable, of New TUSA HoldCo Common Stock issued after the Effective Date.

(c) All of the shares, membership units, or functional equivalent thereof, as applicable, of New TUSA HoldCo Common Stock issued pursuant to the Plan shall be duly authorized, validly issued, fully paid, and non-assessable. Any Entity that does not execute the New Shareholders Agreement shall be automatically deemed to have accepted the terms of the New Shareholders Agreement (in their capacity as shareholders, membership unit holders, or functional equivalent thereof, as applicable, of New TUSA HoldCo) and to be parties thereto without further action. The New Shareholders Agreement shall be adopted on the Effective Date and shall be deemed to be valid, binding, and enforceable in accordance with its terms, and each Holder of New TUSA HoldCo Common Stock shall be bound thereby.

(d) As of the Effective Date: (i) the New TUSA HoldCo Common Stock and the Rights Offering Securities will not be registered under the Securities Act, listed on a national securities exchange, or quoted in the over-the-counter marketplace; (ii) New TUSA HoldCo and the other Reorganized Debtors will not be reporting companies under the Securities Exchange Act; (iii) New TUSA HoldCo and the other Reorganized Debtors will not be required to, and will not, file reports or other information with the Securities and Exchange Commission or any other person or agency; and (iv) New TUSA HoldCo and the other Reorganized Debtors will not be required to file monthly operating reports with the Bankruptcy Court after the Effective Date. In order to prevent the Reorganized Debtors from becoming subject to the reporting requirements of the Securities Exchange Act, except for New TUSA HoldCo in connection with a registered public offering of New TUSA HoldCo Common Stock, the New Corporate Governance Documents will impose, and the New TUSA HoldCo Common Stock and the Rights Offering Securities will be subject to, certain transfer and other restrictions.

Section 5.05 Exemption from Securities Act Registration Requirements. The offering, issuance, and distribution of any Securities pursuant to the Plan and the Rights Offering will be exempt from the registration requirements of section 5 of the Securities Act pursuant to section 1145 of the Bankruptcy Code, section 4(a)(2) of the Securities Act, or any other available exemption from registration under the Securities Act, as applicable. Section 4(a)(2) of the Securities Act exempts transactions not involving a public offering, and section 506 of Regulation D of the Securities Act provides a safe harbor under section 4(a)(2) for transactions that meet certain requirements. In addition, under section 1145 of the Bankruptcy Code, if applicable, any Securities issued pursuant to the Plan and any and all settlement agreements incorporated therein will be freely transferable under the Securities Act by the recipients thereof, subject to (a) the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 2(a)(11) of the Securities Act, and compliance with any applicable state or foreign securities laws, if any, and the Securities Act and the rules and regulations of the United States Securities and Exchange Commission, if any, applicable at the time of any future transfer of such Securities or instruments, (b) the restrictions, if any, on the transferability of such Securities and instruments, including restrictions contained in the Backstop Commitment Agreement or in the governing documents with respect to such Securities or instruments, and (c) any other applicable regulatory approval. In reliance upon these exemptions, the offer, issuance, and distribution of Securities pursuant to the Plan and the Rights Offering will not be registered under the Securities Act or any applicable state "Blue Sky" laws, and such Securities and instruments may not be transferred, encumbered, or otherwise disposed of in the absence of such registration or an exemption therefrom under the Securities Act or under such laws and regulations thereunder. All Securities and instruments issued under this Plan and the Rights Offering will bear a legend relating to the transfer restrictions, including those arising under the New Corporate Governance Documents, applicable to such Securities and instruments.

Section 5.06 Cancellation of Old TUSA Securities and Agreements. On the Effective Date, except as otherwise specifically provided for herein, (a) the Old TUSA Securities and any other note, bond, indenture, Certificate, or other instrument or document evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors (including the Senior Notes Indenture), shall be deemed to be automatically cancelled without further action by any person and (b) the obligations of, Claims against, and/or Interests in TUSA under, relating, or

pertaining to any agreements, indentures, notes, bonds, certificates of designation, bylaws, or certificate or articles of incorporation or similar documents governing the Old TUSA Securities, and any other note, bond, indenture, Certificate, or other instrument or document evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors (including the Senior Notes Indenture), as the case may be, shall be deemed to be automatically released and discharged and cancelled without further action by any person; *provided*, *however*, that (i) the Class 8 Intercompany Interests shall be treated as set forth in Section 3.02(h) of this Plan and (ii) any agreement (including the Senior Notes Indenture) that governs the rights of a Holder of a Claim and that is administered by a Servicer shall continue in effect solely for the purposes of allowing such Servicer to (A) make the distributions on account of such Claims under this Plan and perform such other necessary functions with respect thereto, if any, as provided for in Section 8.04 of this Plan and (B) maintain and exercise its charging lien or other right to priority payment against distributions under the Plan on account of such Servicer's reasonable fees, expenses, and indemnities owed to such Servicer under the terms of the Senior Notes Indenture.

Section 5.07 Issuance of New Securities; Execution of Plan Documents. Except as otherwise provided in the Plan, on or as soon as reasonably practicable after the Effective Date, the Reorganized Debtors shall issue all Securities, notes, instruments, Certificates, and other documents required to be issued pursuant to the Plan.

Section 5.08 Continued Corporate Existence

(a) Except as otherwise provided in this Plan, including Section 5.09 below, the Debtors, other than the Ranger Debtors, shall continue to exist after the Effective Date as separate legal Entities, the Reorganized Debtors. Each Reorganized Debtor shall have all the powers of corporations or other Entities under applicable law in the jurisdictions in which it was incorporated or formed, as applicable, and pursuant to its certificate of incorporation, bylaws, or other applicable organizational documents in effect prior to the Effective Date, except to the extent such organization documents are amended and restated by this Plan, including pursuant to Section 5.11 below, all without prejudice to any right of such Reorganized Debtor to terminate its existence (whether by merger or otherwise) under applicable law after the Effective Date. To the extent the organizational documents of any Debtor are amended, such organizational documents are deemed to be amended pursuant to the Plan without any further notice to or action, order, or approval of the Bankruptcy Court or any other court of competent jurisdiction (other than the requisite filings required under applicable state, provincial, or federal law).

(b) Except as otherwise provided in the Plan, the continued existence, operation, and ownership of Affiliates is a material component of the business of the Debtors and the Reorganized Debtors, as applicable, and, as set forth in Section 9.01 of this Plan, all of the Debtors' Interests and other property interests in such Affiliates shall vest in the Reorganized Debtors or their successors on the Effective Date.

Section 5.09 Restructuring Transactions

(a) On or following the Confirmation Date, the Debtors or Reorganized Debtors, as the case may be, shall take such actions as may be necessary or appropriate to effect the relevant restructuring transactions as set forth in the Plan and the Plan Transaction

Documents, including the Restructuring Transactions Memorandum, and may take other actions on or after the Effective Date.

(b) Prior to, on, or after the Effective Date, and pursuant to the Plan, the Reorganized Debtors shall enter into the restructuring transactions described herein and in the Plan Transaction Documents, including the Restructuring Transactions Memorandum. The Debtors or the Reorganized Debtors, as applicable, shall take any actions as may be necessary or appropriate to effect a restructuring of the Debtors' business or the overall organization structure of the Reorganized Debtors. The restructuring transactions may include one or more restructurings, conversions, or transfers as may be determined by the Debtors or the Reorganized Debtors, as applicable, to be necessary or appropriate. The actions taken by the Debtors or the Reorganized Debtors, as applicable, to effect the restructuring transactions may include: (i) the execution, delivery, adoption, and/or amendment of appropriate agreements or other documents of restructuring, conversion, disposition, or transfer containing terms that are consistent with the terms of the Plan and the Plan Transaction Documents and any ancillary documents and that satisfy the applicable requirements of applicable state law and any other terms to which the applicable parties may agree; (ii) the execution, delivery, adoption, and/or amendment of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan and the Plan Transaction Documents and any ancillary documents and having other terms for which the applicable parties may agree; (iii) the filing of appropriate certificates or articles of incorporation, reincorporation, or conversion (or, in each case, the functional equivalent thereof) pursuant to applicable state law, including but not limited to an amended certificate of incorporation and by-laws (or, in each case, the functional equivalent thereof, as applicable); (iv) the cancellation of shares and warrants; and (v) all other actions that the Debtors or the Reorganized Debtors, as applicable, determine to be necessary, desirable, or appropriate to implement, effectuate, and consummate the Plan or the restructuring transactions contemplated hereby, including making filings or recordings that may be required by applicable state law in connection with the restructuring transactions.

(c) Without limiting the generality of Section 5.09(a) and (b), on or prior to the Effective Date, New TUSA HoldCo will be formed and, pursuant to the transactions contemplated hereunder and in the Plan Transaction Documents, including the Restructuring Transactions Memorandum, will become the parent company of Reorganized TUSA. New TUSA HoldCo shall have all the powers of a corporation or other applicable Entity form under Delaware law, pursuant to its certificate of incorporation, bylaws, or other applicable organizational documents adopted pursuant to the transactions contemplated hereunder and the Plan Transaction Documents, all without prejudice to any right of New TUSA HoldCo to terminate its existence (whether by merger or otherwise) under applicable law after the Effective Date. Such organizational documents are deemed to be adopted pursuant to the Plan without any further notice to or action, order, or approval of the Bankruptcy Court or any other court of competent jurisdiction (other than the requisite filings required under applicable state, provincial, or federal law).

(d) Notwithstanding the foregoing, the Ranger Debtors shall be dissolved upon the Effective Date without any further notice to or action, order, or approval of the Bankruptcy Court or any other court of competent jurisdiction (other than the requisite filings

required under applicable state, provincial, or federal law, if any). Any Claim arising as a result of such dissolutions shall receive the applicable treatment under this Plan.

Section 5.10 Rights Offering

(a) The Rights Offering shall consist of a distribution of subscription rights to Eligible Holders of Allowed TUSA General Unsecured Claims (or TUSA General Unsecured Claims Provisionally Allowed) for the purchase of up to approximately $180,000,000 in Rights Offering Securities on a ratable basis in proportion to the Allowed amount (or amount deemed Provisionally Allowed) of each such Eligible Holder's TUSA General Unsecured Claims as of the Rights Offering Record Date. The Debtors shall implement and conduct the Rights Offering in accordance with the Backstop Commitment Agreement and the Rights Offering Procedures.

(b) The Rights Offering shall be open solely to Eligible Holders of TUSA General Unsecured Claims who submit an Eligible Holder Certification and whose TUSA General Unsecured Claims are Allowed or Provisionally Allowed as of the Rights Offering Record Date. Each Rights Offering Participant shall pay its purchase price in Cash in accordance with the Rights Offering Procedures by the funding deadline set forth in the Rights Offering Procedures. Any Rights Offering Participant that fails to timely pay its respective purchase price shall be ineligible to receive Rights Offering Securities and will forfeit and void any exercise of subscription rights in the Rights Offering. An Eligible Holder of a Disputed TUSA General Unsecured Claim that has been Provisionally Allowed as of the Rights Offering Record Date may subscribe to the Rights Offering in the same manner as Holders of Allowed Claims, except that its respective purchase price shall be funded into escrow, and the correlative Rights Offering Securities allocable to such Eligible Holder shall be held in the Disputed Claims Reserve, pending the final reconciliation of the Holder's TUSA Disputed General Unsecured Claim. If such Disputed Claim is Allowed in an amount equal to its Provisionally Allowed amount, the Holder's Rights Offering Securities shall be distributed to it pursuant to the terms set forth in Article VII, and the purchase price shall be released to the Reorganized Debtors. If, on the other hand, such Disputed Claim is Allowed in an amount less than its Provisionally Allowed amount or is Disallowed entirely, then the Holder's purchase price shall be refunded to the Holder proportionally, and the correlative Rights Offering Securities shall be cancelled automatically.

(c) The Backstop Parties will backstop the Rights Offering up to the Backstop Amount in accordance with the Backstop Commitment Agreement and shall receive such fees for such backstop agreement as set forth in the Backstop Commitment Agreement.

Section 5.11 New Corporate Governance Documents. The New Corporate Governance Documents shall be adopted and amended as may be required so as to be consistent with the provisions of this Plan and otherwise comply with section 1123(a)(6) of the Bankruptcy Code. After the Effective Date, the Reorganized Debtors may amend and restate the New Corporate Governance Documents and other constituent documents as permitted by applicable state corporation or other comparable alternative law, as applicable, and their charters and bylaws (or in each case, the functional equivalent thereof, as applicable).

Section 5.12 Directors and Officers of the Reorganized Debtors. On the Effective Date, the New Board shall be appointed. On the Effective Date, the term of the current members

of the boards of directors of the Subsidiary Debtors (including TUSA) shall expire, and the New Subsidiary Debtor Boards shall be appointed. On and after the Effective Date, each director or officer of the Reorganized Debtors shall serve pursuant to the terms of the New Corporate Governance Documents and applicable state corporation law or alternative comparable law, as applicable. The members of the New Board and the New Subsidiary Debtor Boards and their compensation shall be set forth in the Plan Supplement.

Section 5.13 Corporate Action. Each of the matters provided for under this Plan involving the corporate structure of the Debtors or the Reorganized Debtors or corporate action to be taken by or required of the Debtors or the Reorganized Debtors shall, as of the Effective Date, be deemed to have occurred and be effective as provided herein, and shall be authorized, approved, and to the extent taken prior to the Effective Date, ratified in all respects without any requirement of further action by stockholders, creditors, or directors of the Debtors or the Reorganized Debtors. Such actions may include (a) the formation of New TUSA HoldCo; (b) the adoption and filing of the New Corporate Governance Documents; (c) the appointment of the New Board and the New Subsidiary Debtor Boards; (d) the issuance and distribution of the Rights Offering subscription Rights, the New TUSA HoldCo Common Stock, and the Rights Offering Securities; (e) entry into the Exit Facility; and (f) such other matters as may be described in the Restructuring Transactions Memorandum.

Section 5.14 Effectuating Documents; Further Transactions. On and after the Effective Date, the Reorganized Debtors, and the officers thereof and members of the New Board and the New Subsidiary Debtor Boards, shall be authorized to and may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, indentures, and other agreements or documents, and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of this Plan, or to otherwise comply with applicable law, in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorizations, or consents except for those expressly required pursuant to the Plan.

Section 5.15 Employee Matters

(a) *Employment Agreements*. The Debtors shall assume or reject employment, severance (change in control), retirement, indemnification, or other agreements, if any, with their pre-Effective Date managers, officers, and employees in accordance with the provisions of Article VI of this Plan. The Reorganized Debtors may enter into new employment arrangements and/or change in control agreements with the Debtors' officers who continue to be employed after the Effective Date, subject to the consent of Required Participating Noteholders and Backstop Parties.

(b) *Other Incentive Plans and Employee Benefits*. Unless otherwise specified in this Plan, and except in connection and not inconsistent with Section 5.15(a), on and after the Effective Date, the Reorganized Debtors shall have the sole discretion to (i) amend, adopt, assume, and/or honor, in the ordinary course of business or as otherwise provided herein, any contracts, agreements, policies, programs, and plans assumed pursuant to Article VI of this Plan for, among other things, compensation, pursuant to the terms thereof or hereof, including any incentive plan, 401(k) plan, health care benefits, disability benefits, deferred compensation

benefits, savings, severance benefits, retirement benefits, welfare benefits, workers' compensation benefits, life insurance, and accidental death and dismemberment insurance for the managers, officers, and employees of the Debtors who served in such capacity from and after the Petition Date; *provided*, *however*, that the Reorganized Debtors shall not alter the terms of the MIP except with the consent of any applicable and affected MIP participant, and (ii) honor, in the ordinary course of business, Claims of employees employed as of the Effective Date for accrued vacation time arising prior to the Petition Date.

(c) *MIP*. The Plan Supplement shall include a description of the MIP for the Reorganized Debtors. New TUSA HoldCo shall adopt the MIP, on terms consistent with the Plan and the Plan Supplement, on the Effective Date.

Section 5.16 Preservation of Causes of Action. In accordance with section 1123(b)(3) of the Bankruptcy Code, the Reorganized Debtors shall retain and may (but are not required to) enforce all rights to commence and pursue any and all Causes of Action that are not released pursuant to Section 9.04 of this Plan or an order of the Bankruptcy Court, whether arising before or after the Petition Date, including, without limitation, any actions or categories of actions specifically enumerated in a list of retained Causes of Action contained in the Plan Supplement, and such Causes of Action shall vest in the Reorganized Debtors as of the Effective Date. The Debtors or the Reorganized Debtors, in their sole and absolute discretion, shall determine whether to bring, settle, release, compromise, or enforce such Causes of Action (or decline to do any of the foregoing), and shall not be required to seek further approval of the Bankruptcy Court for such action. The Reorganized Debtors or any successors may pursue such litigation claims in accordance with the best interests of the Reorganized Debtors or any successor holding such rights of action. **No Entity may rely on the absence of a specific reference in this Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as any indication that the Debtors or the Reorganized Debtors will not pursue any and all available Causes of Action against it. The Debtors and the Reorganized Debtors expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan.** Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in this Plan or an order of the Bankruptcy Court, the Reorganized Debtors expressly reserve all Causes of Action for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of Confirmation or consummation of the Plan; *provided*, *however*, that solely with respect to Avoidance Actions, only those Avoidance Actions specifically enumerated in a list of retained Causes of Action contained in the Plan Supplement shall vest in the Reorganized Debtors, and all other Avoidance Actions shall be waived and otherwise released.

Section 5.17 Reservation of Rights. With respect to any Avoidance Actions that the Debtors abandon in accordance with Section 5.16 of this Plan, the Debtors and the Reorganized Debtors, as applicable, reserve all rights, including the right under section 502(d) of the Bankruptcy Code to use defensively the abandoned avoidance Cause of Action as a basis to object to all or any part of a Claim against any Estates asserted by a creditor which remains in possession of, or otherwise obtains the benefit of, the avoidable transfer.

Section 5.18 Exemption from Certain Transfer Taxes and Recording Fees. Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant to the Plan shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, or other similar tax or governmental assessment to the fullest extent contemplated by section 1146(a) of the Bankruptcy Code, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall be directed to forgo the collection of any such tax or governmental assessment and to accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

Section 5.19 Insured Claims. Notwithstanding anything to the contrary contained herein, to the extent the Debtors have insurance with respect to any Allowed General Unsecured Claim, the Holder of such Allowed Claim shall (a) be paid any amount from the proceeds of insurance to the extent that the Claim is insured and (b) receive the treatment provided for in this Plan for Allowed General Unsecured Claims to the extent the applicable insurance policy does not provide coverage with respect to any portion of the Claim.

Section 5.20 Preservation of Uncompromised Oil and Gas Obligations. Notwithstanding any other provision in the Plan, but subject in all respects to all payments authorized to be made pursuant to the Oil and Gas Obligations Order, on and after the Effective Date, all Uncompromised Oil and Gas Obligations shall be fully preserved and remain in full force and effect in accordance with the terms of the granting instruments or other governing documents, if any, applicable to such Uncompromised Oil and Gas Obligations, which granting instruments and governing documents, if any, shall equally remain in full force and effect, and no Uncompromised Oil and Gas Obligations, including payment obligations, whether arising before or after the Petition Date, shall be compromised or discharged by the Plan. For the avoidance of doubt, nothing in this Section 5.20 shall prejudice the right of the Debtors or the Reorganized Debtors, as applicable, to contest the validity of any asserted Uncompromised Oil and Gas Obligation on grounds available under applicable law or otherwise.

ARTICLE VI

UNEXPIRED LEASES AND EXECUTORY CONTRACTS

Section 6.01 Assumption of Executory Contracts and Unexpired Leases

(a) *Automatic Assumption*. Except as otherwise provided herein, each Executory Contract and Unexpired Lease shall be deemed assumed in accordance with, and subject to, sections 365 and 1123 of the Bankruptcy Code as of the Effective Date, unless any such Executory Contract or Unexpired Lease: (i) is listed on the Schedule of Rejected Executory Contracts and Unexpired Leases contained in the Plan Supplement; (ii) has been previously rejected by the Debtors by Final Order of the Bankruptcy Court or has been rejected by the Debtors by order of the Bankruptcy Court as of the Effective Date, which order becomes a Final Order after the Effective Date; (iii) is the subject of a motion to assume or reject pending as of the Effective Date; or (iv) is otherwise rejected pursuant to the terms herein.

The Confirmation Order will constitute an order of the Bankruptcy Court approving such assumptions pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date. To the extent any provision in any Executory Contract or Unexpired Lease assumed pursuant to the Plan (including any "change of control" provision) restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the Reorganized Debtors' assumption of such Executory Contract or Unexpired Lease, then such provision shall be deemed modified such that the transactions contemplated by the Plan will not entitle the non-Debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto. Each Executory Contract and Unexpired Lease assumed pursuant to this Article VI of the Plan will revest in and be fully enforceable by the Reorganized Debtors in accordance with its terms, except as modified by the provisions of the Plan, any order of the Bankruptcy Court authorizing and providing for its assumption, or applicable law.

(b) *Modifications, Etc*. Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all rights related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated pursuant hereunder.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

(c) *Proofs of Claim Based on Assumed Contracts or Leases*. Any and all proofs of Claim based on Executory Contracts or Unexpired Leases that have been assumed in the Chapter 11 Cases, including hereunder, except proofs of Claim asserting Cure amounts, pursuant to the order approving such assumption, including the Confirmation Order, shall be

deemed Disallowed and expunged from the Claims register as of the Effective Date without any further notice to or action, order, or approval of the Bankruptcy Court.

(d) *Cure Proceedings and Payments*. With respect to each of the Executory Contracts or Unexpired Leases assumed hereunder, the Debtors shall designate a proposed Cure, and the assumption of such Executory Contract or Unexpired Lease shall be conditioned upon the disposition of all issues with respect to Cure. Except as otherwise set forth on the Schedule of Assumed Executory Contracts and Unexpired Leases, the Cure amount with respect to each of the Executory Contracts or Unexpired Leases assumed hereunder is designated by the Debtors as zero dollars, subject to the determination of a different Cure amount pursuant to the procedures set forth herein (including Section 6.01(e) below) and in the Cure Notices. Except with respect to Executory Contracts and Unexpired Leases for which the Cure is zero dollars, or for which the Cure amount is in dispute, the Cure shall be satisfied by the Reorganized Debtors or their assignee, if any, by payment of the Cure in Cash within 30 days following the occurrence of the Effective Date or as soon as reasonably practicable thereafter, or on such other terms as may be ordered by the Bankruptcy Court or agreed upon by the parties to the applicable Executory Contract or Unexpired Lease without any further notice to or action, order, or approval of the Bankruptcy Court.

Any provisions or terms of the Executory Contracts or Unexpired Leases to be assumed pursuant to the Plan that are, or may be, alleged to be in default, shall be satisfied solely by Cure, or by an agreed-upon waiver of Cure. If there is a dispute regarding such Cure, the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" within the meaning of section 365 of the Bankruptcy Code, or any other matter pertaining to assumption, then payment of Cure shall occur as soon as reasonably practicable after entry of a Final Order resolving such dispute, approving such assumption (and, if applicable, assignment), or as may be agreed upon by the Debtors or the Reorganized Debtors, as applicable, and the counterparty to the Executory Contract or Unexpired Lease; *provided, however*, that the Debtors or the Reorganized Debtors, as applicable, shall have the right either to reject or nullify the assumption of any Executory Contract or Unexpired Lease after entry of a Final Order determining the Cure or any request for adequate assurance of future performance required to assume such Executory Contract or Unexpired Lease.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Cures, Claims, or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption.

(e) *Cure Notice*. No later than seven days before the Confirmation Hearing, the Debtors shall serve upon counterparties to such Executory Contracts and Unexpired Leases a Cure Notice that will (i) notify the counterparty of the proposed assumption of the applicable Executory Contract or Unexpired Lease, (ii) list the applicable Cure, if any, set forth on the Schedule of Assumed Executory Contracts and Unexpired Leases, (iii) describe the procedures for filing objections to the proposed assumption or assumption and assignment of the applicable Executory Contract or Unexpired Lease, (iv) describe the procedures for filing objections to the

proposed Cure of the applicable Executory Contract or Unexpired Lease, and (v) explain the process by which related disputes will be resolved by the Bankruptcy Court. If no objection is timely received, (A) the non-Debtor party to the assumed Executory Contract or Unexpired Lease shall be deemed to have consented to the assumption of the applicable Executory Contract or Unexpired Lease and shall be forever barred from asserting any objection with regard to such assumption, and (B) the proposed Cure shall be controlling, notwithstanding anything to the contrary in any applicable Executory Contract or Unexpired Lease or other document as of the date of the filing of the Plan, and the non-Debtor party to an applicable Executory Contract or Unexpired Lease shall be deemed to have consented to the Cure amount and shall be forever barred from asserting, collecting, or seeking to collect any additional amounts relating thereto against the Debtors or the Reorganized Debtors, or the property of any of them. For the avoidance of doubt, all proposed Cures in excess of $100,000 shall be required to be reasonably acceptable to the Required Participating Noteholders.

(f) *Cure Objections*. If a proper and timely objection to the Cure Notice or proposed Cure was filed by the Cure Objection Deadline, the Cure shall be equal to (i) the amount agreed to between the Debtors or Reorganized Debtors, as applicable, and the applicable counterparty or (ii) to the extent the Debtors or Reorganized Debtors and counterparty do not reach an agreement regarding any Cure or any other matter related to assumption, the Bankruptcy Court shall determine the Allowed amount of such Cure and any related issues. Objections, if any, to the proposed assumption and/or Cure must be in writing, filed with the Bankruptcy Court, and served in hard-copy form on the parties identified in the Cure Notice so that they are actually received by the Cure Objection Deadline.

(g) *Hearing with Respect to Objections*. If an objection to the proposed assumption of an Executory Contract or Unexpired Lease and/or to the proposed Cure thereof is timely filed and received in accordance with the procedures set forth in Section 6.01(f), and the parties do not reach a consensual resolution of such objection, a hearing with respect to such objection shall be held at such time scheduled by the Bankruptcy Court or the Debtors or Reorganized Debtors. Objections to the proposed Cure or assumption of an Executory Contract or Unexpired Lease will not be treated as objections to Confirmation of the Plan.

(h) *Reservation of Rights*. Notwithstanding anything to the contrary herein, prior to the Effective Date, the Debtors may, with the consent of the Required Participating Noteholders (not to be unreasonably withheld), amend their decision with respect to the assumption of any Executory Contract or Unexpired Lease and provide a new notice amending the information provided in the applicable notice. In the case of an Executory Contract or Unexpired Lease designated for assumption that is the subject of a Cure objection that has not been resolved prior to the Effective Date, the Debtors or the Reorganized Debtors, as applicable, may designate such Executory Contract or Unexpired Lease for rejection at any time prior to the payment of the Cure, as set forth in Section 6.01(d) hereof.

Section 6.02 Rejection of Executory Contracts. Upon the occurrence of the Effective Date, each Executory Contract or Unexpired Lease listed on the Schedule of Rejected Executory Contracts and Unexpired Leases in the Plan Supplement shall be deemed automatically rejected pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date. The Confirmation Order will constitute an order of the Bankruptcy Court approving such rejections

pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date. Counterparties to Executory Contracts or Unexpired Leases that are deemed rejected as of the Effective Date shall have the right to assert any Claim on account of the rejection of such Executory Contracts or Unexpired Leases subject to compliance with the requirements herein.

(a) *Preexisting Obligations to Debtors*. Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of pre-existing obligations owed to the Debtors under such contracts or leases. In particular, notwithstanding any non-bankruptcy law to the contrary, the Reorganized Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations on goods previously purchased by the contracting Debtors or the Reorganized Debtors, as applicable, from counterparties to rejected or repudiated Executory Contracts.

(b) *Rejection Damages Claim Procedures*. Unless otherwise provided by a Bankruptcy Court order, any proofs of Claim asserting Claims arising from the rejection of the Executory Contracts and Unexpired Leases pursuant to the Plan or otherwise must be filed with the Claims and Solicitation Agent no later than 30 days after the later of the Effective Date, the effective date of rejection, or the date notice of such rejection is transmitted by the Debtors or the Reorganized Debtors, as applicable, to the counterparty to such Executory Contract or Unexpired Lease. Any proofs of Claim arising from the rejection of the Executory Contracts or Unexpired Leases that are not timely filed shall be Disallowed automatically and forever barred, estopped, and enjoined from assertion and shall not be enforceable against the Debtors or the Reorganized Debtors, without the need for any objection by the Reorganized Debtors or any further notice to or action, order, or approval of the Bankruptcy Court, and any Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, notwithstanding anything in the Schedules or a proof of Claim to the contrary. All Allowed Claims arising from the rejection of the Executory Contracts and Unexpired Leases shall be classified as TUSA General Unsecured Claims or Convenience Claims, as applicable.

(c) *Reservation of Rights*. Notwithstanding anything to the contrary herein, prior to the Effective Date, the Debtors may amend their decision with respect to the rejection of any Executory Contract or Unexpired Lease.

Section 6.03 Midstream Contracts

(a) The Caliber Declaratory Judgment Action, and all of the Debtors' or the Reorganized Debtors' rights with respect thereto, shall constitute retained Causes of Action, subject in all respect to Section 5.16 of the Plan. Without limiting the generality of the foregoing, the Debtors, with the consent of the Required Participating Noteholders, or the Reorganized Debtors, as applicable, shall determine whether to continue to prosecute, settle, release, compromise, or enforce the Caliber Declaratory Judgment Action (or decline to do any of the foregoing), and shall not be required to seek further approval of the Bankruptcy Court for such action.

(b) The Specified Caliber Contracts shall be deemed automatically rejected pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date, subject only

to the satisfaction of each of the following conditions subsequent: (i) the entry of a Final Order or judgment in the Caliber Declaratory Judgment Action determining that the Specified Caliber Contracts do not constitute or contain a covenant running with the land; and (ii) the entry of a Final Order or judgment determining the Allowed amount of the Caliber Rejection Damages Claim, or estimating the maximum amount thereof, in an amount less than or equal to the Caliber Rejection Damages Cap. No later than 10 days after entry of a Final Order or judgment resulting in the satisfaction of the conditions set forth in the foregoing clauses (i) and (ii) of this Section 6.03(b), the Debtors shall transmit to Caliber a notice indicating that the Specified Caliber Contracts were conclusively rejected as of the date such conditions were satisfied.

(c) To the extent the Bankruptcy Court or another court of competent jurisdiction issues a Final Order or judgment resulting in the failure of one or both of the conditions set forth in clauses (i) and (ii) of Section 6.03(b), the Specified Caliber Contracts shall automatically be deemed assumed. No later than 10 days after entry of a Final Order or judgment resulting in the failure of one or both of the conditions set forth in clauses (i) and (ii) of Section 6.03(b), the Debtors shall transmit to Caliber a notice (A) setting forth the proposed Cure with respect to the Specified Caliber Contracts and (B) indicating that the Specified Caliber Contracts will be deemed assumed, subject to (1) the resolution of any dispute with respect to Cure and the payment thereof and (2) the resolution of any dispute concerning adequate assurance of future performance, in each case pursuant to the procedures set forth in Section 6.01(d), (f), and (g). The Specified Caliber Contracts shall be deemed assumed as of the date the matters set forth in clauses (1) and (2) of the preceding sentence are resolved by agreement of the parties or a Final Order of the Bankruptcy Court, and the provisions of Section 6.03(d) shall govern the Specified Caliber Contracts until such date.

(d) Notwithstanding Section 6.03(b), from and after the Effective Date, through the date the Specified Caliber Contracts are conclusively deemed rejected pursuant to Section 6.03(b) or deemed assumed pursuant to Section 6.03(c), the Reorganized Debtors shall perform their obligations under the Specified Caliber Contracts in accordance with their terms, and Caliber shall be entitled to exercise all remedies available under applicable non-bankruptcy law with respect to any breach or default by the Reorganized Debtors occurring thereunder during such time period.

Section 6.04 Postpetition Contracts and Leases. Contracts and leases entered into after the Petition Date by the Debtors, and any Executory Contracts and Unexpired Leases assumed by the Debtors, may be performed by the Reorganized Debtors in the ordinary course of business and in accordance with the terms thereof.

Section 6.05 General Reservation of Rights. Neither the exclusion nor inclusion of any contract or lease on the Schedule of Rejected Executory Contracts and Unexpired Leases, nor anything contained in the Plan, shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that the Reorganized Debtors, or any of their Affiliates, has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors or the Reorganized Debtors, as applicable, shall have 45 days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

ARTICLE VII

PROCEDURES FOR RESOLVING DISPUTED CLAIMS AND INTERESTS

Section 7.01 Determination of Claims and Interests. After the Effective Date, the Reorganized Debtors shall have and retain any and all rights and defenses the Debtors had with respect to any Claim or Interest immediately prior to the Effective Date, including the Causes of Action retained pursuant to Section 5.16, except with respect to any Claim or Interest deemed Allowed under the Plan.

Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases prior to the Effective Date (including the Confirmation Order), no Claim or Interest shall become an Allowed Claim or Interest unless and until such Claim or Interest is deemed Allowed or the Bankruptcy Court has entered a Final Order, including the Confirmation Order, in the Chapter 11 Cases allowing such Claim or Interest. All settled Claims approved prior to the Effective Date pursuant to a Final Order of the Bankruptcy Court, pursuant to Bankruptcy Rule 9019 or otherwise, shall be binding on all parties. For the avoidance of doubt, any Claim determined and liquidated pursuant to (a) an order of the Bankruptcy Court or (b) applicable non-bankruptcy law (which determination has not been stayed, reversed, or amended and as to which determination or any revision, modification, or amendment thereof as to which the time to appeal or seek review or rehearing has expired and no appeal or petition for review or rehearing was filed or, if filed, remains pending) shall be deemed an Allowed Claim in such liquidated amount and satisfied in accordance with this Plan.

Nothing contained in this Section 7.01 shall constitute or be deemed a waiver of any claim, right, or Cause of Action that the Debtors or the Reorganized Debtors may have against any Entity in connection with or arising out of any Claim, including any rights under section 157(b) of title 28 of the United States Code.

Section 7.02 Claims Administration Responsibility. Except as otherwise specifically provided for in the Plan, after the Effective Date, the Reorganized Debtors shall retain responsibility for (a) administering, disputing, objecting to, compromising, or otherwise resolving all Claims against and Interests in the Debtors, including (i) filing, withdrawing, or litigating to judgment objections to Claims or Interests, (ii) settling or compromising any Disputed Claim or Disputed Interest without any further notice to or action, order, or approval by the Bankruptcy Court, and (iii) administering and adjusting the Claims register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court and (b) making distributions (if any) with respect to all Claims and Interests.

Section 7.03 Objections to Claims. Unless otherwise extended by the Bankruptcy Court, any objections to Claims (other than Administrative Claims) shall be served and filed on or before the Claims Objection Deadline (or such later date as may be established by the Bankruptcy Court upon request of the Reorganized Debtors without further notice to parties-in-interest). Notwithstanding any authority to the contrary, an objection to a Claim shall be deemed properly served on the Holder of the Claim if the Debtors or the Reorganized Debtors effect service in any of the following manners: (a) in accordance with Federal Rule of Civil Procedure

4, as modified and made applicable by Bankruptcy Rule 7004; (b) to the extent counsel for a Holder of a Claim or Interest is unknown, by first class mail, postage prepaid, on the signatory on the proof of Claim or other representative identified on the proof of Claim or any attachment thereto (or at the last known addresses of such Holder if no proof of Claim is filed or if the Debtors have been notified in writing of a change of address); or (c) by first class mail, postage prepaid, on any counsel that has appeared on behalf of the Holder of the Claim in the Chapter 11 Cases and has not withdrawn such appearance.

Section 7.04 Disallowance of Claims. Except as otherwise agreed, any and all proofs of Claim filed after the applicable deadline for filing such proofs of Claim shall be deemed Disallowed and expunged as of the Effective Date without any further notice to, or action, order, or approval of the Bankruptcy Court, and Holders of such Claims shall not receive any distributions on account of such Claims, unless any such late proof of Claim is deemed timely filed by a Final Order of the Bankruptcy Court.

Nothing herein shall in any way alter, impair, or abridge the legal effect of the Bar Date Order, or the rights of the Debtors, the Reorganized Debtors, or other parties-in-interest to object to Claims on the grounds that they are time barred or otherwise subject to disallowance or modification. Nothing in this Plan shall preclude amendments to timely filed proofs of Claim to the extent permitted by applicable law.

All Claims of any Entity from which property is sought by the Debtors under section 542, 543, 550, or 553 of the Bankruptcy Code or that the Debtors or the Reorganized Debtors allege is a transferee of a transfer that is avoidable under section 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code shall be Disallowed if (a) the Entity, on the one hand, and the Debtors or the Reorganized Debtors, on the other hand, agree or the Bankruptcy Court has determined by Final Order that such Entity or transferee is liable to turn over any property or monies under any of the aforementioned sections of the Bankruptcy Code and (b) such Entity or transferee has failed to turn over such property by the date set forth in such agreement or Final Order.

Section 7.05 Estimation of Claims. Before or after the Effective Date, the Debtors or the Reorganized Debtors, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate a Disputed Claim pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or Interest or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any such Disputed Claim, including during the litigation of any objection to any Disputed Claim or during the pendency of any appeal relating to such objection. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim, that estimated amount shall constitute a maximum limitation on such Claim for all purposes under the Plan (including for purposes of distributions and participation in the Rights Offering), without prejudice to the Holder of such Claim's right to request that estimation should be for the purpose of determining the Allowed amount of such Claim, and the Reorganized Debtors may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim. All of the objection, estimation, settlement, and resolution procedures set forth in the Plan are cumulative and not necessarily exclusive of one another. All estimation procedures set forth in the Plan shall be applied in accordance with section 502(c) of the Bankruptcy Code.

Disputed Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Plan or the Bankruptcy Court.

Section 7.06 No Interest on Disputed Claims. Unless otherwise specifically provided for in this Plan or as otherwise required by section 506(b) of the Bankruptcy Code, postpetition interest shall not accrue or be paid on Claims or Interests, and no Holder of a Claim or Interest shall be entitled to interest accruing on or after the Petition Date on any Claim or Interest. Additionally, and without limiting the foregoing, unless otherwise specifically provided for in this Plan or as otherwise required by section 506(b) of the Bankruptcy Code, interest shall not accrue or be paid on any Disputed Claim in respect of the period from the Effective Date to the date a final distribution is made, when and if such Disputed Claim becomes an Allowed Claim.

Section 7.07 Amendments to Claims. On or after the Effective Date, except as otherwise provided herein, a Claim may not be filed or amended without the authorization of the Bankruptcy Court or the Reorganized Debtors, and, to the extent such authorization is not received, any such new or amended Claim filed shall be deemed Disallowed in full and expunged without any further notice to or action, order, or approval of the Bankruptcy Court.

ARTICLE VIII

PROVISIONS GOVERNING DISTRIBUTIONS

Section 8.01 Time of Distributions. Except as otherwise provided for herein or ordered by the Bankruptcy Court, distributions under this Plan shall be made on the later of (a) the Initial Distribution Date or (b) on the first Periodic Distribution Date occurring after the later of, (i) 30 days after the date when a Claim is Allowed or (ii) 30 days after the date when a Claim becomes payable pursuant to any agreement between the Debtors (or the Reorganized Debtors) and the Holder of such Claim; *provided*, *however*, that the Reorganized Debtors may, in their sole discretion, make one-time distributions on a date that is not a Periodic Distribution Date**.**

Section 8.02 Currency. Except as otherwise provided in the Plan or Bankruptcy Court order, as of the Effective Date, any Claim asserted in currency other than U.S. dollars shall be automatically deemed converted to the equivalent U.S. dollar value using the exchange rate as of the Effective Date at 4:00 p.m. prevailing Eastern Time, mid-range spot rate of exchange for the applicable currency as published in the next *The Wall Street Journal, National Edition* following the Effective Date.

Section 8.03 Distribution Agent. Except as otherwise provided herein, all distributions under the Plan shall be made by the Reorganized Debtors as Distribution Agent, or by such other Entity designated by the Reorganized Debtors as a Distribution Agent on the Effective Date. The Distribution Agent shall not be required to give any bond or surety or other security for the performance of the Reorganized Debtors' duties as Distribution Agent unless otherwise ordered by the Bankruptcy Court. The Distribution Agent shall be empowered to (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (b) make all distributions contemplated hereby; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Distribution Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the

Distribution Agent to be necessary and proper to implement the provisions hereof. If the Distribution Agent is an Entity other than the Reorganized Debtors, such Entity shall be paid its reasonable fees and expenses, including the reasonable fees and expenses of its attorneys or other professionals. The Reorganized Debtors shall be the Distribution Agent with respect to all Claims against the Ranger Debtors.

Section 8.04 Claims Administered by Servicers. In the case of Holders of Claims governed by an agreement and administered by a Servicer, the respective Servicer shall be deemed to be the Holder of such Claims for purposes of distributions to be made hereunder. The Distribution Agent shall make all distributions on account of such Claims to the Servicers or as directed by the Servicers, in the Servicers' sole discretion. Each Servicer shall, at its option, hold or direct such distributions for the beneficial Holders of such Allowed Claims, as applicable; *provided, however*, that the Servicer shall retain all rights under its respective agreement in connection with delivery of distributions to the beneficial Holders of such Allowed Claim, including rights on account of its charging lien; *provided further, however*, that the Debtors' and the Reorganized Debtors' obligations to make distributions pursuant to this Plan shall be deemed satisfied upon delivery of distributions to each Servicer or the Entity or Entities designated by the Servicers. The Servicers shall not be required to give any bond, surety, or other security for the performance of their duties with respect to such distributions. The Servicers shall be paid in Cash their reasonable fees and expenses, including the reasonable fees and expenses of their attorneys or other professionals by the Reorganized Debtors.

Section 8.05 Distributions on Claims Allowed After the Effective Date

(a) *No Distributions Pending Allowance*. No payments or distributions shall be made with respect to all or any portion of a Disputed Claim unless and until all objections to such Disputed Claim have been settled or withdrawn or have been determined by a Final Order of the Bankruptcy Court, and the Disputed Claim has become an Allowed Claim.

(b) *Special Rules for Distributions to Holders of Disputed Claims*. Notwithstanding any provision otherwise in the Plan and except as otherwise agreed by the relevant parties no partial payments and no partial distributions shall be made with respect to a Disputed Claim until all such disputes in connection with such Disputed Claim have been resolved by settlement or Final Order. All distributions made pursuant to the Plan on account of a Disputed Claim that is later deemed an Allowed Claim by the Bankruptcy Court shall be made together with any dividends, payments, or other distributions made on account of, as well as any obligations arising from, the distributed property as if such Allowed Claim had been an Allowed Claim on the dates distributions were previously made to Holders of Allowed Claims included in the applicable Class; *provided, however*, that no interest shall be paid on account to such Allowed Claims unless required under applicable bankruptcy law.

(c) *Disputed Claims Reserve*. The Reorganized Debtors shall establish and administer the Disputed Claims Reserve. Each Holder of a Disputed TUSA General Unsecured Claim that becomes an Allowed TUSA General Unsecured Claim after the Effective Date shall receive a distribution of New TUSA HoldCo Common Stock from the Disputed Claims Reserve pursuant to the terms set forth in Section 8.05(b) and at the time set forth in Section 8.01, together with such Holder's Rights Offering Securities, to the extent such Holder validly

subscribed to purchase such Rights Offering Securities pursuant to the Rights Offering Procedures. On each Periodic Distribution Date, (i) all shares of New TUSA HoldCo Common Stock in the Disputed Claims Reserve on account of a Disputed TUSA General Unsecured Claim that has become Disallowed in whole or in part (or has been Allowed in an amount less than its Provisionally Allowed amount) shall be redistributed ratably among (A) Holders of Allowed TUSA General Unsecured Claims and (B) the Disputed Claims Reserve and (ii) the correlative Rights Offering Securities in the Disputed Claims Reserve that were subscribed for by the Holder of such wholly or partially Disallowed Claim shall be automatically cancelled.

Section 8.06 Delivery of Distributions

(a) *Record Date for Distributions*. On the Distribution Record Date, the Claims register shall be closed and the Distribution Agent shall be authorized and entitled to recognize only those record Holders listed on the Claims register as of the close of business on the Distribution Record Date. The RBL Agent shall have no obligation to recognize any transfer of any RBL Claims occurring after the close of business on the Distribution Record Date and shall instead be entitled to recognize and deal for all purposes under the Plan with only those Holders of record as of the close of business on the Distribution Record Date. Further, the Senior Notes Indenture Trustee shall have no obligation to recognize any transfer of any Senior Notes Claims occurring after the close of business on the Distribution Record Date and shall instead be entitled to recognize and deal for all purposes under the Plan with only those Holders of record as of the close of business on the Distribution Record Date.

(b) *Cash Distributions*. Distributions of Cash may be made either by check drawn on a domestic bank or wire transfer from a domestic bank, at the option of the Reorganized Debtors, except that Cash payments made to foreign creditors may be made in such funds and by such means as are necessary or customary in a particular foreign jurisdiction.

(c) *Address for Distributions*. Distributions to Holders of Allowed Claims shall be made by the Distribution Agent or the appropriate Servicer (i) at the addresses set forth on the proofs of Claim filed by such Holders of Claims (or at the last known addresses of such Holders of Claims if no proof of Claim is filed or if the Debtors or the Distribution Agent have been notified in writing of a change of address), (ii) at the addresses set forth in any written notices of address changes delivered to the Distribution Agent after the date of any related proof of Claim, (iii) at the addresses reflected in the Schedules if no proof of Claim has been filed and the Distribution Agent has not received a written notice of a change of address, or (iv) in the case of a Holder of a Claim whose Claim is governed by an agreement and administered by a Servicer, at the addresses contained in the official records of such Servicer. The Debtors, the Reorganized Debtors, and the Distribution Agent shall not incur any liability whatsoever on account of any distributions under the Plan.

(d) *Undeliverable Distributions*. If any distribution to a Holder of a Claim is returned as undeliverable, no further distributions to such Holder of such Claim shall be made unless and until the Distribution Agent or the appropriate Servicer is notified of then-current address of such Holder of the Claim, at which time all missed distributions shall be made to such Holder of the Claim without interest, dividends, or accruals of any kind on the next Periodic

Distribution Date. Amounts in respect of undeliverable distributions shall be returned to the Reorganized Debtors until such distributions are claimed.

(e) *Reversion*. Any distribution under the Plan that is an Unclaimed Distribution for a period of six months after such distribution shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code and such Unclaimed Distribution shall revert to and vest in the Reorganized Debtors free of any restrictions thereon, and to the extent such Unclaimed Distribution is New TUSA HoldCo Common Stock, shall be deemed cancelled. Upon vesting, the Claim of any Holder or successor to such Holder with respect to such property shall be cancelled, discharged, and forever barred, notwithstanding federal or state escheat, abandoned, or unclaimed property laws to the contrary. The provisions of the Plan regarding undeliverable distributions and Unclaimed Distributions shall apply with equal force to distributions that are issued by the Reorganized Debtors or the Distribution Agent made pursuant to any indenture or Certificate (but only with respect to the initial distribution by the Servicer to Holders that are entitled to be recognized under the relevant indenture or Certificate and not with respect to Entities to whom those recognized Holders distribute), notwithstanding any provision in such indenture or Certificate to the contrary and notwithstanding any otherwise applicable federal or state escheat, abandoned, or unclaimed property law.

(f) *De Minimis Distributions*. Notwithstanding any other provision of the Plan to the contrary, the Reorganized Debtors, the Distribution Agent, and any Servicer shall not be required to make a distribution on account of an Allowed Claim if (i) the aggregate amount of all distributions authorized to be made on the Periodic Distribution Date in question is or has a value less than $100,000; *provided*, *however*, that the Reorganized Debtors shall make, or cause to be made, a distribution on a Periodic Distribution Date of less than $100,000 if the Reorganized Debtors expect that such Periodic Distribution Date shall be the final Periodic Distribution Date; or (ii) the amount to be distributed to the specific Holder of the Allowed Claim on the particular Periodic Distribution Date does not both (x) constitute a final distribution to such Holder and (y) have a value of at least $50.00.

(g) *Fractional Distributions*. Notwithstanding any other provision of the Plan to the contrary, the Reorganized Debtors, the Distribution Agent, and any Servicer shall not be required to make partial distributions or distributions of fractional shares or membership units of New TUSA HoldCo Common Stock or distributions or payments of fractions of dollars. Whenever any payment or distribution of a fractional share or membership unit of New TUSA HoldCo Common Stock under the Plan would otherwise be called for, such fraction shall be deemed zero. Whenever any payment of Cash of a fraction of a dollar pursuant to the Plan would otherwise be required, the actual payment shall reflect a rounding of such fraction to the nearest whole dollar (up or down), with half dollars or more being rounded up.

(h) *Accrual of Dividends and Other Rights*. For purposes of determining the accrual of dividends or other rights after the Effective Date, New TUSA HoldCo Common Stock shall be deemed distributed as of the Effective Date regardless of the date on which it is actually issued, dated, authenticated, or distributed; *provided*, *however*, the Reorganized Debtors shall not pay any such dividends or distribute such other rights, if any, until after distributions of New TUSA HoldCo Common Stock actually take place.

Section 8.07 Surrender of Securities or Instruments. As soon as practicable after the Effective Date, each Holder of Senior Notes shall surrender its note(s) to the Senior Notes Indenture Trustee, or in the event such note(s) are held in the name of, or by a nominee of, DTC, the Reorganized Debtors shall seek the cooperation of DTC to provide appropriate instructions to the Senior Notes Indenture Trustee, and each Holder of Senior Notes shall be deemed to have surrendered each such Holder of Senior Note's note, debenture, or other evidence of indebtedness upon surrender of such global security by DTC or such other securities depository or custodian thereof. No distributions under the Plan shall be made for or on behalf of such Holder unless and until such note(s) is received by the Senior Notes Indenture Trustee or the loss, theft, or destruction of such note(s) is established to the reasonable satisfaction of the Senior Notes Indenture Trustee, which satisfaction may require such Holder to submit (a) a lost instrument affidavit and (b) an indemnity bond holding the Debtors, the Reorganized Debtors, and the Senior Notes Indenture Trustee, harmless in respect of such note and distributions made thereof. Upon compliance with this Section 8.07 by a Holder of Senior Notes, such Holder shall, for all purposes under the Plan, be deemed to have surrendered such Claim. Any Holder that fails to surrender such Senior Note or satisfactorily explain its non-availability to the Senior Notes Indenture Trustee within one year of the Effective Date shall be deemed to have no further Claim against the Debtors, the Reorganized Debtors (or their property), or the Senior Notes Indenture Trustee in respect of such Claim and shall not participate in any distribution under the Plan. All property in respect of such forfeited distributions, including interest thereon, shall be promptly returned to the Reorganized Debtors by the Senior Notes Indenture Trustee, and any such security shall be cancelled. Notwithstanding the foregoing, if the record Holder of a Senior Notes Claim is DTC or its nominee or such other securities depository or custodian thereof, or if a Senior Notes Claim is held in book-entry or electronic form pursuant to a global security held by DTC or such other securities depository or custodian thereof, then the beneficial Holder of such an Allowed Senior Notes Claim shall be deemed to have surrendered such Holder's security, note, debenture, or other evidence of indebtedness upon surrender of such global security by DTC or such other securities depository or custodian thereof.

Section 8.08 Compliance Matters. In connection with the Plan, to the extent applicable, the Reorganized Debtors and the Distribution Agent shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Reorganized Debtors and the Distribution Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Reorganized Debtors reserve the right to allocate all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, and other spousal awards, Liens, and encumbrances.

Section 8.09 Claims Paid or Payable by Third Parties. The Claims and Solicitation Agent shall reduce in full a Claim to the extent that the Holder of such Claim receives payment in full on account of such Claim from a party that is not the Debtors or the Reorganized Debtors without any further notice to or action, order, or approval of the Bankruptcy Court. To the extent

a Holder of a Claim receives a distribution on account of such Claim and receives payment from a party that is not the Debtors or the Reorganized Debtors on account of such Claim, such Holder shall, within two weeks of receipt thereof, repay or return the distribution under the Plan to the Reorganized Debtors, to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan.

Section 8.10 Setoffs. Except as otherwise expressly provided for in the Plan and except with respect to any RBL Claims or Senior Notes Claim, and any distribution on account thereof, the Reorganized Debtors, pursuant to the Bankruptcy Code (including section 553 of the Bankruptcy Code), applicable non-bankruptcy law, or as may be agreed to by the Holder of a Claim, may set off against any Allowed Claim and the distributions to be made pursuant to the Plan on account of such Allowed Claim, any Claims, rights, and Causes of Action of any nature that the Debtors or the Reorganized Debtors, as applicable, may hold against the Holder of such Allowed Claim, to the extent such Claims, rights, or Causes of Action against such Holder have not been otherwise compromised or settled on or prior to the Effective Date (whether pursuant to the Plan or otherwise); *provided*, *however*, that neither the failure to effect such a setoff nor the allowance of any Claim pursuant to the Plan shall constitute a waiver or release by the Reorganized Debtors of any such Claims, rights, and Causes of Action that the Reorganized Debtors may possess against such Holder. In no event shall any Holder of Claims be entitled to set off any Claim against any Claim, right, or Cause of Action of the Debtors or the Reorganized Debtors, as applicable, unless such Holder has filed a motion with the Bankruptcy Court requesting the authority to perform such setoff on or before the Confirmation Date, and notwithstanding any indication in any proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to section 553 or otherwise.

Section 8.11 Recoupment. In no event shall any Holder of Claims or Interests be entitled to recoup any Claim or Interest against any Claim, right, or Cause of Action of the Debtors or the Reorganized Debtors, as applicable, unless (a) such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtors on or before the Confirmation Date or (b) such Holder's right to recoupment is preserved by applicable bankruptcy law.

Section 8.12 Allocation of Plan Distributions Between Principal and Interest. To the extent that any Allowed Claim entitled to a distribution under this Plan is composed of indebtedness and accrued but unpaid interest thereon, such distribution shall, to the extent permitted by applicable law, be allocated for federal income tax purposes to the principal amount of the Claim first and then, to the extent the consideration exceeds the principal amount of the Claim, to the portion of such Claim representing accrued but unpaid interest.

ARTICLE IX

EFFECT OF PLAN ON CLAIMS AND INTERESTS

Section 9.01 Vesting of Assets. Except as otherwise explicitly provided in this Plan, on the Effective Date, all property comprising the Estate (including Causes of Action, but excluding property that has been abandoned pursuant to an order of the Bankruptcy Court) shall vest in the

Reorganized Debtors which, as Debtors, owned such property or interest in property as of the Effective Date, free and clear of all Claims, Liens, charges, encumbrances, rights, and Interests (except for such Liens as may be retained in favor of the RBL Agent to secure the Excluded RBL Obligations); *provided, however*, that any property held by any of the inactive Debtors dissolved pursuant to Section 5.09 shall vest in New TUSA HoldCo solely in its capacity as Distribution Agent for the Ranger Debtors. As of and following the Effective Date, the Reorganized Debtors may operate their business and use, acquire, and dispose of property and settle and compromise Claims, Interests, or Causes of Action without supervision of the Bankruptcy Court, free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by this Plan or the Confirmation Order.

Section 9.02 Discharge of the Debtors. **Pursuant to section 1141(d) of the Bankruptcy Code, except as otherwise specifically provided in this Plan or the Confirmation Order, and effective as of the Effective Date: (a) the distributions and rights that are provided in this Plan, if any, and the treatment of all Claims and Interests shall be in exchange for and in complete satisfaction, discharge, and release of all Claims and Causes of Action, whether known or unknown, including any interest accrued on such Claims from and after the Petition Date, against, liabilities of, Liens on, obligations of, rights against, and Interests in the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to this Plan on account of such Claims, rights, and Interests, including, but not limited to, Claims and Interests that arose before the Effective Date and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not (i) a proof of Claim or Interest based upon such Claim, debt, right, or Interest is filed or deemed filed under section 501 of the Bankruptcy Code, (ii) a Claim or Interest based upon such Claim, debt, right, or Interest is Allowed under section 502 of the Bankruptcy Code, or (iii) the Holder of such a Claim, right, or Interest accepted this Plan; (b) the Plan shall bind all Holders of Claims and Interests notwithstanding whether any such Holders failed to vote to accept or reject the Plan or voted to reject the Plan; (c) all Claims and Interests shall be satisfied, discharged, and released in full, and the Debtors' liability with respect thereto shall be extinguished completely, including any liability of the kind specified under section 502(g) of the Bankruptcy Code; and (d) all Entities shall be precluded from asserting against the Debtors, the Estates, the Reorganized Debtors, their successors and assigns, and their assets and properties any other Claims or Interests based upon any documents, instruments, or any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims against and Interests in the Debtors, subject to the occurrence of the Effective Date.**

Section 9.03 Compromise and Settlement. Pursuant to Bankruptcy Rule 9019(a), the Debtors may compromise and settle various (a) Claims or Interests and (b) Causes of Action that the Debtors have against other Entities up to the Effective Date. After the Effective Date, any such right shall pass to the Reorganized Debtors as contemplated in Section 9.01 of this Plan, without the need for further approval of the Bankruptcy Court. Pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided pursuant to the Plan or any distribution to be made on account of an Allowed Claim, the provisions of the Plan shall constitute a good-faith compromise of all Claims,

Interests, and controversies relating to the contractual, legal, and subordination rights that a Holder of a Claim or Interest may have with respect to any Allowed Claim or Allowed Interest. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Interests, and controversies, as well as a finding by the Bankruptcy Court that any such compromise or settlement is in the best interests of the Debtors, their Estates, and Holders of Claims and Interests, and is fair, equitable, and reasonable.

Section 9.04 Release by Debtors. Pursuant to section 1123(b) of the Bankruptcy Code, as of the Effective Date, the Debtors and their Estates, the Reorganized Debtors, and each of their respective current and former Affiliates shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released, waived, and discharged the Released Parties from any and all Claims, Interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative Claims, asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or in any way relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, provided under any applicable law, rule, or regulation, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the Plan, the Disclosure Statement, the Cash Collateral Order, the Backstop Commitment Agreement, the Plan Supplement, the Rights Offering, the Exit Facility, any other Plan Transaction Document, or related agreements, instruments, or other documents, upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date of the Plan, other than Claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes the failure to perform the duty to act in good faith and where such failure to perform constitutes willful misconduct, gross negligence, or actual fraud. Notwithstanding anything to the contrary in the foregoing, the release set forth above does not release any post-Effective Date obligations of any party under the Plan or any document, instrument, or agreement executed to implement the Plan. For the avoidance of doubt, nothing in this Section 9.04 shall in any way affect the operation of Section 9.02 of this Plan, pursuant to section 1141(d) of the Bankruptcy Code.

Section 9.05 Release by Holders of Claims and Interests. **As of the Effective Date, and as permitted by applicable law, the Releasing Parties shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released, waived, and discharged the Debtors, the Reorganized Debtors, their Estates, non-Debtor Affiliates, and the Released Parties from any and all Claims, Interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative Claims, asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, at law, in equity, or otherwise, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or in any way relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors provided under any applicable law, rule, or regulation, the subject matter of, or the transactions or events**

giving rise to, any Claim or Interest that is treated in the Plan, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the Plan, the Disclosure Statement, the Cash Collateral Order, the Backstop Commitment Agreement, the Plan Supplement, the Rights Offering, the Exit Facility, any other Plan Transaction Document, or related agreements, instruments, or other documents, upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date of the Plan, other than Claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes the failure to perform the duty to act in good faith and where such failure to perform constitutes willful misconduct or, gross negligence, or actual fraud. Notwithstanding anything to the contrary in the foregoing, the release set forth above does not release any post-Effective Date obligations of any party under the Plan or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan.

For the avoidance of doubt, except as expressly provided herein, nothing in this Section 9.05 shall in any way affect the operation of Section 9.02 of the Plan, pursuant to section 1141(d) of the Bankruptcy Code.

Section 9.06 Exculpation and Limitation of Liability. The Exculpated Parties shall neither have, nor incur, any liability to any Entity for any Exculpated Claim; *provided, however*, that the foregoing "exculpation" shall have no effect on the liability of any Entity arising out of or relating to any act or omission of a Released Party that constitutes the failure to perform the duty to act in good faith and where such failure to perform constitutes willful misconduct, gross negligence, or actual fraud.

The Exculpated Parties have, and upon Confirmation shall be deemed to have, participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including with regard to the distributions of the New TUSA HoldCo Common Stock and the Rights Offering Securities pursuant to the Plan and, therefore, are not and shall not be liable at any time for the violations of any applicable, law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

Section 9.07 Indemnification Obligations. From and after the Effective Date, the Reorganized Debtors will indemnify each Indemnitee to the same extent of any Indemnification Obligation in effect immediately prior to the Effective Date. The Reorganized Debtors' indemnification obligation shall remain in full force and effect and shall not be modified, reduced, discharged, impaired, or otherwise affected in any way. The treatment of Indemnification Obligations in this Section 9.07 shall be in complete satisfaction, discharge, and release of any Claim on account of such Indemnification Obligation of the Debtors, except that any Indemnitee may assert a Claim in the Chapter 11 Cases for any prepetition Indemnification Obligation that is not satisfied because of the limitation contained in the prior sentence.

Section 9.08 Injunction. The satisfaction, release, and discharge pursuant to this Article IX shall act as an injunction, from and after the Effective Date, against any Entity (a) commencing or continuing in any manner or in any place, any action, employment of process, or other proceeding; (b) enforcing, attaching, collecting, or recovering in any manner any judgment,

award, decree, or order; (c) creating, perfecting, or enforcing any Lien or encumbrance; (d) asserting a setoff, right of subrogation, or recoupment of any kind against any debt, liability, or obligation due to the Debtors, except as set forth in Section 8.10 or 8.11 of the Plan, in each case with respect to any Claim, Interest, or Cause of Action satisfied, released or to be released, exculpated or to be exculpated, or discharged under this Plan or pursuant to the Confirmation Order and to the fullest extent authorized or provided by the Bankruptcy Code, including to the extent provided for or authorized by sections 524 and 1141 thereof; *provided*, *however*, that nothing contained herein shall preclude such Entities from exercising their rights pursuant to and consistent with the terms of this Plan or the Confirmation Order.

Section 9.09 Injunction Against Worthless Stock Deductions. Unless otherwise ordered by the Bankruptcy Court, on and after the Confirmation Date, any person or group of persons constituting a "fifty percent shareholder" of TUSA within the meaning of section 382(g)(4)(D) of the Internal Revenue Code shall be enjoined from (a) claiming a worthless stock deduction with respect to any Old TUSA Common Stock held by such person(s) (or otherwise treating such Old TUSA Common Stock as worthless for U.S. federal income tax purposes) for any taxable year of such person(s) ending prior to the Effective Date, (b) making an election pursuant to Treasury Regulations section 1.1502-36(d)(6), or (c) taking any other action that would reduce, limit, or otherwise adversely affect the U.S. federal income tax attributes of TUSA.

Section 9.10 Subordination Rights

(a) Except as otherwise provided in the Plan, the allowance, classification, and treatment of all Allowed Claims and the respective distributions and treatments under the Plan take into account and conform to the relative priority and rights of the Claims in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code, or otherwise. All Claims and all rights and claims between or among Holders of Claims relating in any manner whatsoever to distributions on account of Claims or Interests, based upon any claimed subordination rights, whether asserted or unasserted, legal or equitable, shall be deemed satisfied by the distributions under the Plan to Holders of Claims having such subordination rights, and such subordination rights shall be deemed waived, released, discharged, and terminated as of the Effective Date. Except as otherwise specifically provided for in the Plan, distributions to the various Classes of Claims hereunder shall not be subject to levy, garnishment, attachment, or like legal process by any Holder of a Claim by reason of any subordination rights or otherwise, so that each Holder of a Claim shall have and receive the benefit of the distributions in the manner set forth in the Plan.

(b) Except as otherwise provided in the Plan, the right of the Debtors or the Reorganized Debtors to seek subordination of any Claim or Interest pursuant to section 510 of the Bankruptcy Code is fully reserved, and the treatment afforded any Claim or Interest that becomes a subordinated Claim or Interest at any time shall be modified to reflect such subordination. Unless the Plan or the Confirmation Order otherwise provide, no distributions shall be made on account of a Claim subordinated pursuant to this Section 9.10(b) unless ordered by the Bankruptcy Court.

Section 9.11 Protection Against Discriminatory Treatment. Consistent with section 525 of the Bankruptcy Code and clause 2 of Article VI of the United States Constitution, no Governmental Unit shall discriminate against the Reorganized Debtors or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Reorganized Debtors, or another Entity with whom the Reorganized Debtors have been associated, solely because the Reorganized Debtors have been debtors under chapter 11, have been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or have not paid a debt that is dischargeable in the Chapter 11 Cases.

Section 9.12 Release of Liens. Except as otherwise provided in this Plan, including Section 3.02(b), or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released, and discharged, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Reorganized Debtors and their successors and assigns.

Section 9.13 Reimbursement or Contribution. If the Bankruptcy Court disallows a Claim for reimbursement or contribution of an Entity pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is contingent as of the Effective Date, such Claim shall be forever Disallowed notwithstanding section 502(j) of the Bankruptcy Code, unless prior to the Effective Date (a) such Claim has been adjudicated as non-contingent or (b) the relevant Holder of a Claim has filed a contingent proof of Claim on account of such Claim and a Final Order has been entered determining such Claim as no longer contingent.

ARTICLE X

CONDITIONS PRECEDENT

Section 10.01 Conditions Precedent to the Effective Date of the Plan. The following are conditions precedent to the occurrence of the Effective Date, each of which may be satisfied or waived in accordance with Section 10.02 of this Plan:

(a) except as otherwise set forth herein, the Plan and Plan Transaction Documents shall be in form and substance reasonably acceptable to the Required Participating Noteholders;

(b) the Plan and Confirmation Order shall be in form reasonably acceptable to the RBL Agent; *provided*, *however*, that all provisions of the Plan and the Confirmation Order relating to the RBL Credit Documents (as defined in the Cash Collateral Order), the Prepetition Secured Indebtedness (as defined in the Cash Collateral Order), the Adequate Protection Obligations, and the Cash Collateral Order shall be acceptable to the RBL Agent in its sole discretion;

(c) the Bankruptcy Court shall have entered the Confirmation Order, and such order shall be a Final Order;

(d) the Bankruptcy Court shall have entered the Backstop and Rights Offering Procedures Approval Order, and such order shall be a Final Order, and the Debtors shall have paid all reasonable and documented fees and expenses in accordance with the terms thereof;

(e) the Rights Offering shall have been consummated in all material respects in accordance with the Backstop and Rights Offering Procedures Approval Order and the Backstop Commitment Agreement;

(f) the Backstop Commitment Agreement shall not have been terminated;

(g) TUSA (i) shall have obtained the Exit Facility, (ii) shall have executed and delivered the documentation governing the Exit Facility, which Exit Facility shall close substantially contemporaneously with the Effective Date, and (iii) all conditions to effectiveness of the Exit Facility shall have been satisfied or waived (or will be satisfied and waived substantially concurrently with the occurrence of the Effective Date);

(h) the New Corporate Governance Documents shall have been adopted and (where required by applicable law) filed with the applicable authorities of the relevant jurisdictions of organization and shall have become effective in accordance with such jurisdiction's corporation, limited liability company, or alternative comparable laws, as applicable;

(i) all authorizations, consents, certifications, approvals, rulings, no action letters, opinions or other documents, or actions required by any law, regulation, or order to be received or to occur in order to implement the Plan on the Effective Date shall have been obtained or shall have occurred unless failure to do so will not have a material adverse effect on the Reorganized Debtors;

(j) all statutory fees and obligations then due and payable to the Office of the United States Trustee shall have been paid and satisfied in full; and

(k) the Adequate Protection Obligations, including, but not limited to, the adequate protection payments and fees and expenses payable by the Debtors under the Cash Collateral Order shall have been paid in full in Cash.

Section 10.02 Waiver of Conditions Precedent

(a) The conditions set forth in Section 10.01(a), (d), (e), (f), (h), (i), and (j), may be waived, in whole or in part, by the Debtors, with the consent of the Required Participating Noteholders and each Backstop Party.

(b) The conditions set forth in Section 10.01(k) may be waived, in whole or in part, by the Debtors, with the consent of the RBL Agent, in its sole discretion.

(c) The conditions set forth in Section 10.01(b), (c), and (g) may be waived, in whole or in part, by the Debtors, with the consent of the RBL Agent, the Required Participating Noteholders, and each Backstop Party, in each of their sole discretion.

Section 10.03 Notice of Effective Date. The Reorganized Debtors shall file with the Bankruptcy Court a notice of the occurrence of the Effective Date within a reasonable period of time after the conditions in Section 10.01 of this Plan have been satisfied or waived pursuant to Section 10.02 of this Plan.

Section 10.04 Effect of Non-Occurrence of Conditions to Consummation. If, prior to consummation of the Plan, the Confirmation Order is vacated pursuant to a Final Order, then except as provided in any order of the Bankruptcy Court vacating the Confirmation Order, the Plan will be null and void in all respects, and nothing contained in the Plan or Disclosure Statement shall (a) constitute a waiver or release of any Claims, Interests, or Causes of Action, (b) prejudice in any manner the rights of the Debtors or any other Entity, or (c) constitute an admission, acknowledgment, offer, or undertaking of any sort by the Debtors or any other Entity.

ARTICLE XI

BANKRUPTCY COURT JURISDICTION

Section 11.01 Retention of Jurisdiction. Pursuant to sections 105(a) and 1142 of the Bankruptcy Code, the Bankruptcy Court shall have exclusive jurisdiction of all matters arising out of, and related to, the Chapter 11 Cases and the Plan, including jurisdiction to:

(a) resolve any matters related to Executory Contracts and Unexpired Leases, including: (i) the assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases to which the Debtors are a party or with respect to which the Debtors may be liable, and to hear and determine the allowance of Claims resulting therefrom including the amount of Cure, if any, required to be paid; (ii) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed; (iii) the Reorganized Debtors' amendment, modification, or supplement after the Effective Date, pursuant to Article VI of this Plan, of the lists of Executory Contracts and Unexpired Leases to be assumed or rejected or otherwise; and (iv) any dispute regarding whether a contract or lease is or was executory or expired;

(b) adjudicate any and all adversary proceedings, applications, and contested matters that may be commenced or maintained pursuant to the Chapter 11 Cases, this Plan, or that were the subject of proceedings before the Bankruptcy Court, prior to the Effective Date, proceedings to adjudicate the allowance of Disputed Claims and Disputed Interests, and all controversies and issues arising from or relating to any of the foregoing;

(c) ensure that distributions to Holders of Allowed Claims are accomplished as provided herein and adjudicate any and all disputes arising from or relating to distributions under the Plan;

(d) allow in whole or in part, disallow in whole or in part, determine, liquidate, classify, estimate, or establish the priority, secured or unsecured status, or amount of

any Claim or Interest, including hearing and determining any and all objections to the allowance or estimation of Claims or Interests filed, both before and after the Confirmation Date, including any objections to the classification of any Claim or Interest, and the resolution of request for payment of any Administrative Claim;

(e) hear and determine or resolve any and all matters related to Causes of Action;

(f) enter and implement such orders as may be appropriate if the Confirmation Order is for any reason stayed, revoked, modified, and/or vacated;

(g) issue and implement orders in aid of execution, implementation, or consummation of this Plan;

(h) consider any modifications of this Plan, to Cure any defect or omission, or to reconcile any inconsistency in any order of the Bankruptcy Court, including the Confirmation Order;

(i) hear and determine all applications for allowance of compensation and reimbursement of Professional Claims under this Plan or under sections 330, 331, 503(b), 1103, and 1129(a)(4) of the Bankruptcy Code;

(j) determine requests for the payment of Claims entitled to priority under section 507(a)(1) of the Bankruptcy Code, including compensation and reimbursement of expenses of parties entitled thereto;

(k) adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;

(l) hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of this Plan or the Confirmation Order, including disputes arising under agreements, documents, or instruments executed in connection with this Plan and disputes arising in connection with any Entity's obligations incurred in connection with the Plan;

(m) hear and determine all suits or adversary proceedings to recover assets of the Debtors and property of their Estates, wherever located;

(n) hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;

(o) resolve any matters relating to any pre- and post-Confirmation sales of the Debtors' assets;

(p) grant any consensual request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code;

(q) hear any other matter not inconsistent with the Bankruptcy Code;

(r) hear and determine all disputes involving the existence, nature, or scope of the Debtors' discharge;

(s) enter a Final Decree closing the Chapter 11 Cases;

(t) enforce all orders previously entered by the Bankruptcy Court;

(u) hear and determine all matters relating to any section 510(b) Claim; and

(v) hear and determine all matters arising in connection with the interpretation, implementation, or enforcement of the Backstop Commitment Agreement and the Rights Offering.

From the Confirmation Date through the Effective Date, the Bankruptcy Court shall retain jurisdiction with respect to each of the foregoing items and all other matters that were subject to its jurisdiction prior to the Confirmation Date. Nothing contained herein shall be construed to increase, decrease, or otherwise modify the independence, sovereignty, or jurisdiction of the Bankruptcy Court.

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 12.01 Binding Effect. Upon the Effective Date, this Plan shall be binding upon and inure to the benefit of the Debtors, the Reorganized Debtors, all current and former Holders of Claims, all current and former Holders of Interests, and all other parties-in-interest and their respective heirs, successors, and assigns.

Section 12.02 Payment of Statutory Fees. All fees payable pursuant to section 1930 of title 28 of the United States Code, as of the entry of the Confirmation Order as determined by the Bankruptcy Court at the Confirmation Hearing, shall be paid on the Effective Date. The Reorganized Debtors shall continue to pay fees pursuant to section 1930 of title 28 of the United States Code until the Chapter 11 Cases are closed by entry of the Final Decree. Furthermore, following entry of the Confirmation Order, the Reorganized Debtors shall continue to file quarterly reports in compliance with Bankruptcy Rule 2015(a)(5); *provided*, *however*, such reports shall not purport to be prepared in accordance with GAAP, may not be construed as reports filed under the Securities Exchange Act, and may not be relied upon by any party for any purpose except as set forth in Bankruptcy Rule 2015(a)(5).

Section 12.03 Restructuring Expenses. On the Effective Date, the Debtors or the Reorganized Debtors, as applicable, shall pay in full in Cash all outstanding Restructuring Expenses not previously paid pursuant to an order of the Bankruptcy Court in accordance with the terms of the applicable engagement letters entered into or acknowledged by the Debtors or other applicable arrangements, without the need for any application or notice to or approval by the Bankruptcy Court. Restructuring Expenses invoiced after the Effective Date, covering the period prior to or on the Effective Date, shall be paid promptly by the Reorganized Debtors following receipt of invoices therefor and the terms of the applicable documents giving rise to such rights; *provided*, *however*, that the Debtors or the Reorganized Debtors, as applicable,

reserve their right to dispute the reasonableness of any such Restructuring Expenses, and any such dispute that is not consensually resolved among the parties shall be resolved by the Bankruptcy Court pursuant to Section 2.01.

Section 12.04 Modification and Amendment. The Debtors may alter, amend, or modify this Plan under section 1127(a) of the Bankruptcy Code at any time prior to the Confirmation Date, provided that such amendments or modifications are consistent with the Cash Collateral Order and that nothing herein shall be deemed to imply that any other party has consented to such amendment. After the Confirmation Date and prior to substantial consummation of this Plan as defined in section 1101(2) of the Bankruptcy Code, the Debtors may under section 1127(b) of the Bankruptcy Code, institute proceedings in the Bankruptcy Court to remedy any defect or omission or reconcile any inconsistencies in this Plan, the Disclosure Statement, or the Confirmation Order, and such matters as may be necessary to carry out the purposes and effects of this Plan.

Section 12.05 Confirmation of Plan. The Debtors request Confirmation of the Plan under section 1129(b) of the Bankruptcy Code with respect to any Impaired Class that does not accept the Plan pursuant to section 1126 of the Bankruptcy Code. The Debtors reserve the right to amend the Plan to any extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification.

Section 12.06 Additional Documents. On or before the Effective Date, the Debtors may file with the Bankruptcy Court such agreements or other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors or the Reorganized Debtors, as applicable, and Holders of Claims receiving distributions pursuant to the Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provision and intent of the Plan.

Section 12.07 Revocation, Withdrawal, Non-Consummation

(a) *Right to Revoke or Withdraw*. The Debtors reserve the right to revoke or withdraw this Plan at any time prior to the Effective Date and file subsequent chapter 11 plans, subject to the terms of the Cash Collateral Order.

(b) *Effect of Withdrawal, Revocation, or Non-Consummation*. If the Debtors revoke or withdraw this Plan prior to the Effective Date, or if the Confirmation Date or the Effective Date does not occur, then this Plan, any settlement or compromise embodied in this Plan (including the fixing or limiting to an amount certain any Claim or Class of Claims or the allocation of the distributions to be made hereunder), the assumption or rejection of Executory Contracts or Unexpired Leases effected by this Plan, and any document or agreement executed pursuant to this Plan shall be null and void in all respects. In such event, nothing contained herein or in the Disclosure Statement, and no acts taken in preparation for consummation of this Plan, shall be deemed to constitute a waiver or release of any Claims, Interests, or Causes of Action by or against the Debtors or any other Entity, to prejudice in any manner the rights and defenses of the Debtors, the Holder of a Claim or Interest, or any Entity in any further

proceedings involving the Debtors, or to constitute an admission, acknowledgement, offer, or undertaking of any sort by the Debtors or any other Entity.

Section 12.08 Notices. After the Effective Date, any pleading, notice, or other document required by the Plan to be served on or delivered on the parties below shall be served as follows:

If to the Debtors or the Reorganized Debtors

TRIANGLE USA PETROLEUM CORPORATION
1200 17th Street, Suite 2500
Denver, Colorado 80202
Attn: General Counsel

With a copy (which shall not constitute notice) to

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
155 North Wacker Drive
Chicago, Illinois 60606
Attn: George N. Panagakis
Ron E. Meisler
Christopher M. Dressel
Renu P. Shah

– and –

One Rodney Square
P.O. Box 636
Wilmington, Delaware 19899
Attn: Sarah E. Pierce

If to the Office of the United States Trustee

OFFICE OF THE UNITED STATES TRUSTEE
FOR THE DISTRICT OF DELAWARE
Room 2207, Lockbox 35
844 North King Street
Wilmington, Delaware 19801
Attn: Jane Leamy

Section 12.09 Term of Injunctions or Stays. Unless otherwise provided in the Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and existing on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order) shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

Section 12.10 Governing Law. Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of New York shall govern the construction and implementation of this Plan, any agreements, documents, and instruments executed in connection with this Plan

(except as otherwise set forth in those agreements, in which case the governing law of such agreements shall control). Corporate governance matters shall be governed by the laws of the state of incorporation, formation, or functional equivalent thereof, as applicable, of the applicable Reorganized Debtor.

Section 12.11 Entire Agreement. Except as otherwise indicated, this Plan supersedes all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan.

Section 12.12 Severability. If, prior to Confirmation, any term or provision of this Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is (a) valid and enforceable pursuant to its terms, (b) integral to the Plan and may not be deleted or modified without the consent of (i) the Debtors, (ii) the Required Participating Noteholders (not to be unreasonably withheld), (iii) with respect to any document over which the Backstop Parties have consent rights pursuant to the Backstop and Rights Offering Procedures Approval Order, the Backstop Parties, and (iv) to the extent set forth in the Cash Collateral Order, the Prepetition Secured Parties, and (c) non-severable and mutually dependent.

Section 12.13 No Waiver or Estoppel. Upon the Effective Date, each Holder of a Claim or Interest shall be deemed to have waived any right to assert that its Claim or Interest should be Allowed in a certain amount, in a certain priority, be secured, or not be subordinated by virtue of an agreement made with the Debtors and/or their counsel or any other party, if such agreement was not disclosed in this Plan, the Disclosure Statement, or papers filed with the Bankruptcy Court.

Section 12.14 Conflicts. In the event that the provisions of the Disclosure Statement and the provisions of the Plan conflict, the terms of this Plan shall govern.

Dated: January 12, 2017

Respectfully submitted,

TRIANGLE USA PETROLEUM CORPORATION, on behalf of itself and its Debtor Affiliates listed below

/s/ John R. Castellano
Name: John R. Castellano
Title: Chief Restructuring Officer

FOXTROT RESOURCES LLC
LEAF MINERALS, LLC
RANGER FABRICATION, LLC
RANGER FABRICATION MANAGEMENT, LLC
RANGER FABRICATION MANAGEMENT HOLDINGS, LLC

Exhibit B

Liquidation Analysis

I. Introduction

Under the "best interests of creditors" test set forth in section 1129(a)(7) of the Bankruptcy Code, the Bankruptcy Court may not confirm a plan of reorganization unless the plan provides each holder of an allowed claim or interest that does not otherwise vote in favor of the plan with property of a value, as of the effective date of the plan, that is not less than the amount that such holder would receive or retain if the debtor were liquidated under chapter 7 of the Bankruptcy Code. To assess whether the Plan satisfies the best interests of creditors test, the Debtors, with the assistance of their advisors, have prepared the hypothetical liquidation analysis described herein (the "**Liquidation Analysis**"). The Liquidation Analysis sets forth an estimated range of recovery values for each Class of Claims and Interests upon disposition of assets pursuant to a hypothetical chapter 7 liquidation. The Liquidation Analysis is based on certain assumptions discussed in the Disclosure Statement and in the accompanying notes to the Liquidation Analysis. All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Disclosure Statement to which this Liquidation Analysis is attached.

II. Statement of Limitations

The preparation of a liquidation analysis, such as the Liquidation Analysis, is an uncertain process involving the use of estimates and assumptions that, although considered reasonable by the Debtors, based upon their business judgment and input from their advisors as, are inherently subject to significant business, economic and competitive risks, uncertainties and contingencies, most of which are difficult to predict and many of which are beyond the control of the Debtors or the Trustee. The values stated herein have not been subject to any review, compilation or audit by any independent accounting firm. In addition, various liquidation decisions upon which certain assumptions are based are subject to change. As a result, the actual amount of claims against the Debtors' estates could vary significantly from the estimates stated herein, depending on the nature and amount of claims asserted during the pendency of the chapter 7 case. Similarly, the value of the Debtors' assets in a liquidation scenario is uncertain and could vary significantly form the values set forth in the Liquidation Analysis. The Liquidation Analysis was prepared for the sole purpose of generating a reasonable good faith estimate of the proceeds that would be generated if the Debtors' assets were liquidated in accordance with chapter 7 of the Bankruptcy Code. The Liquidation Analysis is not intended and should not be used for any other purpose. ACCORDINGLY, NEITHER THE DEBTORS NOR THEIR ADVISORS MAKE ANY REPRESENTATION OR WARRANTY THAT THE ACTUAL RESULTS WOULD OR WOULD NOT APPROXIMATE THE ESTIMATES AND ASSUMPTIONS REFLECTED IN THE LIQUIDATION ANALYSIS. ACTUAL RESULTS COULD VARY MATERIALLY.

THE RECOVERIES SHOWN DO NOT CONTEMPLATE A SALE OR SALES OF THE DEBTORS' ASSETS ON A GOING CONCERN BASIS. WHILE THE DEBTORS MAKE NO ASSURANCES, IT IS POSSIBLE THAT PROCEEDS RECEIVED FROM SUCH GOING CONCERN SALE(S) WOULD BE MORE THAN IN THE HYPOTHETICAL LIQUIDATION, THE COSTS ASSOCIATED WITH THE SALE(S) WOULD BE LESS, FEWER CLAIMS WOULD BE ASSERTED AGAINST THE BANKRUPTCY ESTATES

AND/OR CERTAIN ORDINARY COURSE CLAIMS WOULD BE ASSUMED BY THE BUYER(S) NOTHING CONTAINED IN THE LIQUIDATION ANALYSIS IS INTENDED TO BE OR CONSTITUTES A CONCESSION OR ADMISSION BY THE DEBTORS. THE ACTUAL AMOUNT OF ALLOWED CLAIMS IN THE CHAPTER 11 CASES COULD MATERIALLY DIFFER FROM THE ESTIMATED AMOUNTS SET FORTH IN THE LIQUIDATION ANALYSIS.

III. Liquidation Date and Appointment of a Chapter 7 Trustee

The Liquidation Analysis represents an estimate of recovery values based upon a hypothetical liquidation of the Debtors' estates if the Debtors' chapter 11 cases were converted to cases under chapter 7 of the Bankruptcy Code on March 1, 2017 (the "**Liquidation Date**") and a chapter 7 trustee (the "**Trustee**") was appointed to convert all assets into cash. In this hypothetical scenario, the Trustee would satisfy claims by converting all of the assets of the Debtors into cash by: (i) selling certain assets owned by the Debtors as going concerns in a rapid sale and (ii) ceasing operations and selling or abandoning the individual assets of the Debtors. There can be no assurance that the recoveries realized from the sale of the assets would, in fact, approximate the amounts reflected in this Liquidation Analysis. Under section 704 of the Bankruptcy Code, a trustee must, among other duties, collect and convert the property of the estate as expeditiously as possible (generally at distressed prices), taking into account the best interests of stakeholders.

IV. Global Notes and Assumptions:

The Liquidation Analysis should be read in conjunction with the following notes and assumptions:

(i) The Liquidation Analysis was prepared on a legal entity basis for each of TUSA, Leaf Minerals, and Foxtrot, and on a consolidated basis for the Ranger Debtors (collectively, the "**Individual Analyses**"). A consolidated analysis for all of the Debtors based on the Individual Analyses (the "**Consolidated Analyses**") is presented in section 1, with the Individual Analyses themselves presented in section 2.

(ii) **Dependence on unaudited financial statements**. This Liquidation Analysis contains numerous estimates. Proceeds available for recovery are based upon the unaudited financial statements and balance sheets of the Debtors as of as of October 31, 2016, unless otherwise noted.

(iii) **Additional Claims**. The cessation of business in a liquidation is also likely to trigger certain unsecured Claims that otherwise would not exist under a Plan absent a liquidation. Examples of these kinds of Claims include various potential employee Claims (for such items as severance and potential WARN Act liabilities), tax liabilities, Claims related to the rejection of unexpired leases and executory contracts, bonding or letters of credit for plugging and abandoning ("**P&A**") liabilities, and other potential Allowed Claims. These additional Claims could be significant; some may be administrative expenses, others may be entitled

to priority in payment over General Unsecured Claims. These administrative and priority Claims will need to be paid in full before any balance of liquidation proceeds would be available to pay General Unsecured Claims or to make any distribution in respect of equity interests. No adjustment has been made for these potential Claims.

(iv) **Preference or fraudulent transfers.** No recovery or related litigation costs have been attributed to any potential avoidance actions under the Bankruptcy Code, including potential preference or fraudulent transfer actions due to, among other issues, potential defenses to such actions, the costs of such litigation, the uncertainty of the outcome, and anticipated disputes regarding these matters.

(v) **Valuation and Timeline.** The Liquidation Analysis is based on the book values of the Debtors' assets and liabilities as of October 31, 2016, or more recent values where available. The Debtors' management team believes that the October 31, 2016 book value of assets and certain liabilities are a proxy for such book values as of the Liquidation Date. This Liquidation Analysis assumes the Debtors' assets will be sold in a rapid sale under a three-month liquidation process (the "**Liquidation Timeline**") under the direction of the Trustee, utilizing the Debtors' resources and third-party advisors. During this period, the Debtors would continue to operate while the assets are marketed and sold. Following the liquidation of the Debtors' primary assets, the remaining operations of the Debtors would be wound down by the Chapter 7 Trustee over a period of three to four months (the "**Wind-Down Period**"). The Liquidation Analysis is also based on the assumptions that: (i) the Debtors have continued access to cash collateral during the course of the Liquidation Timeline and the wind-down of the estates to fund wind down expenses and (ii) field security, accounting, treasury, IT, and other management services needed to wind down the estates continue.

(vi) **Gross Proceeds**. This Liquidation Analysis assumes that the cash amount (the "**Gross Proceeds**") that would be available for satisfaction of Allowed Claims and Interests would consist of the net proceeds resulting from the disposition of the assets and properties of the Debtors, augmented by the cash held by the Debtors at the time of the commencement of the liquidation activities.

(vii) **Distribution of Net Proceeds**. This Liquidation Analysis assumes that Gross Proceeds would be distributed in accordance with the absolute priority rule found in sections 726 and 1129(b) of the Bankruptcy Code. Such cash amount would be distributed, in accordance with, and as required by, applicable law: (i) first, for payment of liquidation and wind down expenses, trustee fees, and professional fees attributable to the liquidation and wind down (together, the "**Wind Down Expenses**"); (ii) second, to pay the costs and expenses of other administrative and certain priority tax claims that may arise from the termination of the Debtors operations; (iii) third, to pay the amounts allowed on other priority claims; and (iv) fourth, to pay amounts on allowed on other secured claims. Any remaining net cash would be distributed to creditors holding unsecured claims, including

deficiency claims that arise to the extent of the unsecured portion of the allowed secured claims.

V. Conclusion

As summarized below, the Liquidation Analysis shows, and the Debtors have therefore concluded, that confirmation of the Plan will provide creditors with a recovery that is not less than the recovery they would receive in connection with a liquidation of the Debtors under Chapter 7 of the Bankruptcy Code.

1. Consolidated Analysis

Asset book values and unsecured trade claims shown below are as of October 30, 2016 unless otherwise noted. The following Consolidated Analysis should be reviewed in conjunction with the associated notes:

DRAFT - Consolidated Debtors Liquidation Analysis Summary						
		Book	Recovery %		Proceeds	
$000's	Note:	Value	Low	High	Low	High
Cash	[A]	$ 53,708	100%	100%	$ 53,708	$ 53,708
Accounts Receivable, net	[B]	46,132	75%	88%	34,812	40,438
Prepaids and Other Current Assets	[C]	3,056	47%	50%	1,439	1,523
Inventory	[D]	3,819	15%	25%	573	955
PP&E - Oil and Related Assets	[E]	278,325	104%	121%	290,638	337,275
Other Assets	[F]	8,606	51%	61%	4,387	5,248
Gross Proceeds from Liquidation		**$ 393,646**	**98%**	**112%**	**$ 385,557**	**$ 439,147**
Chapter 7 Administrative Claims						
Post Conversion Net Operating Costs	[G]				$ 23,512	$ 13,325
Estate Wind-Down Costs	[H]				1,969	1,680
Chapter 7 Trustee Fees	[I]				9,969	11,579
Wind-Down Professional Fees	[J]				8,175	6,925
Total Chapter 7 Administrative Claims					**$ 43,625**	**$ 33,509**
Net Liquidation Proceeds Available for Distribution					**$ 341,932**	**$ 405,638**

		Claim Estimate ($)		Potential Recovery Recovery Estimate (%)		Potential Recovery Recovery Estimate ($)	
		High	Low	Low	High	Low	High
Class 1 - Other Priority Claims	[K]	$ 616	$ -	92%	0%	$ 569	$ -
Class 2 - Other Secured Claims	[L]	37,822	28,587	100%	100%	37,822	28,587
Class 3 - RBL Claims	[M]	303,977	309,371	99%	100%	300,896	309,371
Class 4 - Ranger General Unsecured Claims	[N]	1,839	1,443	0%	1%	-	13
Class 5 - TUSA General Unsecured Claims	[O]	430,907	404,848	1%	17%	2,645	67,665
Class 6 - Convenience Claims		-	-	0%	0%	-	-
Class 7 - Intercompany Claims		-	-	0%	0%	-	-
Class 8 - Intercompany Interests		-	-	0%	0%	-	-
Class 9 - Subordinated Claims		-	-	0%	0%	-	-
Class 10 - Ranger Interests		-	-	0%	0%	-	-
Class 11 - TUSA Interests		-	-	0%	0%	-	-
Total Estimated Claims and Recoveries		**$ 775,161**	**$ 744,250**	**44%**	**55%**	**$ 341,932**	**$ 405,638**

Notes to Consolidated Analysis

[A]Cash and Cash Equivalents: The cash balances shown above are the projected balances as of March 1, 2017. A 100% recovery on cash and equivalents has been estimated for the low and high cases. Estimated cash flows during the Liquidation Timeline are reflected in the Chapter 7 Administrative Claims.

[B] Accounts Receivable, net: Accounts receivables balances are the projected balances as of June 1, 2017, the date when liquidation of the assets is assumed to be completed. For the majority of accounts receivable, a 90% to 95% recovery level has been estimated given the current payment status of the Debtors' receivables. For certain amounts which are currently subject to ongoing disputes or other contingencies, a recovery level of 25% to 75% has been estimated, resulting in an overall blended recovery estimate of 75% to 88% of total accounts receivable.

[C] Prepaids and Other Current Assets: Prepaid expenses as of October 31, 2016 are comprised primarily of (a) prepaid items such as software licenses and insurance that will likely be largely unrecoverable in the event of a chapter 7 liquidation and (b) retainers for legal and professional fees for which a substantial recovery (i.e., 95% to 100%) is expected, resulting in a blended recovery rate of 47% to 50% for these assets.

[D] Inventory: A 15% to 25% recovery has been estimated for inventory which is primarily comprised of maintenance, repair and operating supplies such as spare parts.

[E] PP&E – Oil and Related Assets: PP&E primarily consists of proved reserves and the associated wells, pipelines and equipment associated with extracting those reserves. Where economically feasible, it has been assumed that the Debtors' reserves will be sold as operating wells. The value of these wells has been estimated by reserve type using the Debtors' internal projections and business plan, adjusted for liquidation conditions. In total, the Debtors' oil producing and related assets are estimated to yield approximately $290 million and $337 million in a liquidation scenario, under the low and high end, respectively. It is assumed that all mortgages perfected prior to the Petition Date remain in effect. In total, the implied recovery relative to net book value is 104% to 121% due to the Debtors having already recorded impairment charges against the value of their reserves prior to filing chapter 11.

[F] Other Assets: Other assets consist of office-related assets, including buildings, vehicles and equipment. On a blended basis, the recovery is estimated at 51% to 61% of net book value.

[G] Post-Conversion Operating Costs: This analysis assumes the Debtors convert to a chapter 7 liquidation on the Liquidation Date and continue to operate during the Liquidation Timeline to market and sell the Company's major assets under the direction of the Chapter 7 Trustee. During the Liquidation Timeline, the Company is assumed to collect proceeds from the production and sale of oil and gas and incur normal-course operating expenses necessary to maintain production and sell the assets including lease operating expenses, field expenses and necessary general and administration costs. Post conversion operating costs reflects these Liquidation Timeline cash flows, and includes approximately $15 million to $16.5 million (in the high recovery and low recovery cases, respectively) in capital expenditures related to completion of wells.

[H] Estate Wind-Down Costs: Following the completion of the sale of the Debtors' major assets during the Liquidation Timeline, the remaining operations of the Debtors would be wound down by the Chapter 7 Trustee during the Wind-Down Period. During this time, the Debtors would incur certain general and administrative costs to facilitate an orderly wind down of the estate. The Liquidation Analysis assumes that the majority of the Debtor's employees are terminated upon the sale of the Debtors' significant assets during the Liquidation Timeline. As such, estate wind-down costs include estimated payroll costs of approximately 40% of the Debtors run-rate G&A payroll for three months (with an additional fourth month in the low recovery scenario only). Estate wind-down costs also include, without limitation, a retention bonus equal to three months' pay for employees retained during the Wind-Down Period. Additionally, Estate wind-down costs include necessary office rent, IT and other office overhead costs to support the retained employees during the wind-down of the estate.

[I] Chapter 7 Trustee Fees: The Liquidation Analysis includes trustee fees of 3% on all non-cash asset sale proceeds.

[J] Wind-Down Professional Fees: The Liquidation Analysis includes estimated professional fees of approximately $4.4 million to $4.9 million during the Liquidation Timeline and $2.4 million to $3.2 million during the Wind-Down Period.

[K] Other Priority Claims: Other priority claims represent an estimate of potential priority tax and other claims. Recovery on other priority claims is estimated at 100% at TUSA, Leaf Minerals and Foxtrot. Other priority claims at Ranger, which was already liquidated, are expected to remain unsatisfied in the event of a chapter 7 liquidation of the remaining Debtors.

[L] Other Secured Claims: Other secured claims are comprised primarily of royalty and joint interest billing obligations subject to liens. It is assumed that lienable claims must be satisfied in order to achieve a successful sale of the reserves and wells as operating entities versus capping and abandoning the wells. Other secured claims are estimated to recover 100%.

[M] RBL Claims: RBL claims represent an estimate of the RBL Facility balance as of March 1, 2017. In the low recovery scenario, under which the RBL Claims recover less than 100%, this claim includes accrued interest through March 1, 2017. In the high recovery scenario, under which the RBL Claims are recovered in full, this claim includes interest through June 1, 2017. In the event of a chapter 7 liquidation, recovery on the RBL Claims is estimated at 99% to 100%.

[N] Ranger General Unsecured Claims: Ranger General Unsecured Claims are comprised of estimated trade payables and other liabilities of the Ranger Debtors not subject to liens as of March 1, 2017. Recoveries on unsecured claims range from 0% to 1%.

[O] TUSA General Unsecured Claims: TUSA General Unsecured Claims includes the Debtors' Senior Notes (approximately $393 million, including accrued interest through the Petition Date) and estimated trade payables and other liabilities as of March 1, 2017. Recoveries on unsecured claims range from 1% to 17%.

Remaining Claims and Interests: Claims and Interests in Classes 6-10 (including Convenience Claims, Intercompany Claims, Intercompany Interests, Subordinated Claims, Interests in Ranger, and Interest in TUSA) are projected to receive zero recovery.

2. Individual Analyses

The following tables present liquidation analyses for each of TUSA, Leaf Minerals, and Foxtrot on an individual basis and the Ranger Debtors on a consolidated basis. These analyses reflect the same methodologies and assumptions which were applied to the Consolidated Analysis presented in section 1.

DRAFT - TUSA Liquidation Analysis Summary					
	Book	Recovery %		Proceeds	
$000's	Value	Low	High	Low	High
Cash	$ 53,128	100%	100%	$ 53,128	$ 53,128
Accounts Receivable, net	46,132	75%	88%	34,812	40,438
Prepaids and Other Current Assets	3,041	47%	50%	1,439	1,523
Inventory	3,819	15%	25%	573	955
PP&E - Oil and Related Assets	256,578	112%	130%	286,702	332,269
Other Assets	8,606	51%	61%	4,387	5,248
Receivables from Debtor Entities	9,283	1%	1%	63	123
Gross Proceeds from Liquidation	**$ 380,586**	**97%**	**110%**	**$ 381,103**	**$ 433,684**
Chapter 7 Administrative Claims					
Post Conversion Net Operating Costs				$ 24,004	$ 13,839
Estate Wind-Down Costs				1,945	1,660
Chapter 7 Trustee Fees				9,839	11,417
Wind-Down Professional Fees				7,691	6,546
Total Chapter 7 Administrative Claims				**$ 43,479**	**$ 33,461**
Net Liquidation Proceeds Available for Distribution				**$ 337,624**	**$ 400,223**

			Potential Recovery			
	Claim Estimate ($)		Recovery Estimate (%)		Recovery Estimate ($)	
	High	Low	Low	High	Low	High
Class 1 - Other Priority Claims	$ 500	$ -	100%	100%	$ 500	$ -
Class 2 - Other Secured Claims	37,162	28,403	100%	100%	37,162	28,403
Class 3 - RBL Claims	303,977	309,371	99%	100%	299,961	309,371
Class 4 - Ranger General Unsecured Claims	-	-	0%	0%	-	-
Class 5 - TUSA General Unsecured Claims	430,898	404,838	0%	15%	-	62,411
Class 6 - Convenience Claims	-	-	0%	0%	-	-
Class 7 - Intercompany Claims	241	241	0%	15%	-	37
Class 8 - Intercompany Interests	-	-	0%	0%	-	-
Class 9 - Subordinated Claims	-	-	0%	0%	-	-
Class 10 - Ranger Interests	-	-	0%	0%	-	-
Class 11 - TUSA Interests	-	-	0%	0%	-	-
Total Estimated Claims and Recoveries	**$ 772,778**	**$ 742,854**	**44%**	**54%**	**$ 337,624**	**$ 400,223**

DRAFT - Leaf Minerals Liquidation Analysis Summary					
	Book	Recovery %		Proceeds	
$000's	Value	Low	High	Low	High
Cash	$ 534	100%	100%	$ 534	$ 534
Accounts Receivable, net	-	na	na	-	-
Prepaids and Other Current Assets	15	0%	0%	-	-
Inventory	-	na	na	-	-
PP&E - Oil and Related Assets	13,056	30%	38%	3,936	5,006
Other Assets	-	na	na	-	-
Receivables from Debtor Entities	377	100%	100%	377	377
Gross Proceeds from Liquidation	**$ 13,982**	**1%**	**2%**	**$ 4,848**	**$ 5,918**
Chapter 7 Administrative Claims					
Post Conversion Net Operating Costs				$ (114)	$ (137)
Estate Wind-Down Costs				24	20
Chapter 7 Trustee Fees				129	161
Wind-Down Professional Fees				459	354
Total Chapter 7 Administrative Claims				**$ 498**	**$ 399**
Net Liquidation Proceeds Available for Distribution				**$ 4,350**	**$ 5,519**

			Potential Recovery			
	Claim Estimate ($)		Recovery Estimate (%)		Recovery Estimate ($)	
	High	Low	Low	High	Low	High
Class 1 - Other Priority Claims	$ 50	$ -	100%	100%	$ 50	$ -
Class 2 - Other Secured Claims	660	184	100%	100%	660	184
Class 3 - RBL Claims	303,977	309,371	0%	0%	933	-
Class 4 - Ranger General Unsecured Claims	-	-	0%	0%	-	-
Class 5 - TUSA General Unsecured Claims	392,590	392,590	1%	1%	2,645	5,211
Class 6 - Convenience Claims	-	-	0%	0%	-	-
Class 7 - Intercompany Claims	9,283	9,283	1%	1%	63	123
Class 8 - Intercompany Interests	-	-	0%	0%	-	-
Class 9 - Subordinated Claims	-	-	0%	0%	-	-
Class 10 - Ranger Interests	-	-	0%	0%	-	-
Class 11 - TUSA Interests	-	-	0%	0%	-	-
Total Estimated Claims and Recoveries	**$ 706,559**	**$ 711,428**	**1%**	**1%**	**$ 4,350**	**$ 5,519**

DRAFT - Foxtrot Liquidation Analysis Summary					
	Book	Recovery %		Proceeds	
$000's	Value	Low	High	Low	High
Cash	$ 7	100%	100%	$ 7	$ 7
Accounts Receivable, net	-	na	na	-	-
Prepaids and Other Current Assets	-	na	na	-	-
Inventory	-	na	na	-	-
PP&E - Oil and Related Assets	8,692	0%	0%	-	-
Other Assets	-	na	na	-	-
Receivables from Debtor Entities	241	0%	15%	-	37
Gross Proceeds from Liquidation	**$ 8,940**	**0%**	**0%**	**$ 7**	**$ 44**
Chapter 7 Administrative Claims					
Post Conversion Net Operating Costs				$ -	$ -
Estate Wind-Down Costs				-	-
Chapter 7 Trustee Fees				-	1
Wind-Down Professional Fees				-	-
Total Chapter 7 Administrative Claims				**$ -**	**$ 1**
Net Liquidation Proceeds Available for Distribution				**$ 7**	**$ 43**

			Potential Recovery			
	Claim Estimate ($)		Recovery Estimate (%)		Recovery Estimate ($)	
	High	Low	Low	High	Low	High
Class 1 - Other Priority Claims	$ 5	$ -	100%	0%	$ 5	$ -
Class 2 - Other Secured Claims	-	-	100%	0%	-	-
Class 3 - RBL Claims	303,977	309,371	0%	0%	2	-
Class 4 - Ranger General Unsecured Claims	-	-	0%	0%	-	-
Class 5 - TUSA General Unsecured Claims	392,580	392,580	0%	0%	-	43
Class 6 - Convenience Claims	-	-	0%	0%	-	-
Class 7 - Intercompany Claims	-	-	0%	0%	-	-
Class 8 - Intercompany Interests	-	-	0%	0%	-	-
Class 9 - Subordinated Claims	-	-	0%	0%	-	-
Class 10 - Ranger Interests	-	-	0%	0%	-	-
Class 11 - TUSA Interests	-	-	0%	0%	-	-
Total Estimated Claims and Recoveries	**$ 696,561**	**$ 701,951**	**0%**	**0%**	**$ 7**	**$ 43**

DRAFT - Ranger Liquidation Analysis Summary						
	Book	Recovery %		Proceeds		
$000's	Value	Low	High	Low		High
Cash	$ 38	100%	100%	$ 38	$	38
Accounts Receivable, net	-	na	na	-		-
Prepaids and Other Current Assets	-	na	na	-		-
Inventory	-	na	na	-		-
PP&E - Oil and Related Assets	-	na	na	-		-
Other Assets	-	na	na	-		-
Receivables from Debtor Entities	-	na	na	-		-
Gross Proceeds from Liquidation	**$ 38**	**0%**	**0%**	**$ 38**	**$**	**38**
Chapter 7 Administrative Claims						
Post Conversion Net Operating Costs				$ -	$	-
Estate Wind-Down Costs				-		-
Chapter 7 Trustee Fees				-		-
Wind-Down Professional Fees				25		25
Total Chapter 7 Administrative Claims				**$ 25**	**$**	**25**
Net Liquidation Proceeds Available for Distribution				**$ 13**	**$**	**13**

			Potential Recovery			
	Claim Estimate ($)		Recovery Estimate (%)		Recovery Estimate ($)	
	High	Low	Low	High	Low	High
Class 1 - Other Priority Claims	$ 60	$ -	22%	0%	$ 13	$ -
Class 2 - Other Secured Claims	-	-	0%	0%	-	-
Class 3 - RBL Claims	-	-	0%	0%	-	-
Class 4 - Ranger General Unsecured Claims	1,839	1,443	0%	1%	-	13
Class 5 - TUSA General Unsecured Claims	-	-	0%	0%	-	-
Class 6 - Convenience Claims	-	-	0%	0%	-	-
Class 7 - Intercompany Claims	-	-	0%	0%	-	-
Class 8 - Intercompany Interests	-	-	0%	0%	-	-
Class 9 - Subordinated Claims	-	-	0%	0%	-	-
Class 10 - Ranger Interests	-	-	0%	0%	-	-
Class 11 - TUSA Interests	-	-	0%	0%	-	-
Total Estimated Claims and Recoveries	**$ 1,899**	**$ 1,443**	**1%**	**1%**	**$ 13**	**$ 13**

Exhibit C

Valuation Analysis

Solely for purposes of the Plan and this Disclosure Statement, PJT, as investment banker to the Debtors, has estimated the total enterprise value (the "**Total Enterprise Value**") and implied equity value (the "**Equity Value**") of the Reorganized Debtors on a going concern basis and pro forma for the transactions contemplated by the Plan.

In estimating the Total Enterprise Value of the Reorganized Debtors, PJT:

(i) met with the Debtors' senior management team to discuss the Debtors' operations and future prospects;

(ii) reviewed the Debtors' historical financial information;

(iii) reviewed certain of the Debtors' internal financial and operating data, including the Debtors' internal reserve reports;

(iv) reviewed the Projections set forth in Exhibit D of the Disclosure Statement; and

(v) reviewed publicly-available third-party information regarding future crude oil, natural gas, and natural gas liquids pricing, comparable companies and conducted other studies, investigations and analysis as PJT deemed appropriate.

PJT's estimates are based upon market, economic, and other conditions as they exist on, and can be evaluated as of, the date of the Disclosure Statement. For purposes of this valuation, it has been assumed that no material changes that would affect value occur between the date of the Disclosure Statement and the assumed Effective Date. In preparing the estimates set forth below, PJT has relied upon the accuracy, completeness, and fairness of financial, operating, and other information furnished by the Debtors.

The Debtors' Projections for the Reorganized Debtors are set forth in Exhibit D of the Disclosure Statement. The estimated values set forth herein assume that the Reorganized Debtors will achieve their Projections in all material respects. PJT has relied on the Debtors' representation and warranty that the Projections (a) have been prepared in good-faith; (b) are based on fully disclosed assumptions, which, in light of the circumstances under which they were made, are reasonable in all material respects; (c) reflect the Debtors' best currently available estimates and judgments as to the Debtors' future operating and financial performance; and (d) reflect the good-faith judgments of the Debtors. PJT does not offer an opinion as to the attainability of the Projections and no such opinion should be assumed by virtue of PJT's analysis or conclusions in respect of the estimated Total Enterprise Value or implied Equity Value of the Reorganized Debtors. As set forth in the Disclosure Statement, the future results of the Reorganized Debtors are dependent upon various factors, many of which are beyond the control or knowledge of the Debtors and PJT, and consequently are inherently difficult to project.

PJT DID NOT INDEPENDENTLY AUDIT OR VERIFY THE PROJECTIONS IN CONNECTION WITH PJT'S ESTIMATES OF THE TOTAL ENTERPRISE VALUE AND EQUITY VALUE, AND NO INDEPENDENT VALUATIONS OR APPRAISALS OF THE DEBTORS OR THE REORGANIZED DEBTORS WERE SOUGHT OR OBTAINED IN

CONNECTION HEREWITH. ESTIMATES OF THE TOTAL ENTERPRISE VALUE AND EQUITY VALUE DO NOT PURPORT TO BE APPRAISALS OR NECESSARILY REFLECT THE VALUES THAT MAY BE REALIZED IF ASSETS ARE SOLD AS A GOING CONCERN, IN LIQUIDATION, OR OTHERWISE. IN THE CASE OF THE REORGANIZED DEBTORS. THE ESTIMATES SET FORTH HEREIN DO NOT CONSTITUTE AN OPINION ON THE TERMS AND PROVISION OR FAIRNESS FROM A FINANCIAL POINT OF VIEW TO ANY PERSON OF THE CONSIDERATION TO BE RECEIVED BY SUCH PERSON UNDER THE PLAN. THE ESTIMATES OF THE TOTAL ENTERPRISE VALUE PREPARED BY PJT REPRESENT THE HYPOTHETICAL REORGANIZATION VALUE OF THE REORGANIZED DEBTORS. SUCH ESTIMATES WERE DEVELOPED SOLELY FOR THE PURPOSES OF THE FORMULATION OF THE PLAN AND THE ANALYSIS OF IMPLIED RELATIVE RECOVERIES TO CREDITORS THEREUNDER. SUCH ESTIMATES REFLECT COMPUTATIONS OF THE RANGE OF THE ESTIMATED REORGANIZATION VALUE OF THE REORGANIZED DEBTORS THROUGH THE APPLICATION OF VARIOUS VALUATION TECHNIQUES AND DO NOT PURPORT TO REFLECT OR CONSTITUTE APPRAISALS, LIQUIDATION VALUES OR ESTIMATES OF THE ACTUAL MARKET VALUE THAT MAY BE REALIZED THROUGH THE SALE OF ANY SECURITIES TO BE ISSUED PURSUANT TO THE PLAN, WHICH MAY BE SIGNIFICANTLY DIFFERENT THAN THE AMOUNTS SET FORTH HEREIN. THE ESTIMATED RANGES OF TOTAL ENTERPRISE VALUE AND EQUITY VALUE DO NOT CONSTITUTE A RECOMMENDATION TO ANY HOLDER OF ALLOWED CLAIMS OR ALLOWED INTERESTS AS TO HOW SUCH PERSON SHOULD VOTE OR OTHERWISE ACT WITH RESPECT TO THE PLAN.

THE ASSUMED RANGE OF THE TOTAL ENTERPRISE VALUE AND IMPLIED EQUITY VALUE, AS OF AN ASSUMED EFFECTIVE DATE OF MARCH 1, 2017, REFLECTS WORK PERFORMED BY PJT ON THE BASIS OF INFORMATION IN RESPECT OF THE BUSINESS AND ASSETS OF THE DEBTORS AVAILABLE TO PJT AS OF DECEMBER 2016. IT SHOULD BE UNDERSTOOD THAT, ALTHOUGH SUBSEQUENT DEVELOPMENTS MAY AFFECT PJT'S CONCLUSIONS, PJT DOES NOT HAVE ANY OBLIGATION TO UPDATE, REVISE OR REAFFIRM ITS ESTIMATE.

I. Methodology Overview

PJT prepared its valuation analysis to estimate the Total Enterprise Value for the Reorganized Debtors based on the application of standard valuation techniques, including Net Asset Value and Public Comparable Companies. PJT considered precedent transactions, another commonly used valuation technique, but determined that the number of recent transactions, as well as the comparability of these transactions, was insufficient to support the inclusion of this approach. This summary does not purport to be a complete description of the analyses performed and factors considered by PJT. The preparation of a valuation analysis is a complex analytical process involving various judgmental determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to particular facts and circumstances, and such analyses and judgments are not readily susceptible to summary description.

A. Net Asset Value Analysis

The value of the Reorganized Debtors' proved, probable and possible oil and gas reserves was estimated using a net asset value ("**NAV**") approach. The Debtors' reserve report calculates the estimated sum of net cash flows directly attributable to the Debtors' oil and gas properties. Future production volumes attributable to the properties are estimated and multiplied by the projected realized price, which incorporates the projected market price less an expected differential between the market price and the price at which the Reorganized Debtors can sell their production. Projected severance taxes (i.e., production taxes), ad valorem taxes, lease operating expenses, transportation expenses, and capital expenditures are then subtracted from revenue to calculate net cash flows. The net cash flows in the reserve report are discounted at an industry standard rate of ten percent (10%). PJT then risk adjusted the reserve values by category using unconventional risk adjustment factors as recommended by the Society of Petroleum Evaluation Engineers in its 34th annual survey dated June 2015. The value of the reserves assumes that the Reorganized Debtors have access to capital required to realize the value of the reserves. These values are then adjusted for other assets and liabilities of the Reorganized Debtors not reflected in the reserve report to determine the net asset value of the Reorganized Debtors.

B. Comparable Company Analysis

The comparable company analysis estimates the value of a company based on a relative comparison with other publicly traded companies with similar operating and financial characteristics. Under this methodology, the total enterprise value for each selected public company is determined by examining the trading prices for the equity securities of such company in the public markets and adding the aggregate amount of outstanding net debt for such comparable company (at market value) and any minority interest. Such enterprise values are commonly expressed as multiples of various measures of financial and operating statistics. The total enterprise value of the Reorganized Debtors is then calculated by applying these multiples to the Debtors' or Reorganized Debtors' actual and projected financial and operational metrics. The selection of public comparable companies for this purpose was based upon the geographic location, scale, financial performance (operating margins, profitability), capital structure (leverage, interest expense) and other characteristics that were deemed relevant. PJT included multiples of EBITDA and production in conducting this analysis.

II. Total Enterprise and Implied Equity Value

Based upon the analyses described herein, PJT estimated the Total Enterprise Value of the Reorganized Debtors to be approximately $400 million to $500 million, with a mid-point of $450 million. Based on assumed pro forma debt of approximately $160 million and Convertible Preferred Stock equal to $150 million prior to accounting for the impact of rights offering securities subscribed by holders of disputed claims, the Total Enterprise Value implies a common Equity Value range of approximately $90 million to $190 million, with a mid-point of $140 million as of an assumed Effective Date of March 1, 2017.

Exhibit D

Financial Projections

I. Financial Projections

For purposes of demonstrating feasibility of the Plan, the Debtors have prepared the forecasted, post reorganized, consolidated balance sheet, income statement, and statement of cash flows (the "**Financial Projections**" or the "**Projections**") for the annual periods ending January 31, 2018 (fiscal year 2018)[1] through January 31, 2021 (fiscal year 2021) (the "**Projection Period**"). The Financial Projections were prepared based on a number of assumptions made by the Company's management as to the future performance of the Reorganized Debtors, and reflect management's judgement and expectations regarding its future operations and financial position.

The Financial Projections are subject to inherent risks and uncertainties, most of which are difficult to predict and many of which are beyond management's control, incident to the exploration for and development, production, gathering and sale of oil, natural gas and natural gas liquids. Factors that may cause actual results to differ from expected results include, but are not limited to:

(i) fluctuations in oil and natural gas prices and the Company's ability to hedge against pricing changes;
(ii) the uncertainty inherent in estimating reserves, future net revenues and discounted future cash flows;
(iii) the timing and amount of future production of oil and natural gas;
(iv) changes in the availability and cost of capital;
(v) environmental, drilling and other operating risks, including liability claims as a result of oil and natural gas operations;
(vi) proved and unproved drilling locations and future drilling plans; and
(vii) the effects of existing and future laws and governmental regulations, including environmental, hydraulic fracturing and climate change regulation.

Should one or more of the risks or uncertainties referenced above occur, or should underlying assumptions prove incorrect, actual results and plans could differ materially from those expressed in the Financial Projections. Further, new factors could cause actual results to differ materially from those described in the Financial Projections, and it is not possible to predict all such factors, or the extent to which any such factor or combination of factors may cause actual results to differ from those contained in the Financial Projections.

[1] Fiscal year 2018 covers the period of March 1, 2017 through January 1, 2018.

II. Accounting Policies and Disclaimer

THESE FINANCIAL PROJECTIONS WERE NOT PREPARED WITH A VIEW TOWARD COMPLIANCE WITH PUBLISHED GUIDELINES OF THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS FOR PREPARATION AND PRESENTATION OF PROSPECTIVE FINANCIAL INFORMATION. THE FINANCIAL PROJECTIONS DO NOT REFLECT THE FORMAL IMPLEMENTATION OF REORGANIZATION ACCOUNTING PURSUANT TO FINANCIAL ACCOUNTING STANDARDS BOARD ACCOUNTING STANDARDS CODIFICATION TOPIC 852, REORGANIZATIONS ("**ASC 852**"). OVERALL, THE IMPLEMENTATION OF ASC 852 IS NOT ANTICIPATED TO HAVE A MATERIAL IMPACT ON THE UNDERLYING ECONOMICS OF THE PLAN. THE FINANCIAL PROJECTIONS HAVE BEEN PREPARED USING GENERALLY ACCEPTED ACCOUNTING POLICIES ("**GAAP**") THAT ARE MATERIALLY CONSISTENT WITH THOSE APPLIED IN THE DEBTORS' HISTORICAL FINANCIAL STATEMENTS. THE FINANCIAL PROJECTIONS HAVE NOT BEEN AUDITED OR REVIEWED BY A REGISTERED INDEPENDENT ACCOUNTING FIRM.

ALTHOUGH MANAGEMENT HAS PREPARED THE PROJECTIONS IN GOOD FAITH AND BELIEVES THE ASSUMPTIONS TO BE REASONABLE, THE DEBTORS AND THE REORGANIZED DEBTORS CAN PROVIDE NO ASSURANCE THAT SUCH ASSUMPTIONS WILL BE REALIZED. THE FINANCIAL PROJECTIONS HEREIN ARE NOT, AND MUST NOT BE VIEWED AS, A REPRESENTATION OF FACT, PREDICTION, OR GUARANTY OF THE COMPANY'S FUTURE PERFORMANCE. AS DESCRIBED IN DETAIL IN THE DISCLOSURE STATEMENT, A VARIETY OF RISK FACTORS COULD AFFECT THE REORGANIZED DEBTORS' FINANCIAL RESULTS AND MUST BE CONSIDERED. ACCORDINGLY, ANY REVIEW OF THE PROJECTIONS SHOULD TAKE INTO ACCOUNT THE RISK FACTORS SET FORTH IN THE DISCLOSURE STATEMENT AND THE ASSUMPTIONS DESCRIBED HEREIN, INCLUDING ALL RELEVANT QUALIFICATIONS AND FOOTNOTES.

MOREOVER, THE PROJECTIONS CONTAIN CERTAIN STATEMENTS THAT ARE "FORWARD-LOOKING STATEMENTS" WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. THESE STATEMENTS ARE SUBJECT TO A NUMBER OF ASSUMPTIONS, RISKS, AND UNCERTAINTIES, MANY OF WHICH ARE BEYOND THE CONTROL OF THE DEBTORS, INCLUDING THE IMPLEMENTATION OF THE PLAN, THE CONTINUING AVAILABILITY OF SUFFICIENT BORROWING CAPACITY OR OTHER FINANCING TO FUND OPERATIONS, ACHIEVING OPERATING EFFICIENCIES, EXISTING AND FUTURE GOVERNMENTAL REGULATIONS AND ACTIONS OF GOVERNMENTAL BODIES, INDUSTRY-SPECIFIC RISK FACTORS, AND OTHER MARKET AND COMPETITIVE CONDITIONS, INCLUDING WITHOUT LIMITATION THOSE SET FORTH HEREIN.

HOLDERS OF CLAIMS AND INTERESTS ARE CAUTIONED THAT THE FORWARD-LOOKING STATEMENTS AS OF THE DATE MADE AND ARE NOT GUARANTEES OF FUTURE PERFORMANCE. ACTUAL RESULTS OR DEVELOPMENTS MAY DIFFER MATERIALLY FROM THE EXPECTATIONS EXPRESSED OR IMPLIED IN THE FORWARD-LOOKING STATEMENTS, AND THE DEBTORS UNDERTAKE NO OBLIGATION TO UPDATE ANY SUCH STATEMENTS. THE PROJECTIONS, WHILE PRESENTED WITH NUMERICAL SPECIFICITY, ARE NECESSARILY BASED ON A VARIETY OF ESTIMATES AND ASSUMPTIONS WHICH, THOUGH CONSIDERED REASONABLE BY THE DEBTORS, MAY NOT BE REALIZED AND ARE INHERENTLY SUBJECT TO SIGNIFICANT BUSINESS, ECONOMIC, INDUSTRY, REGULATORY, LEGAL, MARKET, AND FINANCIAL UNCERTAINTIES AND CONTINGENCIES, MANY OF WHICH ARE BEYOND THE REORGANIZED DEBTORS‘ CONTROL. THE DEBTORS CAUTION THAT NO REPRESENTATIONS CAN BE MADE OR ARE MADE AS TO THE ACCURACY OF THE PROJECTIONS OR TO THE REORGANIZED DEBTORS‘ ABILITY TO ACHIEVE THE PROJECTED RESULTS. SOME ASSUMPTIONS INEVITABLY WILL BE INCORRECT. MOREOVER, EVENTS AND CIRCUMSTANCES OCCURRING SUBSEQUENT TO THE DATE ON WHICH THE DEBTORS PREPARED THESE PROJECTIONS MAY BE DIFFERENT FROM THOSE ASSUMED, OR, ALTERNATIVELY, MAY HAVE BEEN UNANTICIPATED, AND THUS THE OCCURRENCE OF THESE EVENTS MAY AFFECT FINANCIAL RESULTS IN A MATERIALLY ADVERSE OR MATERIALLY BENEFICIAL MANNER. EXCEPT AS OTHERWISE PROVIDED IN THE PLAN OR THIS DISCLOSURE STATEMENT, THE DEBTORS AND REORGANIZED DEBTORS, AS APPLICABLE, DO NOT INTEND AND UNDERTAKE NO OBLIGATION TO UPDATE OR OTHERWISE REVISE THE PROJECTIONS TO REFLECT EVENTS OR CIRCUMSTANCES EXISTING OR ARISING AFTER THE DATE HEREOF OR TO REFLECT THE OCCURRENCE OF UNANTICIPATED EVENTS. THEREFORE, THE PROJECTIONS MAY NOT BE RELIED UPON AS A GUARANTEE OR OTHER ASSURANCE OF THE ACTUAL RESULTS THAT WILL OCCUR. IN DECIDING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN, HOLDERS OF CLAIMS MUST MAKE THEIR OWN DETERMINATIONS AS TO THE REASONABLENESS OF SUCH ASSUMPTIONS AND THE RELIABILITY OF THE PROJECTIONS AND SHOULD CONSULT WITH THEIR OWN ADVISERS.

III. General Assumptions

A. Overview

The Debtors are an independent energy company focused on the acquisition, production, exploration and development of onshore liquids-rich oil and natural gas assets in the United States.

B. Methodology

Key personnel from all of the Debtors' operating areas and across various functions provided input in the development of the Projections. In preparing the Projections, the Debtors considered the current commodity price environment, historical operating/production performance and operating costs. The Projections were developed taking into consideration the Debtors' current scope of operation and development of its acreage position based on projected commodity prices, capital investment and return requirements, and other operating and non-operating considerations at a granular level.

C. Plan Consummation

The Financial Projections assume that the Plan will be consummated on or around March 1, 2017.

Assumptions With Respect to the Projected Income Statement

A. Production

Forecasted oil, natural gas and natural gas liquids ("**NGL**") volumes for operated production are based on production estimates by Management and contemplate future commodity prices and anticipated operated rig activity. Forecasted volumes for non-operated production are based on anticipated development plans of outside operators obtained through active dialogue with those operators.

B. Revenues

Revenues are derived from the sale of the consolidated Reorganized Debtors' share of oil, natural gas and NGL production primarily from its owned working interests in the Bakken/Three Forks formations in North Dakota, as well as the Debtors' respective ownership interest in non-operated wells.

C. Commodity Pricing

Revenues are sensitive to changes in the prices received for oil and natural gas production. Oil and natural gas production is sold at prevailing market prices, which may be volatile and subject to numerous factors which are outside of the Reorganized Debtors' control. The Projections assume New York Mercantile Exchange ("**NYMEX**") futures strip pricing for crude oil and natural gas as shown in the chart below:

CY	2017	2018	2019	2020	2021
Oil ($/ bbl)	$53.98	$54.49	$54.17	$54.38	$54.78
Gas ($/ mcf)	3.47	3.06	2.87	2.86	2.89

Assumptions regarding realized pricing (i.e., "differentials") from NYMEX are based on input from Management, recent historical rates and existing marketing, gathering and transportation contracts with purchasers of the Reorganized Debtors' production and are consistent with recent realized pricing.

D. Production Taxes

Production taxes include severance taxes, and the amounts are based on production volumes and projected commodity pricing, as well as management's estimates of future tax obligations.

E. Operating Costs

Lease operating expenses ("**LOE**"), workover expenses, and gathering expenses are based on historical levels and management estimates of future expectations. LOE includes, among other items, lifting costs, fuel, certain field level payroll and benefits, maintenance, repair and outside services. - While the Debtors' Plan contemplates conditionally rejecting one more more of the Specified Caliber Contracts, these projections assume the current operating costs for these Specified Caliber Contracts and no corresponding savings or rejection damages claim.

F. General and Administrative

General and Administrative Costs ("**G&A**") are primarily comprised of labor costs and other expenses associated with the Debtors' corporate overhead. Projected G&A is based on historical G&A costs, adjusted for recent cost reduction efforts offset by incremental costs associated with running the reorganized Company on a standalone basis.

III. Assumptions with Respect to the Projected Balance Sheet and Projected Statement of Cash Flows

The projected Consolidated Balance Sheets were developed using October 31, 2016 unaudited financial results as a starting point and are adjusted on a go-forward basis, incorporating projected results from operations and cash flows prior to emergence and over the Projection Period.

A. Capital Expenditures

Projections for capital expenditures were prepared with consideration of the Debtors' current drilling program and future estimates in the development of the Bakken / Three Forks formations in North Dakota. These expenditures include capital associated with drilling and completing new producing wells, improving operational efficiency and capitalized maintenance expenditures. Capital expenditures also include expenditures directed at maintaining lease acreage positions and building infrastructure.

B. Working Capital

The Projections contemplate timing of forecasted receivables, payables and interest payments that are consistent with the timing experienced with the Debtors' historical receipts and payments.

C. Pro Forma Adjustments Related to Emergence

The Balance Sheet included in the Projections presents a pro forma view assuming the effect of certain adjustments related to the Debtors' emergence from the Chapter 11 Cases. These adjustments primarily relate to the reduction in borrowings under the Debtors Reserve Based Loan and the exchange of the Unsecured Notes for equity. The Financial Projections include pro forma adjustments to reflect the proposed restructuring, but do not purport to represents all aspects of the Financial Accounting Standards Board ASC 852.

D. Capital Structure

The Projections assume that the Debtors are able to secure financing in the form of a reserve based revolving credit facility at emergence, which will allow the Reorganized Debtors to finance day-to-day operations and the forecasted capital plan. The Projections do not contemplate any additional debt financing, but do include $150 million of Preferred Stock issued in connection with the rights offering described herein in addition to common equity issued to unsecured claimholders in accordance with the Plan.

Schedule 1 – Income Statement

USD Millions	Fiscal Year: 2018E [1]	2019E	2020E	2021E
Income Statement				
Production				
Total Oil-Equivalent Sales (Mboe)	3,810	4,508	4,676	5,610
Average Daily Oil-Equivalent Sales (Boepd)	11,340	12,350	12,811	15,327
Revenue				
Operated Oil & Gas Revenue	$ 143,820	$ 167,905	$ 172,627	$ 212,262
Non-Operated Oil & Gas Revenue	15,599	20,181	21,427	22,655
Total Revenues	**$ 159,419**	**$ 188,086**	**$ 194,055**	**$ 234,917**
Operating Expenses				
Production Taxes	$ 13,342	$ 15,974	$ 16,366	$ 20,125
Lease Operating Expense (LOE)	32,563	38,782	40,453	48,660
GTP	17,649	20,200	22,534	24,268
Depletion, Depreciation & Amortization	32,386	38,315	39,747	47,683
Accretion of ARO	304	360	373	448
G&A - Cash	11,367	12,400	12,400	12,400
Management Fee	-	-	-	-
Total Operating Expenses	$ 107,609	$ 126,031	$ 131,872	$ 153,584
Operating Income	**$ 51,810**	**$ 62,055**	**$ 62,182**	**$ 81,333**
Other Income (Expense)				
Impairment of Oil & Natural Gas Properties	$ -	$ -	$ -	$ -
Interest Expense	(3,198)	(4,068)	(4,106)	(5,188)
Interest Income	0	0	0	0
Other / Amortization	(1,719)	(2,660)	(3,701)	(4,891)
Total Other Income (Expense)	$ (4,917)	$ (6,728)	$ (7,806)	$ (10,079)
Pre-Tax Income	$ 46,893	$ 55,327	$ 54,376	$ 71,254
Income Tax Expense	$ -	$ -	$ -	$ -
Net Income (loss)	**$ 46,893**	**$ 55,327**	**$ 54,376**	**$ 71,254**
EBITDA				
Net Income (loss)	$ 46,893	$ 55,327	$ 54,376	$ 71,254
Addback: Interest Expense	3,198	4,068	4,106	5,188
Addback: Interest Income	-	-	-	-
Addback: Depreciation, Depletion, & Amortization	32,386	38,315	39,747	47,683
Addback: Other Non-Cash Expense	2,023	3,020	4,074	5,339
Addback: Income Taxes	-	-	-	-
Addback: Other	-	-	-	-
Adjusted EBITDA [2]	**$ 84,500**	**$ 100,730**	**$ 102,303**	**$ 129,464**

Notes:
[1] 2018E reflects the period March 2017 through January 2018
[2] Full fiscal-year 2018 Adjusted EBITDA estimated to be $91.7 million

Schedule 2 – Opening Balance Sheet

TRIANGLE USA PETROLEUM CORPORATION
PROJECTED OPENING BALANCE SHEET
(IN THOUSANDS-UNAUDITED)

	Predecessor (2/28/17)	Reorganization Adjustments	Successor 2/28/2017
ASSETS			
CURRENT ASSETS			
Cash	$ 58,437	$ (48,437)	$ 10,000
Accounts receivable	50,866	-	50,866
Commodity derivatives	-	-	-
Other current assets	6,875	-	6,875
Total current assets	116,178	(48,437)	67,741
PROPERTY, PLANT AND EQUIPMENT, AT COST			
Net oil and natural gas properties	290,678	138,829	429,508
Other property and equipment, net	9,201	-	9,201
Net property, plant and equipment	299,880	138,829	438,709
Total assets	**$ 416,058**	**$ 90,392**	**$ 506,450**
LIABILITIES AND STOCKHOLDER'S EQUITY			
CURRENT LIABILITIES			
Accounts payable and accrued capital expenditures	$ 18,250	$ 6,226	$ 24,475
Other accrued liabilities	27,436	-	27,436
Current portion on TUSA Credit Facility	303,696	(303,696)	-
Interest payable	0	-	0
Total current liabilities	349,382	(297,470)	51,912
LIABILITIES SUBJECT TO COMPROMISE	418,751	(418,751)	-
LONG-TERM LIABILITIES			
Borrowings on exit credit facility	-	156,417	156,417
Other	4,538	-	4,538
Total liabilities	772,671	(559,804)	212,867
STOCKHOLDER'S EQUITY			
Common stock	-	-	-
Convertible preferred shares	-	150,000	150,000
Additional paid-in capital & retained earnings	(356,613)	500,196	143,583
Total stockholder's equity	(356,613)	650,196	293,583
Total liabilities and stockholder's equity	**$ 416,058**	**$ 90,392**	**$ 506,450**

Schedule 3 – Balance Sheet

USD Millions	Fiscal Year: 2018E	2019E	2020E	2021E
Balance Sheet				
Current Assets:				
Cash and Equivalents	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Receivables - Sales	21,116	21,116	21,116	21,116
Receivables - Trade	29,750	29,750	29,750	29,750
Other Current Assets	6,875	6,875	6,875	6,875
Total Current Assets	$ 67,741	$ 67,741	$ 67,741	$ 67,741
Property and Equipment (P&E):				
Net Oil & Gas Properties	468,146	526,736	581,694	710,384
Other P&E (less accum dep)	8,606	8,606	8,606	8,606
Other/Capitalized Financing Costs	2,471	6,288	9,815	12,901
Total Assets	**$ 546,963**	**$ 609,371**	**$ 667,855**	**$ 799,633**
Current Liabilities:				
Accounts Payable	$ 24,475	$ 24,475	$ 24,475	$ 24,475
Accrued Liabilities	7,459	5,459	3,459	1,459
Accrued Interest	0	0	0	0
ARO's	6,977	6,977	6,977	6,977
Derivative Liability	-	-	-	-
Total Current Liabilities	$ 38,912	$ 36,912	$ 34,912	$ 32,912
Long Term Debt	$ 162,734	$ 171,455	$ 177,190	$ 239,266
AROs	4,842	5,202	5,575	6,023
Deferred tax liability / Other	-	-	-	-
Total Liabilities	$ 206,488	$ 213,568	$ 217,677	$ 278,200
Stockholders Equity:				
Common stock	$ -	$ -	$ -	$ -
APIC	138,829	138,829	138,829	138,829
Preferred	165,105	187,638	213,247	242,350
Retained Earnings	36,541	69,334	98,103	140,254
Total Stockholders Equity	$ 340,476	$ 395,802	$ 450,178	$ 521,433
Total Liabilities & Stockholders Equity	**$ 546,963**	**$ 609,371**	**$ 667,855**	**$ 799,633**

Schedule 4 – Cash Flow Statement

USD Millions	Fiscal Year: 2018E [1]	2019E	2020E	2021E
Statement of Cash Flows				
Operating Activities:				
Net Income Available to Common	$ 46,893	$ 55,327	$ 54,376	$ 71,254
Accretion of ARO	304	360	373	448
DD&A	32,386	38,315	39,747	47,683
Unrealized (Gain) Loss on Derivatives	-	-	-	-
Other / Amortization	1,719	2,660	3,701	4,891
Deferred Income Tax Expense	-	-	-	-
Increase (Decrease) in Working Capital	(13,000)	(2,000)	(2,000)	(2,000)
Cash Flow From Operations	**$ 68,302**	**$ 94,661**	**$ 96,197**	**$ 122,276**
Investing Activities:				
D&C Capex - Operated	$ (58,035)	$ (77,815)	$ (75,649)	$ (157,253)
D&C Capex - Non-Operated	(5,400)	(10,800)	(10,800)	(10,800)
Recomplete / Workover	(5,500)	(6,000)	(6,000)	(6,000)
Acreage Capex	(750)	(750)	(750)	(750)
Acreage Divestitures	-	-	-	-
Capitalized G&A	(1,513)	(1,650)	(1,650)	(1,650)
Capitalized Interest Expense	(1,339)	(1,540)	(1,506)	(1,571)
Other	-	-	-	-
Cash Flow From Investing Activities	**$ (72,536)**	**$ (98,555)**	**$ (96,355)**	**$ (178,024)**
Financing Activities:				
Issuance of Equity	$ -	$ -	$ -	$ -
Proceeds from Debt	20,106	14,014	15,172	66,116
Debt Repayment	(13,789)	(5,293)	(9,437)	(4,040)
Dividend	-	-	-	-
RBL Fees	(2,083)	(4,828)	(5,578)	(6,328)
Debt Issuance Costs / Other	-	-	-	-
Cash From Financing Activities	**$ 4,234**	**$ 3,894**	**$ 158**	**$ 55,748**
Net Cash Flow	**$ 0**	**$ (0)**	**$ -**	**$ -**
Beginning Cash Balance	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Ending Cash Balance	10,000	10,000	10,000	10,000

Notes:
[1] 2018E reflects the period March 2017 through January 2018

Exhibit E

Sources and Uses of Cash

Triangle Petroleum USA Corporation
Estimated Sources & Uses
Millions USD

Sources			Uses		
TUSA Estimated Cash at Emergence	$	58	Cash to Balance Sheet	$	10
Preferred Equity [2]		150	Professional Fees [3]		26
Exit RBL (funded amount)		156	Backstop Commitment Fee		9
			Exit RBL Fees		5
			Other Secured Claims Distribution		10
			Convenience Class Distribution [4]		1
			Ranger GUC Claims Distribution		1
			Repay Existing RBL		304
Total	**$**	**365**	**Total**	**$**	**365**

[1] Estimated cash at February 28, 2017

[2] Excludes any proceeds from preferred equity offered to provisional claims

[3] Estimated accrued and unpaid professional fees at emergence, including professional transaction fees

[4] Estimated Convenience Class distributions. Maximum Convenience Class distribution with opt ins is $1.25mm

Exhibit F

Terms of Exit Facility

$500 million Senior Secured Revolving Reserve Based Lending Facility Governed by an Initial $250 million Borrowing Base

---

Borrower:	Triangle USA Petroleum Corporation ("Borrower")
Borrowing Base:	$500 million Exit RBL governed by an initial $250 million borrowing base
Guarantors:	Parent of Borrower ("HoldCo") and all direct and indirect subsidiaries of Triangle USA Petroleum Corporation, subject to customary exceptions
Sole Lead Arranger, Bookrunner and Administrative Agent:	JPMorgan Chase Bank, N.A.
Security:	• First priority perfected liens on at least 95% of the PV-9 of proved oil and gas reserves included in the Borrowing Base (including title on at least 90% of the PV-9) • Pledge of substantially all personal property of the Borrower and each Guarantor including cash pursuant to DACAs, subject to customary exceptions
Ranking:	• The Loans will be the senior secured obligations of the Borrower and each of the Guarantor, and will rank senior to junior indebtedness and the equity of each such entity, as well as ranking senior to the Convertible Preferred Stock to be issued by HoldCo which will, upon the Plan Effective Date, be the sole shareholder of the Borrower.
Maturity:	Five (5) years from closing
Use of Proceeds:	• Repayment of pre-petition indebtedness • Payment of fees, commissions and expenses in connection with the Borrower's emergence from chapter 11 • Working capital • Capital expenditures • Other general corporate purposes
Financial Covenants:	• Leverage Ratio • Current Ratio
Negative Covenants:	• Usual and customary for facilities of this type including, but not

limited to:
- Limitations on indebtedness
- Limitations on liens
- Limitations on dividends and Restricted Payments
- Limitations on Sale of Properties and Termination of Hedging Agreements
- Limitations on transactions with affiliates
- Limitations on hedging
- Limitations on investments

Affirmative Covenants:
- Usual and customary for facilities of this type, including but not limited to:
  - Financial reporting
  - Minimum hedging requirements
  - Maintenance of deposit accounts with the Administrative Agent

Other Conditions:
- Other usual and customary requirements including
  - Confirmation of and adherence to Plan of Reorganization
  - Contemporaneous closing of at least $150 million convertible preferred rights offering at HoldCo
  - Anti-cash hoarding provisions
  - Minimum liquidity upon emergence

Interest Rate:
- The Borrower may elect that loans comprising each borrowing bear interest at a rate per annum equal to (a) The Alternate Base Rate plus the Applicable Margin; or (b)The Adjusted LIBO Rate plus the applicable margin
- Applicable Margin will be determined based upon the Borrowing Base Utilization as follows

Borrowing Base Utilization	≤25%	>25% and ≤50%	>50% and ≤75%	>75% and ≤90%	>90%
LIBOR Margin	3.00%	3.25%	3.50%	3.75%	4.00%
ABR Margin	2.00%	2.25%	2.50%	2.75%	3.00%

- Unused commitment fee: 50bp at all times

Up Front Fee:
- Customary for facilities of this type

Exhibit G

Corporate Structure Chart

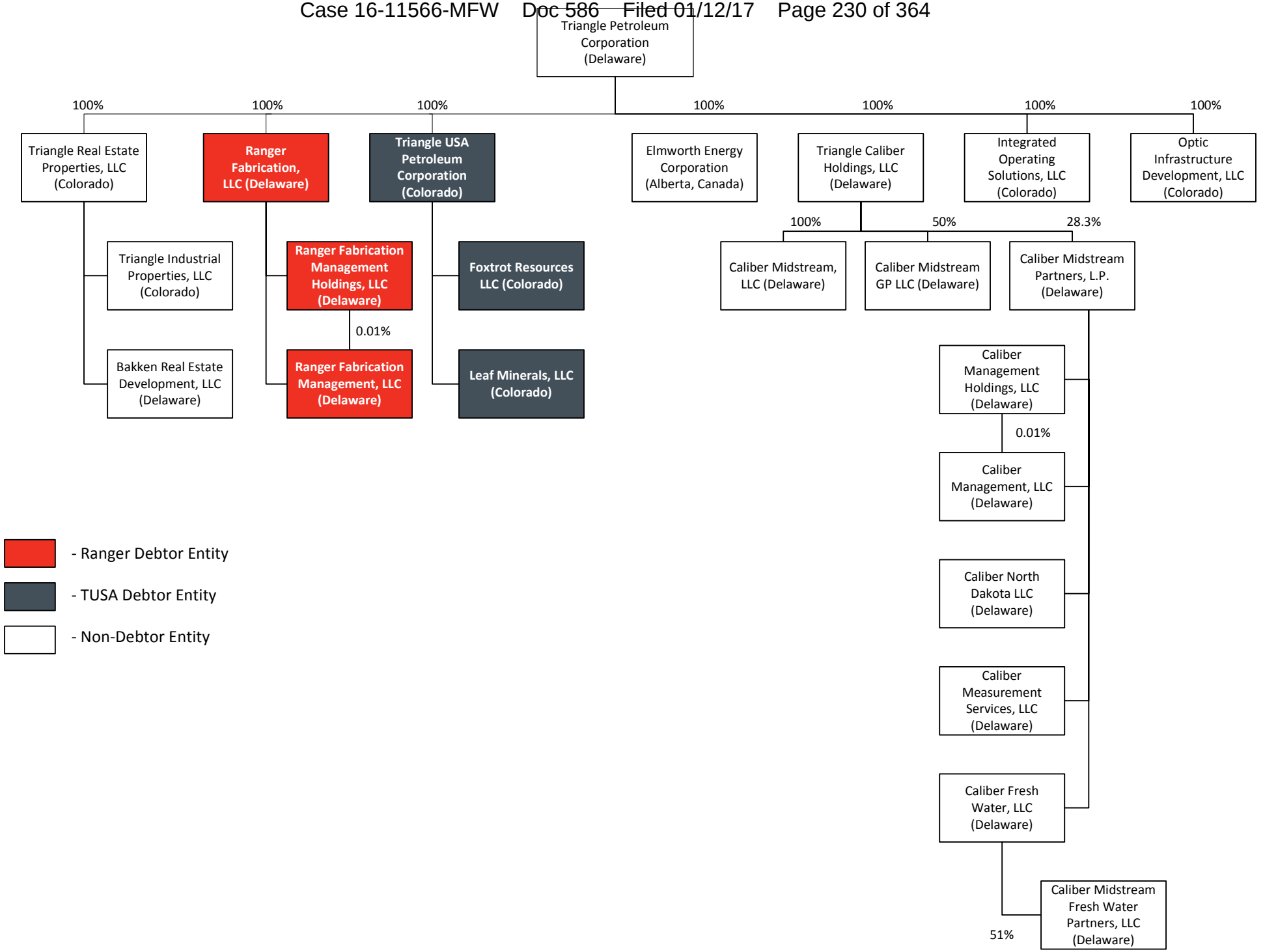

Triangle Petroleum Corporation (Delaware)
100%
Triangle Real Estate Properties, LLC (Colorado)
Triangle Industrial Properties, LLC (Colorado)
Bakken Real Estate Development, LLC (Delaware)
100%
Ranger Fabrication, LLC (Delaware)
Ranger Fabrication Management Holdings, LLC (Delaware)
0.01%
Ranger Fabrication Management, LLC (Delaware)
100%
Triangle USA Petroleum Corporation (Colorado)
Foxtrot Resources LLC (Colorado)
Leaf Minerals, LLC (Colorado)
100%
Elmworth Energy Corporation (Alberta, Canada)
100%
Triangle Caliber Holdings, LLC (Delaware)
100%
Caliber Midstream, LLC (Delaware)
50%
Caliber Midstream GP LLC (Delaware)
28.3%
Caliber Midstream Partners, L.P. (Delaware)
Caliber Management Holdings, LLC (Delaware)
0.01%
Caliber Management, LLC (Delaware)
Caliber North Dakota LLC (Delaware)
Caliber Measurement Services, LLC (Delaware)
Caliber Fresh Water, LLC (Delaware)
51%
Caliber Midstream Fresh Water Partners, LLC (Delaware)
100%
Integrated Operating Solutions, LLC (Colorado)
100%
Optic Infrastructure Development, LLC (Colorado)
- Ranger Debtor Entity
- TUSA Debtor Entity
- Non-Debtor Entity

Exhibit H

Disclosure Statement Approval Order

[To Come]

Exhibit I

Management Presentation

[To Come]

EXHIBIT 2

THIS DISCLOSURE STATEMENT HAS NOT YET BEEN APPROVED BY THE COURT

This proposed Disclosure Statement is not a solicitation of acceptance or rejection of the Plan of Reorganization. Acceptances or rejections may not be solicited until the Bankruptcy Court has approved this Disclosure Statement under Bankruptcy Code section 1125. This proposed Disclosure Statement is being submitted for approval only, and has not yet been approved by the Bankruptcy Court.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
TRIANGLE USA PETROLEUM CORPORATION, *et al.*,	:	Case No. 16-11566 (MFW)
Debtors.[1]	:	Jointly Administered

~~FIRST~~SECOND AMENDED DISCLOSURE STATEMENT WITH RESPECT TO THE ~~FIRST~~SECOND AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION OF TRIANGLE USA PETROLEUM CORPORATION AND ITS AFFILIATED DEBTORS

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

George N. Panagakis
Ron E. Meisler
Christopher M. Dressel
Renu P. Shah
155 N. Wacker Dr.
Chicago, ~~IL~~Illinois 60606-1720
Telephone: (312) 407-0700
Fax: (312) 407-0411

Sarah E. Pierce (I.D. No. 4648)
Alison M. Keefe (I.D. No. 6187)
One Rodney Square
P.O. Box 636
Wilmington, ~~DE~~Delaware 19899-0636
Telephone: (302) 651-3000
Fax: (302) 651-3001

Counsel for Debtors and Debtors in Possession

Dated: ~~December 23, 2016~~January 12, 2017
Wilmington, Delaware

[1] The Debtors and the last four digits of their respective taxpayer identification numbers are: Triangle USA Petroleum Corporation (0717); Foxtrot Resources LLC (6690); Leaf Minerals, LLC (9522); Ranger Fabrication, LLC (6889); Ranger Fabrication Management, LLC (1015); and Ranger Fabrication Management Holdings, LLC (0750). The address of the Debtors' corporate headquarters is 1200 17th Street, Suite 2500, Denver, Colorado 80202.

DISCLAIMER

THIS DISCLOSURE STATEMENT WITH RESPECT TO THE ~~FIRST~~SECOND AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION OF TRIANGLE USA PETROLEUM CORPORATION AND ITS AFFILIATED DEBTORS CONTAINS SUMMARIES OF CERTAIN PROVISIONS OF THE DEBTORS' ~~FIRST~~SECOND AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION AND CERTAIN OTHER DOCUMENTS AND FINANCIAL INFORMATION. THE INFORMATION INCLUDED IN THIS DISCLOSURE STATEMENT IS PROVIDED FOR THE PURPOSES OF SOLICITING ACCEPTANCES OF THE PLAN AND SHOULD NOT BE RELIED UPON FOR ANY PURPOSES OTHER THAN TO DETERMINE WHETHER AND HOW TO VOTE ON THE PLAN. THE DEBTORS BELIEVE THAT THESE SUMMARIES ARE FAIR AND ACCURATE. THE SUMMARIES OF THE FINANCIAL INFORMATION AND THE DOCUMENTS WHICH ARE ATTACHED TO, OR INCORPORATED BY REFERENCE IN, THIS DISCLOSURE STATEMENT ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO SUCH INFORMATION AND DOCUMENTS. IN THE EVENT OF ANY INCONSISTENCY OR DISCREPANCY BETWEEN A DESCRIPTION IN THIS DISCLOSURE STATEMENT AND THE TERMS AND PROVISIONS OF THE PLAN OR THE OTHER DOCUMENTS AND FINANCIAL INFORMATION INCORPORATED IN THIS DISCLOSURE STATEMENT BY REFERENCE, THE PLAN OR THE OTHER DOCUMENTS AND FINANCIAL INFORMATION, AS THE CASE MAY BE, SHALL GOVERN FOR ALL PURPOSES.

THE STATEMENTS AND FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAVE BEEN MADE AS OF THE DATE OF THIS DISCLOSURE STATEMENT UNLESS OTHERWISE SPECIFIED. HOLDERS OF CLAIMS AND INTERESTS REVIEWING THIS DISCLOSURE STATEMENT SHOULD NOT ASSUME AT THE TIME OF SUCH REVIEW THAT THERE HAVE BEEN NO CHANGES IN THE FACTS SET FORTH IN THIS DISCLOSURE STATEMENT SINCE THE DATE OF THIS DISCLOSURE STATEMENT.

EACH HOLDER OF A CLAIM ENTITLED TO VOTE ON THE PLAN SHOULD CAREFULLY REVIEW THE PLAN AND THIS DISCLOSURE STATEMENT IN THEIR ENTIRETIES BEFORE CASTING A BALLOT. THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE LEGAL, BUSINESS, FINANCIAL, OR TAX ADVICE. ANY ENTITIES DESIRING ANY SUCH ADVICE SHOULD CONSULT WITH THEIR OWN ADVISORS.

NO REPRESENTATIONS CONCERNING THE DEBTORS OR THE VALUE OF THEIR PROPERTY HAVE BEEN AUTHORIZED BY THE DEBTORS OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT AND THE DOCUMENTS ATTACHED TO THIS DISCLOSURE STATEMENT. ANY INFORMATION, REPRESENTATIONS, OR INDUCEMENTS MADE TO OBTAIN AN ACCEPTANCE OF THE PLAN WHICH ARE OTHER THAN AS SET FORTH, OR INCONSISTENT WITH, THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT, THE DOCUMENTS ATTACHED TO

THIS DISCLOSURE STATEMENT, AND THE PLAN SHOULD NOT BE RELIED UPON BY ANY HOLDER OF A CLAIM OR INTEREST.

WITH RESPECT TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS, AND OTHER PENDING, THREATENED, OR POTENTIAL LITIGATION OR OTHER ACTIONS, THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE, AND MAY NOT BE CONSTRUED AS, AN ADMISSION OF FACT, LIABILITY, STIPULATION, OR WAIVER, BUT RATHER AS A STATEMENT MADE IN THE CONTEXT OF SETTLEMENT NEGOTIATIONS UNDER RULE 408 OF THE FEDERAL RULES OF EVIDENCE.

THE FINANCIAL INFORMATION CONTAINED IN OR INCORPORATED BY REFERENCE INTO THIS DISCLOSURE STATEMENT HAS NOT BEEN AUDITED, UNLESS SPECIFICALLY INDICATED OTHERWISE.

THE FINANCIAL PROJECTIONS, ATTACHED HERETO AS **EXHIBIT D** AND DESCRIBED IN THIS DISCLOSURE STATEMENT, HAVE BEEN PREPARED BY THE DEBTORS' MANAGEMENT TOGETHER WITH THEIR ADVISORS. THE FINANCIAL PROJECTIONS, WHILE PRESENTED WITH NUMERICAL SPECIFICITY, ARE NECESSARILY BASED ON A VARIETY OF ESTIMATES AND ASSUMPTIONS WHICH, THOUGH CONSIDERED REASONABLE BY THE DEBTORS' MANAGEMENT AND THEIR ADVISORS, MAY NOT ULTIMATELY BE REALIZED, AND ARE INHERENTLY SUBJECT TO SIGNIFICANT BUSINESS, ECONOMIC, COMPETITIVE, INDUSTRY, REGULATORY, MARKET, AND FINANCIAL UNCERTAINTIES AND CONTINGENCIES, MANY OF WHICH ARE BEYOND THE DEBTORS' CONTROL. THE DEBTORS CAUTION THAT NO REPRESENTATIONS CAN BE MADE AS TO THE ACCURACY OF THESE PROJECTIONS OR TO THE ABILITY TO ACHIEVE THE PROJECTED RESULTS. SOME ASSUMPTIONS INEVITABLY WILL NOT MATERIALIZE. FURTHER, EVENTS AND CIRCUMSTANCES OCCURRING SUBSEQUENT TO THE DATE ON WHICH THE FINANCIAL PROJECTIONS WERE PREPARED MAY BE DIFFERENT FROM THOSE ASSUMED OR, ALTERNATIVELY, MAY HAVE BEEN UNANTICIPATED, AND, THUS, THE OCCURRENCE OF THESE EVENTS MAY AFFECT FINANCIAL RESULTS IN A MATERIALLY ADVERSE OR MATERIALLY BENEFICIAL MANNER. THEREFORE, THE FINANCIAL PROJECTIONS MAY NOT BE RELIED UPON AS A GUARANTEE OR OTHER ASSURANCE OF THE ACTUAL RESULTS THAT WILL OCCUR. EXCEPT WHERE SPECIFICALLY NOTED, THE FINANCIAL INFORMATION CONTAINED HEREIN HAS NOT BEEN AUDITED BY A CERTIFIED PUBLIC ACCOUNTANT AND MAY NOT HAVE BEEN PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES ("**GAAP**").

PLEASE REFER TO ARTICLE VIII OF THIS DISCLOSURE STATEMENT, ENTITLED "RISK FACTORS TO BE CONSIDERED," FOR A DISCUSSION OF CERTAIN FACTORS THAT A CREDITOR VOTING ON THE PLAN SHOULD CONSIDER.

FOR A VOTE ON THE PLAN TO BE COUNTED, THE BALLOT INDICATING ACCEPTANCE OR REJECTION OF THE PLAN MUST BE RECEIVED BY PRIME

CLERK LLC, THE DEBTORS' CLAIMS, NOTICING, AND SOLICITATION AGENT, NO LATER THAN 4:00 P.M. (EASTERN), ON [FEBRUARY 10, 2017]. SUCH BALLOTS SHOULD BE CAST IN ACCORDANCE WITH THE SOLICITATION PROCEDURES DESCRIBED IN FURTHER DETAIL IN ARTICLE IX OF THIS DISCLOSURE STATEMENT AND IN THE DISCLOSURE STATEMENT ORDER. ANY BALLOT RECEIVED AFTER THE VOTING DEADLINE SHALL NOT BE COUNTED UNLESS OTHERWISE DETERMINED BY THE DEBTORS IN THEIR SOLE AND ABSOLUTE DISCRETION.

THE CONFIRMATION HEARING WILL COMMENCE ON [•] AT [•] (EASTERN), BEFORE THE HONORABLE MARY F. WALRATH, UNITED STATES BANKRUPTCY JUDGE, IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 NORTH MARKET STREET, WILMINGTON, DELAWARE 19801. THE DEBTORS MAY CONTINUE THE CONFIRMATION HEARING FROM TIME TO TIME WITHOUT FURTHER NOTICE OTHER THAN AN ADJOURNMENT ANNOUNCED IN OPEN COURT OR A NOTICE OF ADJOURNMENT FILED WITH THE BANKRUPTCY COURT AND SERVED ON THE MASTER SERVICE LIST AND THE ENTITIES WHO HAVE FILED AN OBJECTION TO THE PLAN. THE BANKRUPTCY COURT, IN ITS DISCRETION AND BEFORE THE CONFIRMATION HEARING, MAY PUT IN PLACE ADDITIONAL PROCEDURES GOVERNING THE CONFIRMATION HEARING. THE PLAN MAY BE MODIFIED, IF NECESSARY, PRIOR TO, DURING, OR AS A RESULT OF THE CONFIRMATION HEARING, WITHOUT FURTHER NOTICE TO PARTIES IN INTEREST.

THE PLAN OBJECTION DEADLINE IS [FEBRUARY 10, 2017] AT 4:00 P.M. (EASTERN). ALL PLAN OBJECTIONS MUST BE FILED WITH THE BANKRUPTCY COURT AND SERVED ON THE DEBTORS AND CERTAIN OTHER PARTIES IN INTEREST IN ACCORDANCE WITH THE DISCLOSURE STATEMENT ORDER SO THAT THEY ARE RECEIVED ON OR BEFORE THE PLAN OBJECTION DEADLINE.

THE PLAN, THIS DISCLOSURE STATEMENT, THE PLAN SUPPLEMENT AND EXHIBITS, ONCE FILED, AND OTHER DOCUMENTS AND MATERIALS RELATED THERETO MAY BE OBTAINED BY: (A) ACCESSING THE DEBTORS' RESTRUCTURING WEBSITE AT https://cases.primeclerk.com/TUSA, (B) EMAILING tusainfo@primeclerk.com, (C) CALLING THE DEBTORS' RESTRUCTURING HOTLINE AT (855) 842-4122, WITHIN THE UNITED STATES OR CANADA, OR (929) 333-8982, OUTSIDE OF THE UNITED STATES OR CANADA, OR (D) ACCESSING THE COURT'S WEBSITE AT http://www.deb.uscourts.gov. COPIES OF SUCH DOCUMENTS AND MATERIALS MAY ALSO BE EXAMINED BETWEEN THE HOURS OF 8:00 AM AND 4:00 PM, MONDAY THROUGH FRIDAY, EXCLUDING FEDERAL HOLIDAYS, AT THE OFFICE OF THE CLERK OF THE COURT, 824 NORTH MARKET STREET, 3RD FLOOR, WILMINGTON, DELAWARE 19801.

TABLE OF CONTENTS

EXHIBITS[2]

Exhibit A	~~First~~Second Amended Joint Chapter 11 Plan of Reorganization of Triangle USA Petroleum Corporation and its Affiliated Debtors
Exhibit B	Liquidation Analysis
Exhibit C	Valuation Analysis
Exhibit D	Financial Projections
Exhibit E	Sources and Uses of Cash
Exhibit F	Terms of Exit Facility
Exhibit ~~E~~G	Corporate Structure Chart
Exhibit ~~F~~H	Disclosure Statement Approval Order
Exhibit I	Management Presentation

[2] Each Exhibit is incorporated herein by reference.

I. INTRODUCTION

On June 29, 2016, Triangle USA Petroleum Corporation ("**TUSA**") and certain of its affiliates, the debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "**Debtors**" and, together with Triangle Petroleum Corporation and its non-debtor controlled affiliates and subsidiaries, "**Triangle**" or the "**Company**") each commenced a case (collectively, the "**Chapter 11 Cases**") in the United States Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**") under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**"). The Debtors continue to operate their business and manage their properties as debtors and debtors in possession under Bankruptcy Code sections 1107(a) and 1108.

The Debtors' proposal for the reorganization of their business is set forth in the ~~*First*~~*Second Amended Joint Chapter 11 Plan of Reorganization of Triangle USA Petroleum Corporation and its Affiliated Debtors*, a copy of which is attached hereto as **Exhibit A** (the "**Plan**").[3]

The Plan sets forth the proposed treatment of Claims against, and Interests in, the Debtors. It provides for payment in full of administrative, priority tax, ~~and~~ other priority claims, and Claims under the RBL Credit Facility. Secured claims other than claims arising under the RBL Credit Facility will be paid in full in cash, reinstated, or otherwise left unimpaired. RBL Claims will be paid in full in Cash on the Effective Date. Holders of TUSA General Unsecured Claims, including all Senior Notes Claims, as of the Distribution Record Date will receive their Pro Rata Share of the new common stock of New TUSA HoldCo~~, and~~. In addition, to the extent ~~eligible~~Holders of TUSA General Unsecured Claims, including all Senior Notes Claims, as of the Rights Offering Record Date, meet certain requirements under applicable securities laws and regulations, will have the opportunity to participate in a rights offering for the purchase of up to approximately $~~185~~180 million in convertible preferred stock of New TUSA HoldCo. In lieu of new equity in the Reorganized Debtors, Holders of TUSA General Unsecured Claims less than $150,000 will receive a cash distribution of up to $0.50 for each $1.00 of their Allowed Claims; Holders of TUSA General Unsecured Claims greater than $150,000 may also elect such "convenience class" treatment by voluntarily reducing their claims to $150,000. Each Holder of an Allowed Ranger Unsecured Claim will receive its Pro Rata Share of a Cash amount allocated from proceeds of the Rights Offering or another source of plan funding.

Distributions under the Plan, and the Reorganized Debtors' future operations, will be funded in part by (a) a new senior secured, reserve-based Exit Facility, with an anticipated initial borrowing base of $250 million and (b) a new-money Rights Offering, through which

[3] All capitalized terms not otherwise defined shall have the meanings ascribed to them in the Plan.

Eligible Holders of TUSA General Unsecured Claims may subscribe for the purchase of up to approximately $~~185~~180 Million of Rights Offering Securities. Certain members of the Ad Hoc Noteholder Group have agreed to backstop $150 million of the Rights Offering. **Exhibit E** hereto contains a more detailed description of the sources and uses of cash under the Plan.

This Disclosure Statement contains, among other things, descriptions and summaries of provisions of the Debtors' proposed Plan, as attached hereto. Certain provisions of the Plan, and thus the description and summaries contained herein, will be the subject of continuing negotiations among the Debtors and various parties. Accordingly, the Debtors reserve the right to modify the Plan consistent with Bankruptcy Code section 1127, Rule 3019 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), and section 12.04 of the Plan.

The Plan provides for an equitable distribution of recoveries to the Debtors' creditors, preserves the value of the Debtors' business as a going concern, and preserves the jobs of employees. The Debtors believe that any alternative to confirmation of the Plan, such as liquidation or attempts by another party in interest to file a plan, could result in significant delays, litigation and costs, job loss, and/or lesser recoveries. **For these reasons, the Debtors urge you to return your ballot accepting the Plan.**

> **WHO IS ENTITLED TO VOTE:** Under the Bankruptcy Code, only holders of claims or interests in "impaired" Classes are entitled to vote on the Plan (unless, for reasons discussed in more detail below, such holders are deemed to reject the Plan pursuant to Bankruptcy Code section 1126(g)). Under Bankruptcy Code section 1124, a class of claims or interests is deemed to be "impaired" unless (a) the Plan leaves unaltered the legal, equitable, and contractual rights to which such claim or interest entitles the holder thereof or (b) notwithstanding any legal right to an accelerated payment of such claim or interest, the Plan, among other things, cures all existing defaults (other than defaults resulting from the occurrence of events of bankruptcy) and reinstates the maturity of such claim or interest as it existed before the default.
>
> There are three creditor groups entitled to vote on the Plan whose votes are being solicited: Ranger General Unsecured Claims, TUSA General Unsecured Claims, and Convenience Claims ~~Against~~against the TUSA Debtors.

THE PLAN PROVIDES THAT HOLDERS OF IMPAIRED CLAIMS WHO SUBMIT A BALLOT TO ACCEPT OR REJECT THE PLAN AND WHO DO NOT OPT OUT OF THE RELEASE PROVISIONS OF THE PLAN ARE DEEMED TO HAVE GRANTED THE RELEASES THEREIN. IF HOLDERS OF IMPAIRED CLAIMS ABSTAIN FROM VOTING, THEY WILL NOT BE DEEMED TO HAVE ACCEPTED THE RELEASES.

The following table summarizes (a) the treatment of Claims and Interests under the Plan, (b) which Classes are impaired by the Plan, (c) which Classes are entitled to vote on the Plan, and (d) the estimated recoveries for holders of Claims and Interests. The table is

qualified in its entirety by reference to the full text of the Plan. For a more detailed summary of the terms and provisions of the Plan, see Article VII—Summary of the Plan of Reorganization below.[4]

[4] All capitalized terms in this table have the same meaning as ascribed to them in Article I of the Plan attached as **Exhibit A**.

Class	Claim or Interest	Treatment	Impaired or Unimpaired	Entitlement to Vote on the Plan
1	Other Priority Claims **Estimated Recovery: 100%** **Estimated Amount: $0.0 – $0.5 million**	Except to the extent that a Holder of an Allowed Other Priority Claim agrees to a less favorable treatment, each Holder of an Allowed Other Priority Claim shall be paid in full in Cash on the Initial Distribution Date or at a later date as further described in Section VII.B of this Disclosure Statement.	Unimpaired	Presumed to Accept
2	Other Secured Claims **Estimated Recovery: 100%** **Estimated Amount: $22.3 ~~to~~ – $31.5 million**	Except to the extent that a Holder of an Allowed Other Secured Claim agrees to a less favorable treatment, each such Holder of an Allowed Other Secured Claim shall, at the election of the Debtors: (a) have its Claim Reinstated and rendered Unimpaired on the Effective Date, notwithstanding any contractual provision or applicable non-bankruptcy law that entitles the Holder to demand or receive payment of such Claim prior to the stated maturity of such Claim from and after the occurrence of a default; or (b) be paid in full in Cash in an amount equal to such Claim, including postpetition interest, if any, on such Claim required to be paid, on the Initial Distribution Date or at a later date as further described in Section VII.B of this Disclosure Statement. The Debtors shall have deemed to make the election in clause (a) above as to all Other Secured Claims on account of JIBs. Accordingly, all JIB Claims shall be Reinstated under this Plan and shall be reconciled, and if applicable, paid in the ordinary course of business by the Reorganized Debtors.	Unimpaired	Presumed to Accept
3	RBL Claims **Estimated Recovery: 100%** **Estimated Amount: $304.0 million**	Each Holder of an Allowed RBL Claim shall be paid in full in Cash as further described in Section VII. B of this Disclosure Statement.	Unimpaired	Presumed to Accept

Class	Claim or Interest	Treatment	Impaired or Unimpaired	Entitlement to Vote on the Plan
4	Ranger General Unsecured Claims **Estimated Recovery: 33%** **Estimated Amount: $1.2 ~~to~~ – $1.6 million**	Except to the extent that a Holder of an Allowed Ranger General Unsecured Claim agrees to a less favorable treatment, each Holder of an Allowed Ranger General Unsecured Claim shall receive its Pro Rata Share, based on the aggregate amount of Allowed Ranger General Unsecured Claims, of the Ranger Cash Distribution.	Impaired	Entitled to Vote
5	TUSA General Unsecured Claims **Estimated Recovery: 29% – 30%** **Estimated Amount: $477.5 – $498.8 million**	Except to the extent that a Holder of an Allowed TUSA General Unsecured Claim agrees to a less favorable treatment, each Holder of an Allowed TUSA General Unsecured Claim shall receive as further described in Section VII.B of this Disclosure Statement: (a) its Pro Rata Share of the New TUSA HoldCo Common Stock, subject to dilution in accordance with the New TUSA HoldCo Common Stock Allocation, and (b) solely if such Holder is an Eligible Holder of an Allowed TUSA General Unsecured Claim or a Disputed TUSA General Unsecured Claim that has been Provisionally Allowed, subscription rights for the purchase of Rights Offering Securities on a ratable basis in proportion to the Allowed amount (or amount deemed Provisionally Allowed) of such Eligible Holder's TUSA General Unsecured Claims as of the Distribution Record Date	Impaired	Entitled to Vote
6	Convenience Claims ~~Against~~against the TUSA Debtors **Estimated Recovery: 50%** **Estimated Amount: $1.4 ~~to~~ – $1.5 million**	Except to the extent that a Holder of an Allowed Convenience Claim agrees to a less favorable treatment, each Holder of an Allowed Convenience Claim shall receive $0.50 in Cash for each one dollar in the Face Amount of its Allowed Convenience Claim as further described in Section VII. B of this Disclosure Statement~~.~~.	Impaired	Entitled to Vote
7	Intercompany Claims	On the Effective Date, all	Unimpaired	Presumed to

Class	Claim or Interest	Treatment	Impaired or Unimpaired	Entitlement to Vote on the Plan
	Estimated Recovery: N/A Estimated Amount: $9.0 million	Intercompany Claims held by the Debtors shall, at the election of the Debtors, be either (A) Reinstated or (B) deemed automatically cancelled, released, and extinguished.		Accept
8	Intercompany Interests **Estimated Recovery: N/A**	On the Effective Date, all Intercompany Interests held by the Debtors shall, at the election of the Debtors, be either (A) Reinstated, or (B) deemed automatically cancelled, released, and extinguished.	Unimpaired	Presumed to Accept
9	Subordinated Claims **Estimated Recovery: 0%**	Holders of Allowed Class 9 Claims shall not receive any distributions on account of such Allowed Class 9 Claims, and on the Effective Date all Allowed Class 9 Claims shall be released, waived, and discharged.	Impaired	Deemed to Reject
10	Ranger Interests **Estimated Recovery: 0%**	On the Effective Date, Allowed Ranger Interests shall be deemed automatically cancelled, released, and extinguished without further action by the Debtors, and the obligations of the Debtors and the Reorganized Debtors thereunder shall be discharged.	Impaired	Deemed to Reject
11	TUSA Interests **Estimated Recovery: 0%**	On the Effective Date, Allowed Interests in TUSA, including the ~~Existing~~Old TUSA Common Stock, shall be deemed automatically cancelled, released, and extinguished without further action by the Debtors or the Reorganized Debtors, and the obligations of the Debtors and the Reorganized Debtors thereunder shall be discharged.	Impaired	Deemed to Reject

II. OVERVIEW OF THE COMPANY'S OPERATIONS

TUSA and its Debtor subsidiaries (collectively, the "**TUSA Debtors**") comprise an independent, growth-oriented oil and gas exploration and development company emphasizing the acquisition and development of unconventional shale oil and natural gas resources in the Williston Basin of North Dakota and Montana. TUSA's corporate parent, Triangle Petroleum Corporation ("**TPC**"), is an independent energy company. TPC's joint venture, Caliber Midstream Partners, L.P., and its affiliates (collectively, "**Caliber**") provide crude oil, natural gas, and fresh and produced water gathering, ~~processing, and transportation~~transportation, and

processing ("**GTP**") services to TUSA and other customers in the Williston Basin. In addition, Triangle formerly operated a fabrication enterprise through Debtor Ranger Fabrication, LLC ("**Ranger**") and its subsidiaries (collectively, the "**Ranger Debtors**"). Ranger ceased operations in early 2016[5] and has commenced Chapter 11 Cases alongside its sister companies in order to complete an orderly wind down.

III. QUESTIONS AND ANSWERS REGARDING THIS DISCLOSURE STATEMENT AND PLAN

A. What is chapter 11?

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. Under chapter 11, a debtor can reorganize its business for the benefit of itself, its creditors, and its interest holders. Chapter 11 also strives to promote equality of treatment for similarly situated creditors and interest holders with respect to the distribution of a debtor's assets.

The commencement of a chapter 11 case creates an estate that is comprised of all of the legal and equitable interests of a debtor as of the filing date. The Bankruptcy Code provides that a debtor may continue to operate its business and remain in possession of its property as a debtor in possession.

The consummation of a plan of reorganization is the principal objective of a chapter 11 case. A plan of reorganization sets forth the means for satisfying claims against and interests in a debtor. Confirmation of a plan of reorganization by a bankruptcy court makes such plan binding upon a debtor and any creditor of or equity interest holder in such debtor, whether or not such creditor or equity interest holder (a) is impaired under or has accepted the plan or (b) receives or retains any property under the plan. Subject to certain limited exceptions, and except as otherwise provided in the plan or the confirmation order itself, a confirmation order discharges the debtor from any debt that arose prior to the date of confirmation of the plan and substitutes for those debts the obligations specified under the confirmed plan.

B. Why are the Debtors sending me this Disclosure Statement?

During the Chapter 11 Cases, the Debtors will seek to obtain Bankruptcy Court approval of the Plan. Before soliciting acceptances of the Plan, Bankruptcy Code section 1125 requires the Debtors to prepare a disclosure statement containing adequate information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment regarding acceptance of the Plan and to share such disclosure statement with all holders of claims and interests whose votes on the Plan are being solicited. This Disclosure Statement is being submitted in accordance with these requirements.

[5] Unless otherwise specified, all references to years refer to calendar years beginning January 1 and ending December 31. However, TUSA's fiscal year ends January 31.

C. Are any material regulatory approvals required to consummate the Plan?

No. There are no known material regulatory approvals that are required to consummate the Plan.

D. What happens to my recovery if the Plan is not confirmed or does not become effective?

In the event that the Plan is not confirmed or does not become effective, there is no assurance that the Debtors will be able to reorganize their business. It is possible that any alternative may provide holders of Claims and Interests with less than they would have received pursuant to the Plan. For a more detailed description of the consequences of an extended chapter 11 case, or of a liquidation scenario, see Section X.C of this Disclosure Statement, entitled "Liquidation Analysis," and the Liquidation Analysis attached hereto as **Exhibit B**.

E. If the Plan provides that I get a distribution, do I get it upon Confirmation or when the Plan becomes effective, and what is meant by "Confirmation," "Effective Date," and "Consummation"?

"Confirmation" of the Plan refers to approval of the Plan by the Bankruptcy Court ("**Confirmation**"). Confirmation of the Plan does not guarantee that you will receive the distribution indicated under the Plan. After confirmation of the Plan by the Bankruptcy Court, several conditions need to be satisfied or waived so that the Plan can become effective. Initial distributions will only be made on the date the Plan becomes effective (the "**Effective Date**") or as soon as reasonably practicable thereafter, as specified in the Plan. The terms "consummation" and "substantial consummation" are sometimes used to indicate the occurrence of the Effective Date. *See* Section VII.I. of this Disclosure Statement, entitled "Conditions Precedent," for a discussion of the conditions precedent to consummation of the Plan.

F. What are the sources of Cash and other consideration required to fund the Plan?

The Plan will be funded by cash on hand, and proceeds of the Exit Facility and the Rights Offering. The definitiveDebtors anticipate that the Exit Facility will consist of a new, senior secured, reserve-based credit facility with an initial borrowing base of $250 million, provided by a syndicate of bank lenders arranged by JPMorgan Chase Bank, N.A. ("**JPMorgan**"). The contemplated terms of the Exit Facility, which the Debtors expect will be customary for a facility of that type, are further described in **Exhibit F**. The Debtors caution that the Exit Facility remains subject to further negotiation. Definitive documentation for the Exit Facility will be included in thea Plan Supplement.

To raise additional capital to support their post-emergence business, the Debtors will conduct a new-money Rights Offering in connection with the Plan. Pursuant to the Rights

Offering, Eligible Holders of Allowed TUSA General Unsecured Claims or TUSA General Unsecured Claims Provisionally Allowed may subscribe for the purchase of up approximately $~~185~~180 million of Rights Offering Securities on a ratable basis in proportion to the Allowed ~~Amount~~amount (or amount deemed Provisionally Allowed) of each such Eligible Holder's TUSA General Unsecured Claims as of the ~~Distribution~~Rights Offering Record Date. Certain members of the Ad Hoc Noteholder Group have agreed to backstop $150 million of the Rights Offering. The Rights Offering will be implemented and conducted in accordance with the Backstop Commitment Agreement and the Rights Offering Procedures.

G. Are there risks to owning New TUSA HoldCo Common Stock upon emergence from chapter 11?

Yes. *See* Article VIII of this Disclosure Statement, entitled "Risk Factors to Be Considered~~,~~." ~~which begins on page 77.~~

H. Is there potential litigation related to the Plan?

Parties in interest may object to the approval of this Disclosure Statement and may object to confirmation of the Plan as well, which objections could potentially give rise to litigation. In the event that it becomes necessary to confirm the Plan over the objection of certain Classes, the Debtors may seek confirmation of the Plan notwithstanding the dissent of such objecting Classes. The Bankruptcy Court may confirm the Plan pursuant to the "cramdown" provisions of the Bankruptcy Code, which allow the Bankruptcy Court to confirm a plan that has been rejected by an impaired Class if it determines that the Plan satisfies Bankruptcy Code section 1129(b).

I. What is the Management Incentive Program?

The management incentive plan, or MIP, will be adopted and implemented by New TUSA HoldCo on the Plan's Effective Date to compensate and incentivize the senior management team of the Reorganized Debtors. ~~The~~Under the Plan, 8.5% of the New TUSA HoldCo Common Stock on a fully diluted basis will be reserved for issuance under the MIP. The further terms of the MIP will be set forth in the Plan Supplement.

J. How will the preservation of the Causes of Action impact my recovery under the Plan?

The Plan provides for the retention of all Causes of Action other than those that are expressly waived, relinquished, exculpated, released, compromised, or settled as set forth in Section 5.16 of the Plan. The value of the Reorganized Debtors' retained Causes of Action is uncertain.

K. Will there be releases and exculpation granted to parties in interest as part of the Plan?

Yes, the Plan proposes to release the Released Parties and to exculpate the Exculpated Parties. The Debtors' releases, third-party releases, and exculpation provisions included in the Plan are an integral part of the Debtors' overall restructuring efforts and were an essential element of the negotiations among the Debtors, the Prepetition Secured Parties, and the Ad Hoc Noteholder Group in obtaining their support for the Plan.

All of the Released Parties and the Exculpated Parties have made substantial and valuable contributions to the Debtors' restructuring through efforts to negotiate and implement the Plan, which will maximize and preserve the going-concern value of the Debtors for the benefit of all parties in interest. Accordingly, each of the Released Parties and the Exculpated Parties warrants the benefit of the release and exculpation provisions.

Each Holder of a Claim that votes to accept or reject the Plan, unless such Holder checks the box on the ballot and returns such ballot in accordance with the Disclosure Statement Order to opt out of the third party releases contained in Section 9.05 of the Plan, will be deemed to have expressly, unconditionally, generally, individually, and collectively released and discharged all Claims and Causes of Action against Released Parties. The releases are an integral element of the Plan.

Based on the foregoing, the Debtors believe that the releases and exculpations in the Plan are necessary and appropriate and meet the requisite legal standard promulgated by the United States Court of Appeals for the Third Circuit. If necessary, the Debtors will present evidence at the hearing on confirmation of the Plan (the "**Confirmation Hearing**") to further demonstrate the basis for and propriety of the release and exculpation provisions. The Plan's release, exculpation, and injunction provisions are set forth in Article VII.H of this Disclosure Statement and in Article ~~9~~IX of the Plan.

L. What is the deadline to vote on the Plan?

The Voting Deadline is [February 10, 2017], at 4:00 p.m. (Eastern).

M. How do I vote for or against the Plan?

Detailed instructions regarding how to vote on the Plan are contained on the ballots distributed to holders of Claims that are entitled to vote on the Plan. For your vote to be counted, your ballot must either be (a) properly completed by hand, executed, and delivered in accordance with the instructions included in the ballot by: (i) first class mail, (ii) courier, or (iii) personal delivery or (b) properly completed electronically using the Solicitation Agent's (as defined below) E-Balloting Platform; *provided, however*, that E-Balloting will not be available to Holders of Claims arising out of an interest in the Senior Notes. Whether completing the ballot by hand or electronically using the Solicitation Agent's E-Balloting Platform, each Holder's ballot must be **actually received by [February 10, 2017], at 4:00**

p.m. (Eastern) at the following address: Triangle USA Petroleum Corporation, c/o Prime Clerk LLC ("**Prime Clerk**" or the "**Solicitation Agent**"), 830 3rd Avenue, 3rd Floor, New York, New York 10022 prior to 4:00 p.m. (Eastern) on [February 10, 2017]. It is important that the Holder of a Claim in the Voting Classes follow the specific instructions provided on such Holder's Ballot and the accompanying instructions. Except in the Debtors' sole discretion, ballots may not be transmitted by facsimile, email, or other electronic means, other than the Solicitation Agent's E-Balloting Platform. For more information regarding voting, s*ee* Article IX~~.C~~ of this Disclosure Statement, entitled "Solicitation and Voting Procedures."

N. How do I participate in the Rights Offering?

In order to participate in the rights offering you must be an Eligible Holder of an Allowed ~~Class 5~~or Provisionally Allowed TUSA General Unsecured Claim in Class 5 (as defined in the Plan). The Rights Offering ~~process will occur~~will be conducted substantially simultaneously with solicitation of votes to approve or reject the ~~plan~~Plan. On the date on which solicitation is commenced, Prime Clerk~~,~~ LLC, as ~~Subscription Agent~~subscription agent, will distribute to each Holder of an Allowed TUSA General Unsecured Claim and each Holder of Provisionally Allowed TUSA General Unsecured Claims a form for Eligible Holders to exercise Subscription Rights, in which the Eligible Holder must certify that it is an "accredited investor" as defined in Rule 501(a)(1), (2), (3), (7) or (8) (provided that in the case of clause (8), all of the equity owners of such entity are accredited investors as defined in Rule 501(a)(1), (2), (3), (7) or (8) as modified by this parenthetical) under the Securities Act or a "qualified institutional buyer" as defined in Rule 144A under the Securities Act. In order to validly participate in the Rights Offering, the Eligible Holder must return the completed form (including the investor certification) to Prime Clerk LLC, and, in some instances, must wire a certain amount of funds to an escrow account, pursuant to the Rights Offering Procedures. For more information on the Rights Offering Procedures, see Article IX.D of the Disclosure Statement entitled "Rights Offering Procedures."

O. Why is the Court holding a Confirmation Hearing and when will it occur?

Bankruptcy Code section 1128(a) requires the Court to hold a Confirmation Hearing and recognizes that any party in interest may object to confirmation of the Plan.

The confirmation of a plan of reorganization by a bankruptcy court binds the debtor, any issuer of securities under a plan of reorganization, any person acquiring property under a plan of reorganization, any creditor or equity interest holder of a debtor, and any other person or entity as may be ordered by the bankruptcy court in accordance with the applicable provisions of the Bankruptcy Code. Subject to certain limited exceptions, the order issued by the bankruptcy court confirming a plan of reorganization discharges a debtor from any debt that arose before the confirmation of such plan of reorganization and provides for the treatment of such debt in accordance with the terms of the confirmed plan of reorganization.

The Confirmation Hearing is scheduled for [•] a.m./p.m. (Eastern).

To provide additional notice to parties in interest in these cases, the Debtors will post to a website maintained by the Solicitation Agent various chapter 11 documents, including the Plan and this Disclosure Statement. The website address is: https://cases.primeclerk.com/tusa. Further, the Debtors intend to request Bankruptcy Court approval to publish a notice in (~~1~~a) *The New York Times* (National Edition) or *The Wall Street Journal*, (~~2~~b) the *Denver Post*, and (~~3~~c) the *Williston Herald*.

P. What is the effect of the Plan on the Debtors' ongoing business?

The TUSA Debtors are reorganizing under chapter 11 of the Bankruptcy Code. As a result, the occurrence of the Effective Date means that the TUSA Debtors will continue as a going concern. Following Confirmation, the Plan will be consummated on the Effective Date, which is a date selected by the Debtors that is the first business day after which all conditions to the Effective Date have been satisfied or waived. *See* Article X of the Plan. On or after the Effective Date, and unless otherwise provided in the Plan, the Reorganized Debtors may operate their business and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules. Additionally, upon the Effective Date, all actions contemplated by the Plan will be deemed authorized and approved.

In connection with their emergence from chapter 11, the TUSA Debtors will conduct certain internal reorganization transactions as specified in the Plan, including the formation of a new entity, defined in the Plan as "New TUSA HoldCo," as the ultimate parent company of Reorganized TUSA and the other Reorganized TUSA Debtors. The term "Reorganized Debtors," as used in this Disclosure Statement and the Plan, includes New TUSA HoldCo. Upon emergence and the completion of these internal reorganization transactions, New TUSA HoldCo is expected to hold 100% of the equity interests in Reorganized TUSA. New common stock of New TUSA HoldCo will be distributed to holders of TUSA General Unsecured Claims on account of such claims, and new convertible preferred of New TUSA HoldCo will be issued to certain eligible creditors pursuant to the Rights Offering. Reorganized TUSA will, however, remain the principal operating company of the Reorganized Debtors' enterprise and is anticipated to be the borrower under the Exit Facility. A memorandum describing the contemplated reorganization transactions in greater detail will be included in the Plan Supplement.

The Ranger Debtors are not a going concern. As described below, the Ranger Debtors ceased operation in early 2016 and commenced Chapter 11 Cases to effectuate an orderly wind-down.

Q. Who will serve as the directors or officers of the Reorganized Debtors?

The composition of ~~each~~the board of directors or managers of ~~a~~each Reorganized Debtor~~, as applicable,~~ and, to the extent applicable, the officers of each Reorganized Debtor,

will be disclosed prior to the Confirmation Hearing in accordance with Bankruptcy Code section 1129(a)(5).

Commencing on the Effective Date, each of the directors and managers of each of the Reorganized Debtors shall be appointed or elected and serve pursuant to the terms of the applicable organizational documents of such Reorganized Debtor and may be replaced or removed in accordance with such organizational documents.

R. Who do I contact if I have additional questions with respect to this Disclosure Statement or the Plan?

If you have any questions regarding this Disclosure Statement or the Plan, please contact Prime Clerk, the Debtors' Solicitation Agent:

By regular mail, hand delivery, or overnight mail at:

Prime Clerk LLC
Re: Triangle USA Petroleum Corp.
830 3rd Avenue, 3rd Floor
New York, New York 10022

By electronic mail at:

tusainfo@primeclerk.com

By telephone at:

(855) 842-4122 within the United States or Canada; or
(929) 333-8982 outside the United States or Canada.

Copies of the Plan, this Disclosure Statement, and any other publicly filed documents in the Chapter 11 Cases are available upon written request to the Solicitation Agent at the address above or by downloading the exhibits and documents from the website of the Debtors' Solicitation Agent at https://cases.primeclerk.com/tusa (free of charge) or the Bankruptcy Court's website at http://www.deb.uscourts.gov (for a fee).

S. Do the Debtors recommend voting in favor of the Plan?

Yes. The Debtors believe the Plan provides for a larger distribution to creditors than would otherwise result from any other available alternative. The Debtors believe the Plan, which contemplates a significant deleveraging of the Debtors' balance sheet and enables them to emerge from chapter 11 expeditiously, is in the best interest of all holders of Claims, and that any other alternatives (to the extent they exist) fail to realize or recognize the value inherent under the Plan.

T. Who supports the Plan?

The Plan is supported by the Debtors and the Ad Hoc Noteholder Group.

IV. THE DEBTORS AND THEIR BUSINESS AND CAPITAL STRUCTURE

TUSA, incorporated in 2005, is an independent oil and gas exploration and production ("**E&P**") company focused on the acquisition and development of unconventional shale oil and natural gas resources in the Williston Basin of North Dakota and Montana. The TUSA Debtors' area of primary strategic focus encompasses approximately 78,000 net acres in McKenzie and Williams Counties, North Dakota, and eastern Roosevelt and Sheridan Counties, Montana, which the Debtors collectively refer to as their "core acreage." The Debtors maintain corporate offices in Denver, Colorado and field locations in North Dakota. The company's non-debtor parent is Triangle Petroleum Corp. TPC is an independent energy company with two principal lines of business: (1) exploration and production through ~~Triangle USA~~TUSA and (2) ~~gathering, processing and transportation~~GTP services for crude oil, natural gas and fresh water production through non-debtor affiliate Caliber, which provides ~~gathering~~GTP services to TUSA and other customers.[6]

A. History

TPC was founded in 2003 as Peloton Resources Inc.[7] and has been operating as Triangle Petroleum Corporation since 2005. TUSA was also incorporated in 2005.[8] Triangle was initially headquartered in Calgary, Alberta, and concentrated on the acquisition and operation of oil and gas interests in Canada. Following a management change in late 2009, Triangle moved its corporate offices to Denver, Colorado, and recentered its business on acquiring non-operating interests in the Williston Basin.

In 2011, Triangle transitioned its focus from non-operating to operating interests in the Williston Basin. Triangle spud its first well in October 2011. Over the next three years, Triangle's business expanded rapidly, bolstered by favorable commodity prices and strong operational performance. TUSA aggressively expanded its footprint by acquiring attractive leasehold interests and related producing properties from Kodiak Oil & Gas, Marathon, and others. Concurrently, Triangle undertook a number of strategic initiatives to develop a strong

[6] TPC previously owned non-Debtor RockPile Energy Services, LLC ("**RockPile**"), which provides oilfield services. RockPile was sold on September 8, 2016 to White Deer Energy.

[7] TPC (then Peloton Resources Inc.) was incorporated as a Nevada corporation; it reincorporated as a Delaware corporation in 2012.

[8] Ranger Fabrication, LLC was formed as a Delaware limited liability company in 2014.

platform for long-term growth. Recognizing that the relative lack of established oilfield services and midstream businesses in the Williston Basin presented a significant competitive opportunity, Triangle proactively expanded its business to include complementary oilfield services and gathering business lines. RockPile and Caliber, which provide oilfield services and ~~gathering~~GTP services, respectively, commenced operations in 2012.

B. TUSA's Exploration and Production Business

1. The Williston Basin

TUSA is a premier, independent E&P operator in the Williston Basin. Spanning approximately 150,000 square miles across the Dakotas, Montana, and southern Canada, the Williston Basin is among the largest shale oil reservoirs in North America. The principal geologic targets in the Williston Basin are the Bakken shale and Three Forks formations, which collectively contain an estimated 7.4 billion barrels of oil, 6.7 trillion cubic feet of natural gas, and 500 million barrels of natural gas liquids ("**NGLs**").[9]

Although the first Williston Basin well was drilled in 1951, production levels remained modest until the application of horizontal drilling, hydraulic fracturing, and other unconventional techniques to the Middle Bakken shale beginning in the mid-2000s. These techniques precipitated an exponential increase in production, peaking at over 1.2 million barrels per day in 2014 and turning North Dakota into the second largest oil-producing state in the country. As one of the largest unconventional plays in North America, the Williston Basin is highly competitive, with dozens of E&P operators—ranging from major integrated operators to small independent producers—active in the region.

Oil and gas production in the Williston Basin is constrained by substantial technical and economic challenges. As noted, successful exploitation of the Bakken shale and Three Forks formations depends on unconventional and capital-intensive exploration and drilling technologies, including horizontal drilling and hydraulic fracturing. The Williston Basin is further constrained by limited gathering infrastructure and long-distance pipeline capacity. As a result, Williston Basin operators rely more heavily on truck and rail transportation for gathering and interstate takeaway than operators in more mature plays. Owing to these and other factors, the Williston Basin has relatively high break-even costs and differentials, making it more susceptible to commodity price fluctuations than more established plays.

2. The TUSA Debtors' Oil and Gas Assets

[9] *See* U.S. Geological Survey, Fact Sheet 2013-3013, *Assessment of Undiscovered Oil Resources in the Bakken and Three Forks Formations, Williston Basin Province, Montana, North Dakota, and South Dakota* at 1 (2013).

The TUSA Debtors' oil and gas interests comprise approximately 3,500 leases across approximately 230,000 gross (approximately 100,000 net) acres in the Williston Basin, containing total proved reserves of approximately 76,590 Mboe[10] as of August 2016. The TUSA Debtors operate 146 gross producing wells and 74 drilling-space units ("**Units**"), plus 12 drilled but uncompleted wells. In addition, the TUSA Debtors hold non-operating working interests in 355 Units, comprising 529 gross wells and 26 wells on a net basis. The TUSA Debtors' core acreage has high oil saturation, is slightly over-pressured, and has the potential for multiple productive benches. The TUSA Debtors operate approximately 49,000 net acres (or 63%) of the core acreage.

The TUSA Debtors target the Middle Bakken formation between the Upper and Lower Bakken shales at an approximate vertical depth of 10,300 to 11,300 feet. The TUSA Debtors also target the Three Forks formation, which is present immediately below the Lower Bakken Shale. Figures showing the horizontal and vertical extent of the Bakken and Three Forks formations are set forth below.

Map of Williston Basin with Bakken and Three Forks Formations

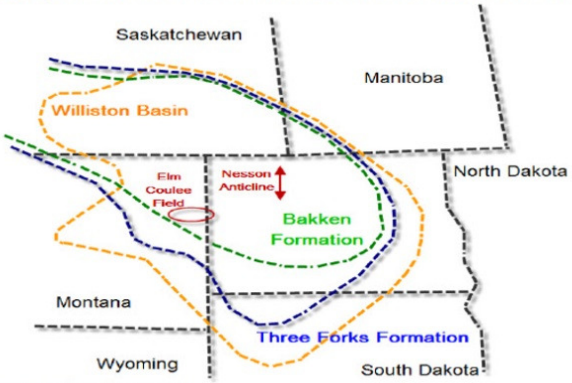
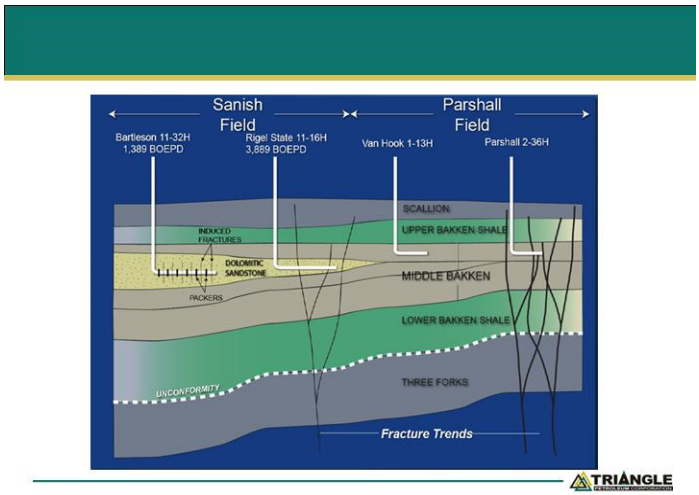


Figure 1. Source: US Geological Survey, 2013

[10] "Boe," or "barrel of oil equivalent" is a metric that aggregates hydrocarbons of various types (crude oil, natural gas, etc.) into a single unit of measurement. "Mboe" denotes one thousand Boe. The figure reported here is predicated on pricing assumptions dictated by SEC regulations, which may not accurately reflect the true economic value of the Debtors' petroleum reserves.



The TUSA Debtors exploit these targets using a combination of advanced drilling and completion techniques, including horizontal drilling and hydraulic fracturing. The Debtors have refined these techniques over time, reducing well completion costs and increasing aggregate production per well.

3. Gathering, Transportation, and Processing

Transportation of produced oil and gas poses significant challenges for Williston Basin operators. Despite the market downturn, production in the Williston Basin continues to exceed long-distance pipeline capacity, forcing some producers to ship produced hydrocarbons by rail, thereby increasing costs. The pipeline take-away deficit has narrowed substantially as production has slowed and new pipelines have come online, but pipeline capacity remains inadequate.

Williston Basin producers face similar logistical challenges in gathering and transporting produced hydrocarbons from the wellhead to intermediate delivery points. Because gathering infrastructure in the Williston Basin remains relatively undeveloped, Williston Basin operators have relied disproportionately on flaring natural gas and trucking crude oil and water.

To alleviate these challenges, in October 2012, Triangle entered into a joint venture with First Reserve Caliber Holdings LLC ("**First Reserve**") to form Caliber and construct a pipeline gathering system to service TUSA and third-party wells in the Williston Basin. The Caliber system provides a suite of gathering services, including crude oil ~~gathering, stabilization, and transportation~~GTP; natural gas gathering and processing and ~~natural gas liquids~~NGLs takeaway; produced water transportation and disposal; freshwater and maintenance water delivery; and measurement services, storage, and other ancillary offerings. Caliber's infrastructure consists of over 300 miles of gathering pipeline, crude oil stabilization facilities, long-distance pipeline interconnects, natural gas refrigeration facilities, produced water disposal wells, and other facilities.

Caliber provides ~~gathering~~GTP services to TUSA pursuant to several long-term midstream services agreements (the "**Caliber Midstream Agreements**").[11] The two most significant of these in terms of cost relate to gathering and related services for crude oil and gas and water (together, the "**Primary MSAs**"). The Primary MSAs provide that Caliber will be the exclusive provider of the applicable midstream services for certain Units operated by TUSA. Most of these Units are located in and around TUSA's core acreage in McKenzie County. In addition to the Primary MSAs, TUSA and Caliber are parties to several ancillary agreements for measurement services, ~~natural gas liquids~~NGLs handling, fresh water delivery, and produced water gathering and disposal services.

Finally, under a separate revenue commitment agreement, TUSA agreed to deliver specified minimum monthly revenues to Caliber, irrespective of the volumes of oil, natural gas, produced water, and fresh water actually serviced by Caliber. The cumulative minimum revenue commitment over the 15-year term of the revenue commitment agreement is $405.0 million, of which $322.5 million (exclusive of the "credit" described below) was outstanding as of July 31, 2016. The revenue commitment agreement permits TUSA to build credits against future monthly commitments equal to the amount by which actual monthly revenues under the Primary MSAs exceed TUSA's minimum monthly revenue commitment. As of July 31, 2016, TUSA had accrued a cumulative credit of $29.6 million. Credits may be carried forward for a period of four years from the date of the accrual. TUSA is required to pay Caliber for any deficiency in actual monthly revenues if no credits are available.

As of fiscal year end 2016,[12] 111 of the TUSA Debtors' operated wells were connected to the Caliber system. Certain of the TUSA Debtors' wells that are not connected to the Caliber system are connected to gathering pipelines owned and operated by other midstream companies.[13] In total, 99% of the TUSA Debtors' operated wells are connected to gas sales; 92% of their operated wells are connected to crude oil gathering and processing systems; 82% of their operated wells are connected to produced water gathering lines; and 80% of their operated wells are connected to freshwater delivery lines.[14]

---

[11] Any summary of an agreement in this Disclosure Statement is a reference to such agreement as amended, supplemented, or otherwise modified from time to time and is qualified in its entirety by the terms of that agreement.

[12] The Debtors' fiscal year ends on January 31. Any references in this this Disclosure Statement to a particular fiscal year refer to a 12-month period beginning on February 1 of the previous year and ending on January 31 of that year. For example, fiscal year 2016 refers to the period from February 1, 2015 through January 31, 2016.

[13] Unlike Caliber, the TUSA Debtors' other midstream providers purchase produced oil and gas at the wellhead. Thus, while the prices these counterparties pay to purchase the TUSA Debtors' oil and gas reflects the midstream services they provide, the TUSA Debtors do not separately pay for such services.

[14] The economic terms of the Caliber Midstream Agreements are substantially above market given prevailing commodity prices. A principal objective of the Debtors' restructuring is to realign the Debtors' ~~gathering, transportation, and processing~~GTP expenses with market conditions.

As discussed in greater detail below, one of the Debtors' objectives in these Chapter 11 Cases is to rationalize their GTP cost structure by renegotiating or, if necessary, rejecting, the Caliber Midstream Agreements. The Debtors believe the Caliber Midstream Agreements are substantially above market. The combination of the current and sustained market price for dry gas and NGLs and TUSA's contracted rates with Caliber for GTP of TUSA's gas production effectively require TUSA to pay to dispose of its gas and NGLs. Given current market conditions, it is more economical for TUSA to flare produced gas dedicated to Caliber instead of paying Caliber the current GTP rates, which exceed the revenue generated to TUSA from the dry gas and NGLs.

Additionally, the reduced activity levels and increased transportation infrastructure in the Williston Basin, particularly surrounding TUSA's acreage position, have resulted in a surplus of available crude transportation vehicles and drivers. This surplus has created a competitive dynamic for the transportation of crude within the Williston Basin. As such, the per unit transportation costs for crude are markedly lower today than when TUSA entered into the crude transportation contracts with Caliber.

4. Oil and Gas Sales

Produced oil and gas from the TUSA Debtors' operated wells is sold at the wellhead, or a location nearby, under short-term agreements with various purchasers. While the pricing terms of these agreements vary by purchaser, they all reflect a price determined by the current NYMEX West Texas Intermediate contract, less a discount (also known as a "differential") that is either calculated, fixed, or a combination of calculated and fixed. The differential reflects a number of factors, including transportation costs and the physical characteristics of the produced oil. In fiscal year 2016, the TUSA Debtors sold operated well production directly to 11 oil purchasers, two NGL purchasers, and six natural gas purchasers. For the TUSA Debtors' economic interests in wells operated by third-parties—which include a variety of E&P companies—substantially all of their sales of crude oil and natural gas in fiscal years 2014, 2015, and 2016 was sold through arrangements made by the wells' operators and at sales points at or close to the producing wells.

The TUSA Debtors' average daily production increased from 11,441 boep/d in fiscal year 2015 to 13,416 boep/d in fiscal year 2016.[15] Approximately 85% of the production in fiscal year 2016 was attributable to wells operated by the TUSA Debtors. The TUSA Debtors realized approximately $181 million in revenue from oil and gas sales in fiscal year 2016, compared to approximately $284 million for fiscal year 2015.

[15] This increase in production was offset by a 46% decrease in weighted average realized prices from $68.13 per boe for fiscal year 2015 to $37.01 per boe for fiscal year 2016.

5. Hedging Arrangements

To reduce exposure to adverse fluctuations in crude oil prices and achieve more predictable cash flow, the TUSA Debtors historically employed commodity derivative instruments for a portion of their crude oil production.

On the Petition Date, the TUSA Debtors were party to one derivative contract with a bank within the syndicate of lenders for TUSA's senior secured reserve-based credit facility. Shortly after the Petition Date, the TUSA Debtors liquidated their position under this contract. Proceeds of the liquidation were applied to the outstanding balance of the RBL Credit Facility by way of setoff.

C. Ranger Fabrication's Business

The remaining Debtors in these cases—Ranger Fabrication, LLC and its two Debtor subsidiaries—operated a fabrication business that specialized in the manufacture and sale of specialized equipment used in the E&P and midstream industries. Ranger's customers included TUSA and Caliber, among others. Ranger ceased operations in early 2016, and its remaining assets were liquidated at auction on March 17, 2016, generating net proceeds of approximately $375,000. At the time, Ranger had secured indebtedness of approximately $1 million, all of which was held by its parent, TPC.[16] Because the auction proceeds were insufficient to satisfy Ranger's secured debt in full, its unsecured creditors were left unpaid, and all of the secured debt of the Ranger Debtors will be treated as an unsecured deficiency claim pursuant to the Plan.

D. Corporate Structure

Non-Debtor TPC is the direct or indirect parent company of each of the Debtors and non-Debtor affiliates. TPC, a Delaware corporation, is publicly traded on the NYSE MKT (TPLM). TPC is the direct parent of TUSA. TUSA, a Colorado corporation, is, in turn, the direct parent of Debtors Foxtrot Resources LLC ("**Foxtrot**") and Leaf Minerals, LLC ("**Leaf Minerals**"), each of which is a Colorado limited liability company. TPC is also the direct parent of Debtor Ranger Fabrication, LLC, a Delaware limited liability company. Ranger Fabrication, LLC is, in turn, the direct parent of Debtors Ranger Fabrication Management Holdings, LLC and Ranger Fabrication Management, LLC, each of which is also a Delaware limited liability company.

TPC houses certain of the Company's shared services and corporate functions. TUSA and its subsidiaries comprise the Company's E&P business. TUSA conducts most of the

[16] The majority of the TPC-held Ranger debt was purchased by TPC from Wells Fargo Equipment Finance, Inc.

Debtors' E&P operations. Foxtrot holds oil and gas leases in Montana, and Leaf Minerals owns certain non-operating mineral interests. Ranger, previously an oilfield services fabrication business that primarily supplied to Caliber and TUSA, ceased operations in early 2016. A corporate organization chart depicting the ownership structure of the Debtors and their non-Debtor affiliates is attached hereto as **Exhibit ~~E~~G**.

E. Capital Structure

As of the Petition Date, June 29, 2016, TUSA and its subsidiaries owed or guaranteed approximately $689 million in long-term debt.[17] As described in greater detail below, the Debtors' debt obligations included: (a) approximately $308 million principal amount of outstanding loans and letter of credit exposure under TUSA's senior secured reserve-based revolving credit facility[18] and (b) approximately $381 million of TUSA's 6.75% senior unsecured notes due 2022.

1. The RBL Credit Facility

TUSA is party to a senior secured reserve-based credit facility (the "**RBL Credit Facility**") under that certain Second Amended and Restated Credit Agreement (as amended, the "**RBL Credit Agreement**"), with Wells Fargo Bank, National Association, as administrative agent (in such capacity, the "**RBL Agent**") and issuing lender, and the lenders party thereto (the "**RBL Lenders**"). TUSA's obligations under the RBL Credit Facility are guaranteed by Foxtrot and Leaf Minerals and secured by (a) liens on and security interests in substantially all of TUSA's proved hydrocarbon reserves; and (b) liens and security interests in substantially all of the non-oil and gas assets, including cash, of TUSA, Foxtrot, and Leaf Minerals, other than certain excluded collateral, and including pledges of TUSA's membership interests in Foxtrot and Leaf Minerals, certificates representing such membership interests, if any, and any of TUSA's rights to money or property in respect of such membership interests. The scheduled maturity of the RBL Credit Facility is October 16, 2018.

The RBL Credit Facility has a nominal commitment amount of $1 billion, but the maximum credit available to TUSA at any given time is limited by the borrowing base then in effect. The borrowing base under the RBL Credit Agreement is redetermined by the RBL Agent and RBL Lenders semi-annually, on or about May 1 and November 1. The borrowing base is also subject to up to four interim, unscheduled redeterminations each calendar year—up to two at the election of TUSA and up to two at the election of the RBL Agent or the Required Lenders (as defined in the RBL Credit Agreement).

[17] TPC also has outstanding long-term debt. However, TPC does not guarantee any substantial indebtedness of its subsidiaries. Accordingly, the information provided in this Disclosure Statement is limited to the funded indebtedness of the TUSA Debtors. Further information on Triangle's other funded indebtedness is set forth in TPC's Form 10-K for fiscal year 2016, filed on April 14, 2016.

[18] The current balance under such facility (including letter of credit exposure) is $306 million.

On April 28, 2016, the RBL Agent redetermined the borrowing base from $350 million to $225 million. The amount then outstanding under the RBL Credit Facility—approximately $350 million—exceeded the new borrowing base by approximately $125 million, resulting in a borrowing base deficiency. Pursuant to the RBL Credit Agreement, TUSA elected to pay the deficiency in three equal monthly installments of approximately $42 million, the first of which was paid on May 31, 2016. As of the Petition Date, approximately $308 million remained outstanding under the RBL Credit Agreement, including outstanding letters of credit and other ancillary obligations, plus interest and costs.

2. The Senior Notes

TUSA also has substantial funded indebtedness under its senior unsecured notes. Pursuant to that certain Indenture dated as of July 18, 2014, by and among Wilmington Trust, National Association, as Trustee, TUSA, and the subsidiary guarantors listed thereto, TUSA issued $450 million aggregate principal amount of 6.75% senior notes with a maturity date of July 15, 2022 (the "**Senior Notes**"). The obligations under the Senior Notes are guaranteed on an unsecured basis by Foxtrot and Leaf Minerals. As of the Petition Date, the Senior Notes had an outstanding principal balance of approximately $381 million.

3. The Ranger Indebtedness

As of March 2016, following the liquidation at auction of Ranger's remaining assets, the Ranger Debtors had debt obligations of approximately $1.55 million consisting of:

(a) Approximately $250,000 in aggregate principal pursuant to (i) that certain Combination Loan and Security Agreement dated as of November 18, 2014 between Wells Fargo Equipment Finance, Inc. ("**WFEFI**") and Ranger Fabrication, LLC, (ii) that certain Security Agreement dated as of May 4, 2015 between WFEFI and Ranger Fabrication, LLC, and (iii) that certain Promissory Note dated as of April 24, 2015 between WFEFI and Ranger Fabrication, LLC (collectively, the "**Wells Equipment Financing**");

(b) Approximately $50,000 in aggregate principal pursuant to that certain Secured Credit Agreement dated as of February 16, 2016 by and between Ranger Fabrication, LLC and TPC; and

(c) Approximately $1.25 million in unsecured trade claims.

The Wells Equipment Financing was assigned to TPC in December 2014, making TPC the Ranger Debtors' sole secured creditor. The liquidation of Ranger's remaining assets in March 2016 resulted in net proceeds insufficient to satisfy Ranger's secured indebtedness in full. Because the assets of Ranger were insufficient to repay its secured obligations in full, such previously secured obligations shall be treated pro rata with the $1.25 million in unsecured trade claims under the Plan.

V. EVENTS LEADING TO THE CHAPTER 11 FILINGS

A. Challenging Macroeconomic Conditions

The Debtors commenced the Chapter 11 Cases in the midst of a historically severe downturn in the commodity markets, with the objective of realigning their capital structure with new market realities. Since fall 2014, commodity prices have fallen dramatically, with crude oil and natural gas spot prices falling from approximately $105/Bbl and $4.75/MMBtu, respectively, in mid-2014 to approximately $26/Bbl and $1.50/MMBtu, in early 2016. Numerous factors have contributed to the market downturn. Increased domestic production attributable to more efficient exploitation of unconventional plays, coupled with unconstrained production among OPEC countries, has led to a global supply glut. At the same time, aggregate demand for oil and gas has softened as economic growth in developing nations eases.

The commodity price downturn has had predictable consequences on the Debtors' financial results. Excluding the effects of hedges and derivative activities, the Debtors' weighted average sale price per barrel of oil equivalent fell from $68 in fiscal year 2015 to $37 in fiscal year 2016. As a result, the Debtors' revenue declined over $100 million from fiscal year 2015 to fiscal year 2016, despite a 17% year-over-year increase in average daily production volumes. The same trends are evident in the Debtors' proved reserve values, which fell from nearly $1 billion to approximately $330 million between fiscal years 2015 and 2016.[19] Further, while the Debtors have implemented numerous initiatives to control costs and manage liquidity during the market downturn, many aspects of their cost structure—including their cost of midstream services—are relatively inelastic. Certain economic considerations relating to the Debtors' midstream services are described above in Section IV.B.3.

Future commodity prices are impossible to forecast with certainty. Unpredictable factors such as geopolitical instability, war, weather, and others significantly influence the direction of the oil and gas markets. However, as forward price curves indicate, the market does not anticipate a sharp, near-term rebound in prices. Accordingly, the Debtors' principal strategic objective is to manage a prolonged period of depressed prices, while also positioning themselves to capture upside opportunities as market conditions improve.

[19] These amounts represent the PV-10 value of the Debtors' proved reserve as reported in TPC's Form 10-K for fiscal year 2016 and are based on pricing assumptions dictated by SEC regulations. While the Debtors believe that the SEC's pricing assumptions are conservative—and thus that the actual economic value of their proved reserves may be significantly higher—the year-over-year change in the referenced values is nonetheless illustrative of the substantial decline in reserve values the Debtors have experienced.

B. Cost and Liquidity Management

1. Operational Initiatives

The Debtors responded to the fall in commodity prices with numerous efforts to proactively manage liquidity and preserve value for stakeholders, including reductions in capital expenditures, targeted sales of non-core assets, and reductions in G&A spending.

To more closely align capital expenditures with cash flows, the Debtors released their four active drilling rigs in fiscal year 2016, resulting in aggregate capital expenditure reductions of 74%. During fiscal year 2016, the Debtors delivered 18 gross drilled but uncompleted wells for completion as commodity prices warranted. The Debtors realized a 73% year-over-year reduction in drilling and completion costs in fiscal year 2016 and have achieved drilling and completing cost reductions of $1.6 to $1.9 million since March 2015, indicating that, to the extent the Debtors have continued to drill and complete new wells, they have done so more efficiently, and for less cost, than in the past. The Debtors' fiscal year 2017 capital expenditure program continues to emphasize disciplined cost control and is tailored to projected cash flow, with flexibility to opportunistically expand capital expenditures as commodity prices warrant.

The Debtors also explored opportunities to enhance liquidity by monetizing non-core oil and gas properties and other assets as market conditions warranted. Owing to generally depressed asset sale values and other factors, the Debtors ultimately did not identify many favorable sale opportunities. Nonetheless, in February 2016, the Company sold approximately 550 acres of non-operating oil and gas leases to a counterparty for approximately $410,000.

Finally, the Debtors achieved significant G&A cost reductions by, among other things, implementing targeted workforce reductions in January 2016, resulting in projected annual cost savings of approximately 40%.

2. Financing Activities

The Debtors judiciously managed their access to liquidity under the RBL Credit Facility. In April 2015, the RBL Credit Facility was amended to replace the existing total funded debt leverage ratio with a senior secured leverage ratio covenant, add an interest coverage ratio, and add an equity cure right for non-compliance with the financial covenants, giving TUSA additional "headroom" on its financial covenants. In early 2016, TUSA made two draws under the RBL Credit Facility: (a) a borrowing of approximately $30 million in January 2016 and (b) a subsequent borrowing of approximately $105 million in late March 2016, the latter representing substantially all remaining availability under the RBL Credit Facility, relative to the then-existing borrowing base.

As discussed above, on April 28, 2016, the RBL Agent redetermined the borrowing base under the RBL Credit Facility from $350 million to $225 million. Because the RBL Credit Facility was substantially fully drawn as of the redetermination date, the

redetermination resulted in a borrowing base deficiency of approximately $125 million. Pursuant to the RBL Credit Agreement, TUSA elected to pay the deficiency in three equal monthly installments of approximately $42 million, the first of which was paid on May 31, 2016.

In connection with its first installment payment, TUSA requested that the RBL Agent and RBL Lenders waive certain potential financial covenant violations for the fiscal quarter ended April 30, 2016, or forbear from exercising remedies in connection with such potential defaults. On May 27, 2016, TUSA and the RBL Lenders agreed to a forbearance until July 8, 2016, subject to various terms and conditions.

C. Restructuring Negotiations

Despite Triangle's myriad of efforts to control costs and manage liquidity, Triangle recognized that a prolonged downturn in commodity prices could necessitate a more comprehensive deleveraging transaction. Accordingly, in March 2016, Triangle announced its retention of legal and financial advisors to assist in evaluating strategic alternatives. In collaboration with its restructuring advisors, Triangle carefully evaluated a range of strategic options, including selling material assets or business segments; seeking additional financing; or refinancing, recapitalizing, or restructuring all or a portion of the Company's existing debt. Triangle carefully considered various means of effectuating one or more strategic transactions, including both in-court and out-of-court alternatives.

Beginning in March 2016 and continuing through the Petition Date, Triangle engaged in intensive negotiations with its principal stakeholders, including holders of a substantial majority by value of the Senior Notes; Caliber and First Reserve; NGP Triangle Holdings ("**NGP**");[20] and the RBL Agent and RBL Lenders.

1. Triangle's Consolidated Restructuring Efforts

In March 2016, TPC and one of the largest holders of the Senior Notes entered into a non-disclosure agreement and commenced discussions regarding a consensual restructuring or recapitalization of Triangle. These discussions focused initially on a consolidated restructuring involving TPC, TUSA, and Caliber. In broad terms, the parties discussed a reconstitution of Triangle's E&P and midstream business lines through the allocation of reorganized TPC equity among the principal stakeholders of TPC, TUSA, and Caliber.

The Company subsequently entered into non-disclosure agreements and began discussions with First Reserve and NGP regarding a consolidated restructuring. For various

[20] NGP holds TPC's 5% convertible note with an initial principal amount of $120 million ~~(the "**TPC Convertible Note**")~~.

reasons, however, neither party was amenable to a transaction of that nature. NGP indicated that it preferred to receive a cash recovery. Caliber likewise indicated that it would seek to enforce its existing contracts with TUSA rather than participate in a global restructuring.[21]

2. The Debtors' "Standalone" Restructuring Efforts, Plan Support Agreement, and Authority to Use Cash Collateral

Given the lack of sufficient stakeholder support from NGP and First Reserve for a consolidated restructuring, the Debtors refocused their efforts on a "standalone" restructuring of TUSA. In late May and early June 2016, noteholders collectively holding over 80% in aggregate principal amount of the Senior Notes (the "**Participating Noteholders**") engaged legal and financial advisors and organized an ad hoc group to negotiate a standalone TUSA restructuring.

On June 29, 2016, the Debtors and the Participating Noteholders holding approximately 73% by amount of the Senior Notes negotiated a Plan Support Agreement (the "**PSA**"). The PSA outlined the terms of a consensual, prearranged chapter 11 plan that Participating Noteholders agreed to support. Under the contemplated plan, the Debtors would have paid the existing RBL Credit Facility in full in cash on the effective date of the plan (or other consensual treatment acceptable to the Prepetition Secured Parties) and exchange the Senior Notes for 100% of the new common stock of reorganized TUSA, subject to dilution from, among other things, other general unsecured claims and a management incentive plan. The PSA also contemplated a new money rights offering. On June 30, 2016, the Debtors filed a motion with the Bankruptcy Court to, among other things, assume the PSA [Docket No. 14]. On August 4, 2016, the Bankruptcy Court entered an order denying Debtors' assumption of the PSA [Docket No. 210].

D. Orderly Wind Down of the Ranger Debtors

As noted above, Ranger ceased operations and liquidated its remaining assets in early 2016. The Ranger auction generated insufficient cash proceeds to fully repay Ranger's secured debt and, as a result, no proceeds were available for distribution to Ranger's unsecured creditors. While the Debtors believe that Ranger's general unsecured creditors have received all to which they are legally entitled, given Ranger's unsatisfied secured debt, certain Ranger creditors have nonetheless commenced lawsuits or issued demands against Ranger on account of their unpaid claims. To avoid the distraction of responding to such proceedings and demands in ad hoc fashion, the Debtors, with the support of the Ad Hoc Noteholder Group, believe that a chapter 11 plan of liquidation represents the fairest and most efficient way to complete Ranger's wind down. The Debtors anticipate that a proposed cash distribution to

[21] To this end, on May 27, 2016, Caliber's subsidiary, Caliber North Dakota, LLC, filed a complaint against TUSA in North Dakota state court for a declaratory judgment that certain "dedications" of oil and gas properties set forth in the Primary MSAs are valid and enforceable real covenants that "run with the land" under North Dakota law. The Debtors dispute the allegations in the declaratory judgment complaint. For a further discussion of the Caliber litigation, see *infra* ~~Section~~Article VI.G.

Ranger's unsecured creditors under the Plan will result in better recoveries for such creditors than would otherwise be possible. For a further discussion of the Plan distributions to Holders of Allowed Ranger Unsecured Claims, see *infra* Article VII.B.

VI. THE CHAPTER 11 CASES

A. First Day Papers

Each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code on June 29, 2016. Recognizing that any interruption of the Debtors' business, even for a short period, could negatively impact customer and vendor relationships and the Debtors' goodwill, revenue, and profits, which would be detrimental to the value of the Debtors' estates, the Debtors filed certain first day motions authorizing the Debtors to continue operating their businesses in the ordinary course. The first day motions sought to stabilize the Debtors' operations and were designed to facilitate a smooth transition into chapter 11 and ease the strain on the Debtors' business as a consequence of the filing of the Chapter 11 Cases. The following summary highlights certain of the first day orders.

1. Cash Collateral Motion [Docket No. 12]

By interim order granted on June 30, 2016 [Docket No. 44], the Bankruptcy Court authorized the Debtors to use cash collateral until August 4, 2016, granted adequate protection to the RBL Agent, the RBL Lenders, and the other "Secured Parties" under and as defined in the RBL Credit Agreement (collectively, the "**Prepetition Secured Parties**"), and granted other related relief.

At the omnibus hearing on August 1, 2016, the Debtors presented to the Bankruptcy Court an agreed form of final order authorizing the Debtors to use cash collateral. The proposed form of final order provided for the automatic termination of the Debtors' right to use cash collateral if the PSA was not approved by the Bankruptcy Court on or before August 15, 2016. At the hearing, the Bankruptcy Court approved such form of order. However, at the same hearing, and as discussed above, the Bankruptcy Court denied the Debtors' motion to assume the PSA, which was a material condition to the effectiveness of the agreed form of order. On August 4, 2016, the Bankruptcy Court entered an order amending the interim cash collateral order [Docket No. 209] and extending the Debtors' authority to use cash collateral under the interim order to September 6, 2016. Following extensive negotiations, the Debtors, the Ad Hoc Noteholder Group, and the Prepetition Secured Parties reached an agreed form of final order, which the Bankruptcy Court entered on September 12, 2016 [Docket No. 295] (the "**Final Cash Collateral Order**").

The Final Cash Collateral Order, among other things, authorizes the Debtors to use cash collateral and grants adequate protection to the Prepetition Secured Parties. In addition, the order contains certain milestones for filing, soliciting acceptance of, confirming, and consummating a chapter 11 plan (as defined therein, the "**Plan Milestones**"). Upon the Debtors' failure to meet one of the Plan Milestones, the Debtors may continue to use cash collateral if they "toggle" to a process to sell substantially all of their assets (as defined in the

Final Cash Collateral Order, the "**Sales Process**"), in conformance with certain proscribed Sale Milestones (as defined in the Final Cash Collateral Order, the "**Sale Milestones**"). The Sale Milestones are designed to ensure consummation of the sale within 16 weeks of the commencement of the Sales Process.

2. Cash Management Motion [Docket No. 11]

The Bankruptcy Court authorized the Debtors to continue using their cash management systems and their respective bank accounts, business forms, and intercompany transactions, and authorized a waiver of, or extension of time to comply with, requirements under Bankruptcy Code section 345(b) by an order granted on August 5, 2016 [Docket No. 215].

3. Wages and Benefits Motion [Docket No. 6]

By interim order granted on June 30, 2016 [Docket No. 39] and final order granted on August 1, 2016 [Docket No. 181], the Bankruptcy Court authorized the Debtors to pay prepetition wages, compensation, and amounts associated with employee benefit programs and continue such programs in the ordinary course.

4. Insurance Motion [Docket No. 7]

By order granted on June 30, 2016 [Docket No. 43] and final order granted on August 3, 2016, the Bankruptcy Court authorized the Debtors to pay and maintain various insurance policies, including, among other things, general liability, workers' compensation liability, directors and officers liability, umbrella liability, automotive liability, pollution and remediation, commercial crime liability, employment practices liability, energy liability, excess liability, fiduciary liability, small computer and electronic data processing liability, and property liability.

5. Taxes Motion [Docket No. 8]

By order granted on June 30, 2016 [Docket No. 40] and final order granted on August 3, 2016 [Docket No. 204], the Bankruptcy Court authorized the Debtors to pay certain prepetition fees and taxes to various federal, state, county, and city taxing and licensing authorities.

6. Utilities Motion [Docket No. 9]

By interim order granted on June 30, 2016 [Docket No. 45] and final order granted on August 16, 2016 [Docket No. 226], the Bankruptcy Court established procedures for determining adequate assurance of payment for future utility services.

7. Oil and Gas Obligations Motion [Docket No. 10]

By interim order granted on June 30, 2016 [Docket No. 10] and final order granted on August 1, 2016 [Docket No. 189], the Bankruptcy Court authorized the Debtors to continue

paying certain obligations in connection with their oil and gas properties in the ordinary course of business.

B. Procedural Motions and Professional Retention Applications.

The Debtors filed several procedural motions that are standard in chapter 11 cases of similar size and complexity, as well as applications to retain the various professionals who will be assisting the Debtors during the Chapter 11 Cases.

1. Administrative Motions: Motion for Joint Administration [Docket No. 3], Motion to File Consolidated List of Creditors [Docket No. 4], and Application to Retain Claims and Noticing Agent [Docket No. 5]

To facilitate a smooth and efficient administration of the Chapter 11 Cases and to reduce the administrative burden associated therewith, by an order granted on June 30, 2016, the Bankruptcy Court authorized joint administration of the Debtors' cases for procedural purposes only [Docket No. 37]. By an order granted on July 5, 2016, the Bankruptcy Court authorized the Debtors to file consolidated lists of creditors for the TUSA Debtors and the Ranger Debtors [Docket No. 65]. The Bankruptcy Court further authorized the retention of Prime Clerk as claims and noticing agent by an order granted on June 30, 2016 [Docket No. 38].

2. Applications for Retention of Professionals

The Bankruptcy Court has approved the Debtors' retention of certain Professionals to represent and assist the Debtors in connection with the Chapter 11 Cases. These Professionals include, among others: (a) Skadden, Arps, Slate, Meagher & Flom as counsel for the Debtors (order granted August 1, 2016) [Docket No. 186]; (b) Prime Clerk as administrative advisor for the Debtors (order granted August 1, 2016) [Docket No. 180]; (c) AP Services, LLC to provide interim management services and designate John R. Castellano to serve as Chief Restructuring Officer (order granted August 1, 2016) [Docket No. 185]; (d) PJT Partners LP ("**PJT**") as their investment banker (order granted August 1, 2016) [Docket No. 187]; and (e) KPMG LLP as auditor for the Debtors (order granted October 20, 2016) [Docket No. 350].

The Bankruptcy Court has also authorized the Debtors to retain certain professionals utilized by the Debtors in the ordinary course of business prior to the Petition Date (order granted August 1, 2016) [Docket No. 184]. Further, the Bankruptcy Court has authorized the interim compensation and reimbursement of professional expenses during these cases (order granted August 1, 2016) [Docket No. 183].

C. Schedules and Statements

On July 25, 2016, the Bankruptcy Court entered an order extending the Debtors' deadline to file their Schedules of Assets and Liabilities (the "**Schedules**") and Statements of Financial Affairs (the "**Statements**," and together with the Schedules, the "**Schedules and**

Statements") to August 28, 2016 [Docket No. 116]. The Debtors filed their Schedules and Statements on August 26, 2016 [Docket Nos. 248-259].

D. Executory Contracts and Unexpired Leases

The Bankruptcy Code authorizes a debtor, subject to the approval of the Bankruptcy Court, to assume, assume and assign, or reject Executory Contracts and Unexpired Leases. The Debtors are engaged in an evaluation of their Executory Contracts and Unexpired Leases.

During the course of the Chapter 11 Cases, the Debtors and their Professionals have evaluated Executory Contracts and Unexpired Leases in the context of the Debtors' business plan. The Debtors continue to evaluate their options in connection with each of these Executory Contracts and Unexpired Leases including the potential assumption, rejection, or amendment and assumption thereof. As ~~<discussed in Section VI.G of this Disclosure Statement, certain of the Executory Contracts—the Specified Caliber Contracts—are the subject of litigation pending in the Bankruptcy Court>, pursuant to which the Debtors seek authority <to reject one or more of such contracts. >As~~ part of the Plan Supplement, the Debtors will identify contracts to be rejected in the Schedule of Rejected Executory Contracts and Unexpired Leases. All remaining contracts will be assumed.

The Plan Supplement will further designate the proposed cure amount for those Executory Contracts and Unexpired Leases to be assumed by the Debtors pursuant to the Plan. Except as otherwise set forth in such schedule, the Cure ~~Amount~~ with respect to each of the Executory Contracts or Unexpired Leases assumed pursuant to the Plan is designated by the Debtors as $0, subject to the determination of a different Cure ~~Amount~~ pursuant to the objection procedures set forth in Article VI of the Plan.

As >discussed in Section VI.G of this Disclosure Statement, certain of the Executory Contracts—the Specified Caliber Contracts—are the subject of litigation pending in the Bankruptcy Court <and in state court in North Dakota, concerning, among other things, the Debtors' ability >to reject one or more of such contracts. <The Plan provides that the Specified Caliber Contracts will be rejected subject to two conditions subsequent: (a) an order or judgment of a North Dakota state court that such contracts do not contain or constitute covenants "running with the land" and (b) an order or judgment that Caliber's damages in respect of the rejection of such contracts.

E. Analysis and Resolution of Claims

As discussed above, on August 26, 2016, the Debtors filed their Schedules and Statements [Docket Nos. 248–259]. The Schedules provide certain information pertaining to the Claims. Interested parties may review the Schedules and Statements at the office of the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, Wilmington, Delaware 19801 or online at https://cases.primeclerk.com/tusa.

1. Claims Bar Date

On August 31, 2016, the Bankruptcy Court entered an order [Docket No. 270] (the "**Bar Date Order**") requiring all persons or entities who wish to assert claims against the Debtors' estates to file a proof of claim ("**Proof of Claim**") against the Debtors in the Chapter 11 Cases by no later than October 13, 2016 (the "**General Bar Date**"). The General Bar Date applies to all "entities" and "persons" (as defined respectively in Bankruptcy Code sections 101(15) and (41)) other than governmental units, holding or wishing to assert Claims allegedly owing as of the Petition Date, including Claims under Bankruptcy Code section 503(b)(9), or any person with an alleged Claim or expense claimed to have arisen prior to the Petition Date. Any governmental unit seeking to file a claim against the Debtors is required to do so by no later than December 27, 2016 at 5:00 p.m. (Eastern) (the "**Governmental Bar Date**"). A notice of the bar dates was served on September 8, 2016 [Docket No. 299].

If the Debtors reject any Executory Contract or Unexpired Lease under Bankruptcy Code section 365, each person or entity holding a claim against the Debtors arising from such rejection must file a Proof of Claim by the later of (a) 30 days after the effective date of rejection of such executory contract or unexpired lease as provided by an order of the Bankruptcy Court or pursuant to a notice under procedures approved by the Bankruptcy Court; (b) any date set by another order of the Bankruptcy Court; or (c) the General Bar Date or the Governmental Bar Date, whichever is applicable ~~(the "**Rejection Bar Date**")~~.

In the event that the Debtors amend the Schedules and Statements, the Debtors shall give notice of any amendment to the Holders of Claims affected thereby, and if the subject amendment reduces the unliquidated, noncontingent, and liquidated amount or changes the nature or classification of a Claim against a Debtor or the Debtor liable on the Claim as reflected therein, such Holders shall be given until the later of (a) the General Bar Date or (b) 30 days from the date such notice is given (or such other time period as may be fixed by the Bankruptcy Court) to file Proofs of Claim with respect to such affected Claim, if necessary, or be barred from filing such Claim ~~(the "**Amended Schedule Bar Date**")~~.

As of the filing of this Disclosure Statement, the Prime Clerk has received over 600 proofs of claim. The Debtors are in the process of reviewing and reconciling their books and records to determine whether Proofs of Claims are invalid, untimely, duplicative, or overstated, but such process has not yet been completed. To date, the Debtors have filed ~~five~~six omnibus claims objections. The first and second omnibus claims objections contains objections to certain claims on non-substantive grounds [Docket Nos. 399, 400], and on December 13, 2016, the Bankruptcy Court entered orders disallowing and expunging approximately 175 claims subject to such objections [Docket Nos. 508–09 and 540]. The third omnibus claims objection contains objections to certain claims on non-substantive grounds [Docket No. 457], and the fourth ~~and~~, fifth, and sixth omnibus claims objections contain objections to certain claims on substantive grounds [Docket Nos. 458–59]. The Debtors intend to file subsequent objections to claims on both substantive and non-substantive grounds, and the outcome of such future objections could impact the amount of Allowed Claims in each Class and the recoveries provided to creditors under the Plan.

2. Causes of Action

In accordance with Bankruptcy Code section 1123(b)(3), the Debtors reserve all rights to commence and pursue any and all Causes of Action that are not released under Section 9.04 of the Plan or an order of the Bankruptcy Court, whether arising before or after the Petition Date, including any actions or categories of actions specifically enumerated in a list of retained causes of action to be included in the Plan Supplement. Such Causes of Action shall vest in the Reorganized Debtors as of the Effective Date.

F. Key Employee Retention Plan

On November 23, 2016, the Debtors filed a motion to implement a key employee retention plan [Docket No. 438] (the "**KERP**"). The KERP seeks to ensure that certain key non-insider employees remain under the Debtors' employ and ~~were~~are compensated in a manner consistent with the increased demands brought on by the restructuring process. The Debtors identified 27 Denver-based senior management employees (the "**Management Participants**") and 17 North Dakota-Based field employees (the "**Field Participants**" and together with the Management Participants, the "**Participants**") who are critical to the Debtors' ongoing business. The KERP specifies a method for determining an appropriate KERP payout amount for each of the Participants, based on performance, seniority, and senior management's assessment of the amount necessary to retain such Participant. Payments under the KERP will not exceed $780,000 in total. Management Participants will receive half of their KERP payouts upon the earlier of (1) the Bankruptcy Court's approval of this Disclosure Statement or (2) January 31, 2017, and will receive the remaining 50% on the Effective Date. Field Participants will receive their entire KERP payout on the Effective Date. The Bankruptcy Court entered an order authorizing the Debtors to implement the KERP on December 13, 2016 [Docket No. 506].

G. The Caliber Litigation

TUSA and Caliber are currently engaged in ongoing litigation regarding whether certain executory contracts between the parties contain covenants running with the land and whether the Debtors may reject these contracts (the "**Caliber Litigation**"). TUSA and Caliber are parties to the prepetition Caliber Midstream Agreements, the terms of which govern the midstream services Caliber provides to the Debtors. On May 27, 2016, Caliber filed a prepetition state court action against TUSA in the District Court, Northwest Judicial District in the County of Mackenzie for the State of North Dakota (the "**North Dakota State Court**"), Case No. 27-2016-CV-00218 (the "**North Dakota Action**"), seeking a declaration that dedications of certain TUSA oil and gas interests in McKenzie County, North Dakota contained in certain of the Caliber Midstream Agreements are valid and enforceable covenants running with the land under North Dakota law.

The Debtors determined that certain of the Caliber Midstream Agreements are costly and burdensome to the Debtors' estates and should be rejected. *See* Section IV.B.3 above for more information. On July 5, 2016, the Debtors filed the Caliber Rejection Motion in the Bankruptcy Court for the District of Delaware seeking authority to reject one or more of the Specified Caliber Contracts [Docket No. 67] and commenced Adversary Proceeding No. 16-

51023 (the "**Caliber Adversary Proceeding**") [Adv. Docket Nos. 1, 3], pursuant to which the Debtors ~~seek~~sought a declaration that the Specified Caliber Contracts do not contain covenants or servitudes running with the land. On July 6, 2016, the Debtors removed the North Dakota Action to the United States District Court for the District of North Dakota, Western Division (the "**North Dakota Federal Court**"), Case. No. 16-00261. The Debtors concurrently moved to transfer venue of the North Dakota Action to the Bankruptcy Court [North Dakota Federal Court Docket Nos. 2, 3]. The Debtors further moved the North Dakota Federal Court to dismiss the North Dakota Action [North Dakota Federal Court Docket Nos. 5, 6]. Caliber opposed the Debtors' motions to transfer and dismiss and moved for abstention and remand to the North Dakota State Court [North Dakota Federal Court Docket Nos. 15, 16, 17]. Caliber then filed a motion to dismiss, transfer, or stay the Caliber Adversary Proceeding [Adv. Docket Nos. 8, 9] (the "**Adversary Motion to Dismiss**"). The Debtors opposed the Adversary Motion to Dismiss [Adv. Docket Nos. 8, 9] on the grounds that the ~~bankruptcy court~~Bankruptcy Court was the proper venue for determining the outstanding issues in the Caliber Litigation. The Bankruptcy Court granted the Adversary Motion to Dismiss at a November 21, 2016 hearing on the matter [Adv. Docket No. 16].

Caliber and the Debtors stipulated to a three-track discovery plan such that all discovery taken in connection with the Caliber Rejection Motion shall, in the interest of efficiency and fairness, also be applicable in the Caliber Adversary Proceeding and the North Dakota Action [Docket No. 326]. On October 13, 2016, the North Dakota Federal Court issued an order staying the North Dakota Action pending the resolution of the Chapter 11 Cases [North Dakota Federal Docket No. 26]. Caliber moved the Bankruptcy Court for relief from the automatic stay to prosecute the North Dakota Action [Docket No. 353] (the "**Caliber Lift Stay Motion**"). The Bankruptcy Court granted the Caliber Lift Stay Motion at a November 21, 2016 hearing on the matter [Docket No. 435]. After the Caliber Lift Stay Motion and the Adversary Motion to Dismiss were granted, the Debtors and Caliber filed in the North Dakota Federal Court a joint stipulation to remand the North Dakota Action to North Dakota State Court [North Dakota Federal Docket No. 27]. Upon remand, any further Caliber Litigation will occur in the North Dakota State Court.

~~The~~As discussed in Section IV.B.3 above, the economic terms of the Specified Caliber Contracts are substantially above current market rates for the applicable midstream services. A key objective of the Debtors' restructuring is to realign the Debtors' ~~gathering, transportation, and processing~~GTP expenses with current market realities by renegotiating favorable terms and entering new midstream contracts. However, the Caliber Litigation likely will not be completed until after the Effective Date, and there is no guarantee that the Debtors will prevail in the litigation.

On November 14, 2016, the Debtors filed a motion to estimate (the "**Caliber Estimation Motion**") [Docket No. 397] the maximum amount of any claim to which Caliber may be entitled should the Debtors reject their executory contracts (the "**Caliber Rejection Damages Claim**") with Caliber through the ~~Bankruptcy~~bankruptcy process. The Debtors have since withdrawn the Caliber Estimation Motion [Docket No. 519].

H. Mineral Interest Litigation

The Debtors' E&P business is predicated on the Debtors' interest in oil and gas leases and other mineral rights. Mineral rights involve overlapping interests and obligations held by numerous parties, including mineral interest holders, working interest holders, surface owners, and others. Several parties (the "**Mineral Interest Plaintiffs**") assert rights in certain leaseholds held by TUSA in McKenzie County, North Dakota from which TUSA extracts oil. TUSA then sells the oil from these leaseholds to numerous purchasers. Prepetition, the Mineral Interest Plaintiffs alleged overriding royalty and working interests in some TUSA wells in Case No. 27-2016-CV-00171, captioned as *Bill D. Farleigh Revocable Trust, et al., v. Triangle USA Petroleum Corporation, et al.*, in the District Court of the State of North Dakota, McKenzie County (Northwest Judicial District), Cause No. 27-2016-cv-00171 (the "**Mineral Interest Plaintiffs' North Dakota Action**"). On April 26, 2016, the Mineral Interest Plaintiffs sent notice of lien claims filed against certain of TUSA's wells in McKenzie County to Flint Hills Resources, LP ("**Flint Hills**") and Tidal Energy Marketing, (U.S.), L.L.C. ("**Tidal**").

These circumstances have given rise to three adversary proceedings currently pending in the Bankruptcy Court. Although the Debtors intend to vigorously protect their interests in connection with these adversary proceedings, disputes of this general nature are not uncommon in the upstream oil and gas industry, and in the Debtors' judgment, are unlikely to materially impact the Debtors' future business prospects or impair their prospects for a successful reorganization.

1. Flint Hills Resources Adversary Proceeding

On August 19, 2016, Flint Hills commenced adversary proceeding No. 16-51047 (the "**Flint Hills Adversary Proceeding**") [Flint Hills Adv. Docket No. 1] against TUSA and the Mineral Interest Plaintiffs. Flint Hills and TUSA are party to a purchase agreement dated June 14, 2016. Pursuant to this purchase agreement, Flint Hills purchases bulk crude oil in Minnesota from TUSA's wells. Due to the Mineral Interests Plaintiffs' ownership claims affecting some wells from which TUSA extracts the oil sold to Flint Hills, Flint Hills commenced the Flint Hills Adversary Proceeding. The Flint Hills Adversary Proceeding seeks declaratory relief regarding TUSA and Flint Hills' obligations under the purchase agreement and interpleader relief to deposit with the Bankruptcy Court the price of Flint Hills' July 2016 crude oil purchases, totaling $1,733,560.15, which Flint Hills refused to remit to TUSA. TUSA answered Flint Hills' complaint seeking declaratory judgment that Flint Hills lacks any basis for withholding the July payment. TUSA also asserted counterclaims including breach of contract, unjust enrichment, and violation of the automatic stay [Flint Hills Adv. Docket No. 3]. On August 30, 2016, TUSA informed Flint Hills that as a result of Flint Hills' failure to pay outstanding amounts for July and August purchases, TUSA would not make any oil available for Flint Hills to purchase in September. On October 10, 2016, Flint Hills amended and restated its complaint seeking similar declaratory and interpleader relief for an additional $1,661,663.50 worth of crude oil TUSA sold to Flint Hills in August 2016 pursuant to a purchase agreement dated July 13, 2016, for which Flint Hills also withheld payment [Flint

Hills Adv. Docket No. 7]. The amended complaint also requests to setoff Flint Hills' cost of procuring replacement oil in September, $43,125, against the total outstanding amount of $3,395,223.65. Flint Hills also answered TUSA's counterclaims [Flint Hills Adv. Docket No. 6]. The Mineral Interest Plaintiffs have filed a cross-claim against TUSA in the Flint Hills Adversary Proceeding [Flint Hills Adv. Docket No. 11], asserting substantially the same claims as they asserted in the Mineral Interest Plaintiffs' North Dakota Action. The Debtors have filed a motion to dismiss the Mineral Interest Plaintiffs' cross-claims on the grounds that the Bankruptcy Court lacks jurisdiction over the claim, and, in the alternative, have asked the Bankruptcy Court to abstain from hearing the case [Flint Hills Adv. Docket No. 18]. The Mineral Interest Plaintiffs have filed an objection to the motion to dismiss [Flint Hills Adv. Docket No. 31]. The Bankruptcy Court heard argument on the motion to dismiss on January 4, 2017 but deferred its ruling.

2. Tidal Adversary Proceeding

On August 2, 2016, Tidal commenced adversary proceeding No. 16-51037 (the "**Tidal Adversary Proceeding**") [Tidal Adv. Docket No. 1] against TUSA and the Mineral Interest Plaintiffs. Tidal and TUSA are party to a purchase agreement dated March 15, 2016, pursuant to which Tidal purchases crude oil from TUSA. The Mineral Interests Plaintiffs have asserted purported liens on some of the wells from which TUSA extracted oil sold to Tidal under the crude oil purchase agreement in April 2016 (the "**April Production**"). Tidal has withheld payment on account of the April Production from TUSA and commenced the Tidal Adversary Proceeding. The Tidal Adversary Proceeding seeks declaratory and interpleader relief. Tidal also seeks to deposit with the Bankruptcy Court the invoiced amount of the April Production, totaling $220,048.80 (the "**Suspense Funds**"). On September 14, 2016, TUSA answered Tidal's complaint denying that Tidal has a legal basis for withholding the Suspense Funds and denying the validity of the Mineral Interest Plaintiff's claims. TUSA also asserted counterclaims including breach of contract, unjust enrichment, and violation of the automatic stay [Tidal Adv. Docket No. 4]. On October 5, 2016, Tidal filed an answer to these counterclaims [Tidal Adv. Docket No. 10]. TUSA and Tidal are also parties to a suit in the U.S. District Court for the District of North Dakota regarding the Suspense Funds, captioned as *Triangle USA Petroleum Corporation v. Tidal Energy Marketing (U.S.) L.L.C.*, Case No. 16-00267 (the "**Tidal North Dakota Action**"). The Mineral Interest Plaintiffs also filed a cross-claim against TUSA in the Tidal Adversary Proceeding [Tidal Adv. Docket No. 11], asserting substantially the same claims as they asserted in the Mineral Interest Plaintiffs' North Dakota Action. The Debtors have filed a motion to dismiss the Mineral Interest Plaintiffs' cross-claims on the grounds that the Bankruptcy Court lacks jurisdiction over the claim, and, in the alternative, have asked the Bankruptcy Court to abstain from hearing the case [Tidal Adv. Docket No. 21]. The Mineral Interest Plaintiffs have filed an objection to the motion to dismiss [Tidal Adv. Docket No. 31]. The Bankruptcy Court heard argument on the motion to dismiss on January 4, 2017 but deferred its ruling.

On December 5, 2016 TUSA and Tidal entered into a ~~Settlement Agreement~~settlement agreement (the "**Tidal Settlement Agreement**"), whereby Tidal agreed to release the Suspense Funds to TUSA, and in turn TUSA will indemnify Tidal against any future claims (including

reasonable attorneys' fees) asserted against the crude oil sold to Tidal or with respect to the Suspense Funds. Pending court approval of the Tidal Settlement Agreement, the Parties will seek voluntary dismissal of the Tidal Adversary Proceeding and the Tidal North Dakota Action. On December 8, 2016, TUSA filed a motion with the Bankruptcy Court to approve the Tidal Settlement Agreement. [Tidal Adv. Docket No. 32] A hearing on the motion is scheduled for January 13, 2017.

3. Mineral Interest Plaintiffs' Adversary Proceeding

In addition to the Mineral Interest Plaintiffs' North Dakota Action and their cross-claims asserted in the Flint Hills Adversary Proceeding and the Tidal Adversary Proceeding, on November 30, 2016, the Mineral Interest Plaintiffs filed Adversary Proceeding No. 16-51538 (the "**Mineral Interest Plaintiffs' Adversary Proceeding**") [Adv. Docket No. 1], asserting substantially the same claims as they asserted in the Mineral Interest Plaintiffs' North Dakota Action and the same cross-claims as they asserted in the Flint Hills Adversary Proceeding and the Tidal Adversary Proceeding.

I. Slawson Arbitration

On May 26, 2016, Slawson Exploration Company, Inc. ("**Slawson**") filed a ~~Demand~~demand for ~~Arbitration~~arbitration (the "**Demand**") seeking monetary and other relief against TPC and TUSA, arising out of an alleged breach of a contract between TPC and Slawson. The contract at issue involved the exploration and development of certain oil and gas leases in Williams and McKenzie Counties, North Dakota. Following the Petition Date, Slawson amended its Demand to, among other things, remove its claims for relief against TUSA. On October 20, 2016, the Debtors filed a motion to extend the automatic stay to any proceedings arising out of the Demand ~~(the "**Motion to Extend**")~~[Docket No. 352]. The Bankruptcy Court heard arguments on the ~~Motion~~motion to ~~Extend~~extend on November 11, 2016, and on November 15, 2016, entered an order denying the ~~Motion~~motion to ~~Extend~~extend [Docket No. 402]. Slawson has filed proofs of claim in the Chapter 11 Cases arising out of the same underlying dispute.

J. Financing Transactions; Sources and Uses of Cash

As noted, an important objective of these Chapter 11 Cases is to recapitalize the Debtors' balance sheet and ensure that the Debtors emerge from bankruptcy with a robust capital structure, given the challenging market conditions in the Debtors' industry. To that end, the Debtors contemplate raising, in connection with their Plan, substantial new capital from the Exit Facility and the Rights Offering.

In fall 2016, the Debtors solicited proposals for a new reserve-based revolving credit facility from six financial institutions. Four of these institutions entered into non-disclosure agreements and/or engaged in preliminary discussions with the Debtors, and one, JPMorgan, returned a formal proposal. Following extensive further discussions with JPMorgan, the Debtors determined that JPMorgan's exit-facility proposal presents an attractive option for the Debtors' exit-financing requirements and therefore, on January 10, 2017, engaged JPMorgan to

serve as lead arranger for the Exit Facility. Pursuant to its engagement, JPMorgan will use its best efforts to syndicate the Exit Facility. Although the results of JPMorgan's syndication efforts cannot be guaranteed, the Debtors anticipate that the syndication process will result in committed exit financing in advance of the Confirmation Hearing. By motion dated January 10, 2017 [Docket No. 567], the Debtors seek approval of their engagement of JPMorgan in this role and the payment of certain fees and other obligations contemplated by JPMorgan's engagement letter.

The contemplated Exit Facility consists of a senior secured, reserved-based credit facility with an initial borrowing base of $250 million, with terms customary for credit facilities of that nature. Certain of the contemplated terms of the Exit Facility are summarized in the term sheet attached as **Exhibit F**.

In addition, concurrently with the solicitation of acceptances of the Plan, the Debtors intend to solicit from Eligible Holders of Allowed and Provisionally Allowed TUSA General Unsecured Claims subscriptions to a Rights Offering for up to approximately $180 million in convertible preferred stock of New TUSA HoldCo (the "**Convertible Preferred Stock**"). Members of the Ad Hoc Noteholder Group have agreed to backstop up to $150 million of the Rights Offering. By motion dated December 23, 2016 [Docket No. 532] (the "**Rights Offering Motion**"), the Debtors have sought approval of the procedures for the Rights Offering and their entry into a Backstop Commitment Agreement with the backstopping noteholders. The material terms of the Rights Offering, the Convertible Preferred Stock, and the backstop commitment are set forth in the term sheet appended to that motion and are more formally documented in a Backstop Commitment Agreement dated January 11, 2017.

Further details concerning the Rights Offering are described in Section IX.D of this Disclosure Statement.

The capital raised under the Exit Facility and the Rights Offering will be used to, among other things, fund cash distributions under the Plan (including the full cash payment of the existing RBL Credit Facility) and for general corporate purposes of the Reorganized Debtors. A more detailed description of the sources and uses of cash under the Plan is set forth on **Exhibit E** hereto.

VII. SUMMARY OF THE PLAN OF REORGANIZATION

This section of the Disclosure Statement summarizes the Plan, a copy of which is attached hereto as **Exhibit A**. This summary is qualified in its entirety by reference to the Plan.

A. Administrative Claims and Priority Tax Claims

1. Administrative Claims

Except to the extent that the Debtors or the Reorganized Debtors, as applicable, and a Holder of an Allowed Administrative Claim agree to a less favorable treatment, a Holder of an

Allowed Administrative Claim (other than a Professional Claim, which shall be subject to Section 2.02 of the Plan) shall receive, in full satisfaction, settlement, release, and discharge of, and in exchange for, such Administrative Claim, Cash equal to the unpaid portion of such Allowed Administrative Claim either (a) on the later of (i) the Initial Distribution Date or (ii) the first Periodic Distribution Date occurring after the later of (1) 30 days after the date when the Administrative Claim becomes an Allowed Administrative Claim; or (2) 30 days after the date when the Administrative Claim becomes payable pursuant to any agreement between the Debtors (or the Reorganized Debtors) and the Holder of the Administrative Claim; or (b) if the Allowed Administrative Claim is based on liabilities incurred by the Debtors in the ordinary course of their business after the Petition Date, in the ordinary course of business in accordance with the terms and conditions of the particular transaction giving rise to such Allowed Administrative Claims, without any further action by the Holders of such Allowed Administrative Claims; *provided*, *however*, that other than the Holder of ~~any~~ (x) a Professional Claim, (y) an Administrative Claim Allowed by an order of the Bankruptcy Court on or before the Effective Date, or (z) an Administrative Claim that is not Disputed and arose in the ordinary course of business and was paid or is to be paid in accordance with the terms and conditions of the particular transaction giving rise to such Administrative Claim, the Holder of any Administrative Claim shall have filed a proof of Claim form no later than the Administrative ~~Claims~~Claim Bar Date and such Claim shall have become an Allowed Claim. Except as otherwise provided herein and as set forth in Section 2.02 of the Plan, all requests for payment of an Administrative Claim must be filed, in substantially the form of the Administrative Claim Request Form contained in the Plan Supplement, with the Claims and Solicitation Agent and served on counsel for the Debtors or the Reorganized Debtors, as applicable, no later than the Administrative ~~Claims~~Claim Bar Date. Any request for payment of an Administrative Claim pursuant to Section 2.01 of the Plan that is not timely filed and served shall be Disallowed automatically without the need for any objection from the Reorganized Debtors. The Reorganized Debtors may settle an Administrative Claim without further Bankruptcy Court approval. In the event that the Reorganized Debtors object to an Administrative Claim and there is no settlement, the Bankruptcy Court shall determine the Allowed amount of such Administrative Claim. For the avoidance of doubt, the Adequate Protection Obligations shall be deemed Allowed Administrative Claims to the extent set forth in the Cash Collateral Order, without the necessity of filing a proof of Claim with respect thereto.

2. Professional Claims

(a) *Final Fee Applications*. All final requests for payment of Professional Claims must be filed no later than 45 days after the Effective Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code, the Bankruptcy Rules, and prior orders of the Bankruptcy Court, the Allowed amounts of such Professional Claims shall be determined by the Bankruptcy Court.

(b) *Payment of Interim Amounts*. Subject to the Holdback Amount, on the Effective Date, the Reorganized Debtors shall pay all amounts owing to Professionals for all outstanding amounts billed relating to prior periods through the Effective Date as to which

no objection has been filed. No later than two days prior to the Effective Date, the Professionals shall estimate fees and expenses due for periods that have not or will not have been billed as of the Effective Date and shall deliver such estimate to the Notice Parties (as defined in the Interim Compensation Order) and such estimate shall be included in the Holdback Amount. As soon as reasonably practicable after the Effective Date, a Professional seeking payment for estimated amounts as of the Effective Date shall submit a detailed invoice covering such period. Upon receipt of such invoice, the Debtors shall pay from the Holdback Amount 80% of the invoiced fees and 100% of the invoiced expenses.

(c) *Holdback Escrow Account*. On the Effective Date, the Reorganized Debtors shall fund the Holdback Escrow Account with Cash equal to the aggregate Holdback Amount for all Professionals. The Reorganized Debtors shall hold the Holdback Escrow Account in trust for all Professionals with respect to whom fees have been held back pursuant to the Interim Compensation Order. Such funds shall not be considered property of the Debtors, the Reorganized Debtors, or the Estates. Following any payments from the Holdback Escrow Account as set forth in Section 2.02(b) of the Plan, the remaining amount of Professional Claims owing to the Professionals shall be paid to such Professionals by the Reorganized Debtors from the Holdback Escrow Account when such Claims are finally Allowed by the Bankruptcy Court. When all Professional Claims have been paid in full, amounts remaining in the Holdback Escrow Account, if any, shall revert to the Reorganized Debtors.

(d) *Post-Effective Date Retention*. Upon the Effective Date, any requirement that Professionals comply with sections 327 through 331 of the Bankruptcy Code in seeking retention or compensation for services rendered after the Effective Date shall terminate, and the Reorganized Debtors shall be permitted to employ and pay Professionals in their discretion (including the fees and expenses incurred by Professionals in preparing, reviewing, prosecuting, defending, or addressing any issues with respect to final fee applications).

3. Priority Tax Claims

On the later of (a) the Initial Distribution Date or (b) the first Periodic Distribution Date occurring after the later of (i) 30 days after the date when a Priority Tax Claim becomes an Allowed Priority Tax Claim or (ii) 30 days after the date when a Priority Tax Claim becomes payable pursuant to any agreement between the Debtors (or the Reorganized Debtors) and the Holder of such Priority Tax Claim, except to the extent that the Debtors (or Reorganized Debtors) and a Holder of an Allowed Priority Tax Claim agree to a less favorable treatment, each Holder of an Allowed Priority Tax Claim due and payable on or before the Effective Date shall receive one of the following treatments on account of such Claim: (1) Cash in an amount equal to the amount of such Allowed Priority Tax Claim, (2) Cash in an amount agreed to by the Debtors (or the Reorganized Debtors) and such Holder, *provided*, *however*, that the parties may further agree for the payment of such Allowed Priority Tax Claim to occur at a later date, or (3) at the sole option of the Debtors, Cash in the aggregate amount of such Allowed Priority Tax Claim payable in installment payments over a period of not more than five years after the Petition Date pursuant to section 1129(a)(9)(C) of the

Bankruptcy Code. To the extent any Allowed Priority Tax Claim is not due and owing on the Effective Date, such Claim shall be paid in full in Cash in accordance with the terms of any agreement between the Debtors and the Holder of such Claim, or as may be due and payable under applicable non-bankruptcy law or in the ordinary course of business.

B. Classification, Treatment, and Voting of Claims and Interests

1. Classification of Claims and Interests

(a) The Plan, though proposed jointly, constitutes a separate plan for each of the Debtors for voting purposes and, except as set forth in Section 5.01 of the Plan, does not constitute a substantive consolidation of the Debtors' Estates. Therefore, all Claims against and Interests in a particular Debtor are placed in the Classes set forth below with respect to such Debtor. Classes that are not applicable as to a particular Debtor or group of Debtors shall be eliminated as set forth more fully in Section 4.03 of the Plan. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims of the kinds specified in sections 507(a)(1) and 507(a)(8) of the Bankruptcy Code have not been classified and their treatment is set forth in Article II of the Plan.

A Claim or Interest is placed in a particular Class for all purposes, including voting, Confirmation, and distribution under the Plan and under sections 1122 and 1123(a)(1) of the Bankruptcy Code; *provided*, *however*, that a Claim or Interest is placed in a particular Class for the purpose of voting on the Plan and, to the extent applicable, receiving distributions pursuant to the Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and such Allowed Claim or Allowed Interest has not been satisfied, released, or otherwise settled prior to the Effective Date.

(b) Claims and Interests are divided into the numbered Classes set forth below:

Class	Claim or Interest	Status	Voting Rights
1	Other Priority Claims	Unimpaired	Presumed to Accept
2	Other Secured Claims	Unimpaired	Presumed to Accept
3	RBL Claims	Unimpaired	Presumed to Accept
4	Ranger General Unsecured Claims	Impaired	Entitled to Vote
5	TUSA General Unsecured Claims	Impaired	Entitled to Vote
6	Convenience Claims ~~Against~~against the TUSA Debtors	Impaired	Entitled to Vote
7	Intercompany Claims	Unimpaired	Presumed to Accept
8	Intercompany Interests	Unimpaired	Presumed to Accept
9	Subordinated Claims	Impaired	Deemed to Reject
10	Ranger Interests	Impaired	Deemed to Reject
11	TUSA Interests	Impaired	Deemed to Reject

2. Treatment and Voting of Claims and Interests

(a) ***Class 1 – Other Priority Claims***

(i) *Classification*. Class 1 consists of all Other Priority Claims.

(ii) *Treatment*. Except as otherwise provided in and subject to Section 8.05 of the Plan, and except to the extent that a Holder of an Allowed Other Priority Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every Allowed Other Priority Claim, each such Holder of an Allowed Other Priority Claim shall be paid in full in Cash on the later of (1) the Initial Distribution Date or (2) the first Periodic Distribution Date occurring after the later of, (A) 30 days after the date when an Other Priority Claim becomes an Allowed Other Priority Claim or (B) 30 days after the date when an Other Priority Claims becomes payable pursuant to any agreement between the Debtors (or the Reorganized Debtors) and the Holder of such Other Priority Claim; *provided*, *however*, that Other Priority Claims that arise in the ordinary course of the Debtors' business and which are not due and payable on or before the Effective Date shall be paid in the ordinary course of business in accordance with the terms thereof.

(iii) *Voting*. Class 1 is Unimpaired, and Holders of Allowed Other Priority Claims are conclusively presumed to have accepted the Plan.

(b) ***Class 2 – Other Secured Claims***

(i) *Classification*. Class 2 consists of all Other Secured Claims.

(ii) *Treatment*. Except as otherwise provided in and subject to Section 8.05 of the Plan, and except to the extent that a Holder of an Allowed Other Secured Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release and discharge of and in exchange for each and every Allowed Other Secured Claim, each such Holder of an Allowed Other Secured Claim shall, at the election of the Debtors or the Reorganized Debtors, as applicable:

(1) have its Allowed Other Secured Claim Reinstated and rendered Unimpaired on the Effective Date in accordance with section 1124(2) of the Bankruptcy Code, notwithstanding any contractual provision or applicable non-bankruptcy law that entitles the Holder of an Allowed Other Secured Claim to demand or receive payment of such Allowed

Other Secured Claim prior to the stated maturity of such Allowed Other Secured Claim from and after the occurrence of a default; or

(2) be paid in full in Cash in an amount equal to such Allowed Other Secured Claim, including postpetition interest, if any, on such Allowed Other Secured Claim required to be paid pursuant to section 506 of the Bankruptcy Code, on the later of (1) the Initial Distribution Date or (2) the first Periodic Distribution Date occurring after the later of (x) 30 days after the date such Other Secured Claim becomes an Allowed Other Secured Claim or (y) 30 days after the date when such Other Secured Claims becomes payable pursuant to any agreement between the Debtors (or the Reorganized Debtors) and the Holder of such Other Secured Claim; *provided*, *however*, that nothing in Section 3.02 of the Plan or elsewhere in the Plan shall preclude the Debtors or the Reorganized Debtors, as applicable, from challenging the validity of any alleged Lien on any asset of the Debtors or the value of the property that secures any alleged Lien, other than as set forth in the Cash Collateral Order.

The Debtors shall be deemed to have made the election set forth in clause (1) above as to all Other Secured Claims on account of JIBs. Accordingly, all JIB Claims shall be Reinstated under the Plan and shall be reconciled, and, if applicable, paid in the ordinary ~~court~~course of business (including the application of setoff, recoupment, netting, and similar doctrines, to the extent permitted by applicable non-bankruptcy law) by the Reorganized Debtors.

(iii) *Voting*. Class 2 is Unimpaired, and Holders of Allowed Class 2 Claims are conclusively presumed to have accepted the Plan.

(c) ***Class 3 – RBL Claims***

(i) *Classification*. Class 3 consists of all RBL Claims.

(ii) *Treatment*.

(1) The RBL Claims are Allowed Claims for all purposes under the Plan. Except to the extent that a Holder of an Allowed RBL Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every Allowed RBL Claim, on the Effective Date, each Holder of an Allowed RBL Claim shall receive Cash in the amount of such Allowed RBL Claim.

(2) On the Effective Date, in return for the distributions set forth in Section 3.02(c)(ii)(A) of the Plan, all Liens and security interests granted to secure the RBL Credit Facility shall be deemed discharged, cancelled, and released and shall be of no further force and effect; *provided*, *however*, that the Excluded RBL Obligations shall survive the Effective Date and shall not be discharged, cancelled, or released pursuant to

the Plan or the Confirmation Order, notwithstanding any provision hereof or thereof to the contrary, and the payment on such date of the RBL Claims shall in no way affect or impair the obligations, duties, and liabilities of the Debtors or the rights of the Prepetition Secured Parties relating to any Excluded RBL Obligations. To the extent that the Prepetition Secured Parties have filed or recorded publicly any Liens and/or security interests to secure the Debtors' obligations under the RBL Credit Facility, the Prepetition Secured Parties, shall take any commercially reasonable steps requested by the Debtors or the Reorganized Debtors, at the expense of the Reorganized Debtors, that are necessary to cancel and/or extinguish such publicly-filed Liens and/or security interests, except such Liens and/or security interests securing the Excluded RBL Obligations.

(iii) *Voting*. Class 3 is Unimpaired, and Holders of Allowed RBL Claims are not entitled to vote to accept or reject the Plan.

(d) ***Class 4 – Ranger General Unsecured Claims***

(i) *Classification*. Class 4 consists of all Ranger General Unsecured Claims.

(ii) *Treatment*. Except as otherwise provided in and subject to Section 8.05 of the Plan, and except to the extent that a Holder of an Allowed Ranger General Unsecured Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every Allowed Ranger General Unsecured Claim, each Holder of an Allowed Ranger General Unsecured Claim shall receive its Pro Rata Share, based on the aggregate amount of Allowed Ranger General Unsecured Claims, of the Ranger Cash Distribution.

(iii) *Voting*. Class 4 is Impaired, and Holders of Allowed Ranger General Unsecured Claims are entitled to vote to accept or reject the Plan.

(e) ***Class 5 – TUSA General Unsecured Claims***

(i) *Classification*. Class 5 consists of all TUSA General Unsecured Claims.

(ii) *Treatment*. Except as otherwise provided in and subject to Section 8.05 of the Plan, and except to the extent that a Holder of an Allowed TUSA General Unsecured Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every Allowed TUSA General Unsecured Claim, each Holder of an Allowed TUSA General Unsecured Claim shall receive its (A) Pro Rata Share of the New TUSA HoldCo Common Stock, subject to dilution in

accordance with the New TUSA HoldCo Common Stock Allocation, on the later of (1) the Initial Distribution Date or (2) the first Periodic Distribution Date occurring after the later of, (x) 30 days after the date when a TUSA General Unsecured ~~Claims~~Claim becomes an Allowed TUSA General Unsecured Claim, or (y) 30 days after the date when a TUSA General Unsecured Claim becomes payable pursuant to any agreement between the Debtors (or the Reorganized Debtors) and the Holder of such TUSA General Unsecured Claim and (B) solely if such Holder is an Eligible Holder of an Allowed TUSA General Unsecured Claim or a Disputed TUSA General Unsecured Claim that has been Provisionally Allowed, subscription rights for the purchase of Rights Offering Securities on a ratable basis in proportion to the Allowed amount (or amount deemed Provisionally Allowed) of such Eligible Holder's TUSA General Unsecured Claims as of the ~~Distribution~~Rights Offering Record Date.

(iii) *Voting*. Class 5 is Impaired, and Holders of Allowed TUSA General Unsecured Claims are entitled to vote to accept or reject the Plan.

(f) ***Class 6 – Convenience Claims ~~Against~~against the TUSA Debtors***

(i) *Classification*. Class 6 consists of all Convenience Claims against the TUSA Debtors.

(ii) *Treatment*. Except as otherwise provided in and subject to Section 8.05 of the Plan, and except to the extent that a Holder of an Allowed Convenience Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every Allowed Convenience Claim, each Holder of an Allowed Convenience Claim shall receive $0.50 in Cash for each one dollar in the Face Amount of its Allowed Convenience Claim; *provided*, *however*, that if, after accounting for all such Holders' Convenience Claim Elections, distributions of $0.50 to such Holders for each $1.00 of Allowed Convenience Claims would cause total distributions to Holders of Convenience Claims to exceed the Convenience Claim Pool, then recoveries to such Holders shall be reduced proportionately; *provided further*, *however*, that if, after accounting for all such Holders' elections and making any proportionate reductions pursuant to the foregoing clause, distributions to such Holders would be less than $0.33 for each $1.00 of Allowed Convenience Claims, the Convenience Claim Elections of such Holders shall be disregarded from largest Allowed amount to smallest Allowed amount.

(iii) *Voting*. Class 6 is Impaired by the Plan, and Holders of Allowed Convenience Claims are entitled to vote to accept or reject the Plan.

(g) ***Class 7 – Intercompany Claims***

(i) *Classification*. Class 7 consists of all Intercompany Claims.

(ii) *Treatment*. On the Effective Date, all Intercompany Claims held by the Debtors shall, at the election of the Debtors or the Reorganized Debtors, as applicable, be either (A) Reinstated or (B) deemed automatically cancelled, released, and extinguished.

(iii) *Voting*. Class 7 is Unimpaired, and Holders of Allowed Intercompany Claims are conclusively presumed to have accepted the Plan.

(h) ***Class 8 – Intercompany Interests***

(i) *Classification*. Class 8 consists of all Intercompany Interests.

(ii) *Treatment*. On the Effective Date, all Intercompany Interests held by the Debtors shall, at the election of the Debtors or the Reorganized Debtors, as applicable, be either (A) Reinstated or (B) deemed automatically cancelled, released, and extinguished.

(iii) *Voting*. Class 8 is Unimpaired, and Holders of Intercompany Interests are conclusively presumed to have accepted the Plan.

(i) ***Class 9 – Subordinated Claims***

(i) *Classification*. Class 9 consists of all Subordinated Claims.

(ii) *Treatment*. Holders of Allowed Class 9 Claims shall not receive any distributions on account of such Allowed Class 9 Claims, and on the Effective Date all Allowed Class 9 Claims shall be released, waived, and discharged.

(iii) *Voting*. Class 9 is Impaired, and Holders of Allowed Subordinated Claims are deemed to have rejected the Plan.

(j) ***Class 10 – Ranger Interests***

(i) *Classification*. Class 10 consists of all Interests in Ranger.

(ii) *Treatment*. On the Effective Date, Allowed Interests in Ranger shall be deemed automatically cancelled, released, and extinguished without further action by the Debtors or the Reorganized Debtors, and the obligations of the Debtors and the Reorganized Debtors thereunder shall be discharged.

(iii) *Voting*. Class 10 is Impaired, and Holders of Allowed Ranger Interests are deemed to have rejected the Plan.

(k) ***Class 11 – TUSA Interests***

(i) *Classification*. Class 11 consists of all Interests in TUSA.

(ii) *Treatment*. On the Effective Date, Allowed Interests in TUSA, including the ~~Existing~~Old TUSA Common Stock, shall be deemed automatically cancelled, released, and extinguished without further action by the Debtors or the Reorganized Debtors, and the obligations of the Debtors and the Reorganized Debtors thereunder shall be discharged.

(iii) *Voting*. Class 11 is Impaired, and Holders of Allowed TUSA Interests are deemed to have rejected Plan.

C. Acceptance

1. Classes Entitled to Vote

Classes 4–6 are Impaired and are entitled to vote to accept or reject the Plan. By operation of law, Classes 1–3, 7, and 8 are Unimpaired and are conclusively presumed to have accepted the Plan and, therefore, are not entitled to vote. By operation of law, Classes 9–11 are deemed to have rejected the Plan and are not entitled to vote.

2. Acceptance by Impaired Classes

An Impaired Class of Claims shall have accepted the Plan if, not counting the vote of any Holder designated under section 1126(e) of the Bankruptcy Code, (a) the Holders of at least two-thirds in amount of the Allowed Claims actually voting in the Class have voted to accept the Plan and (b) the Holders of more than one-half in number of the Allowed Claims actually voting in the Class have voted to accept the Plan.

3. Elimination of Classes

To the extent applicable, any Class that does not contain any Allowed Claims or any Claims temporarily allowed for voting purposes under Bankruptcy Rule 3018 as of the date of commencement of the Confirmation Hearing for all Debtors or with respect to any particular Debtor shall be deemed to have been deleted from the Plan for all Debtors or for such particular Debtor, as applicable, for purposes of (a) voting to accept or reject the Plan and (b)

determining whether it has accepted or rejected the Plan under section 1129(a)(8) of the Bankruptcy Code. In particular, Classes 3, 5, 6, and 11 shall exist only with respect to the TUSA Debtors, and Classes 4 and 10 shall exist only with respect to the Ranger Debtors.

4. Deemed Acceptance if No Votes ~~Case~~Cast

If no Holders of Claims eligible to vote in a particular Class vote to accept or reject the Plan, the Plan shall be deemed accepted by the Holders of such Claims in such Class.

5. Cramdown

To the extent necessary, the Debtors shall request Confirmation of the Plan under section 1129(b) of the Bankruptcy Code. The Debtors reserve the right to modify, amend, or withdraw the Plan, with respect to all Debtors or any individual Debtor or group of Debtors, to the extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification.

D. Means of Implementation of the Plan

1. Substantive Consolidation

The Plan contemplates and is predicated upon the deemed substantive consolidation of (a) the Estate and Chapter 11 Case of each TUSA Debtor with the Estate and Chapter 11 Case of each other TUSA Debtor and (b) the Estate and Chapter 11 Case of each Ranger Debtor with the Estate and Chapter 11 Case of each other Ranger Debtor, in each case for distribution purposes only. On the Effective Date, each Claim filed or to be filed against any TUSA Debtor or any Ranger Debtor, as applicable, shall be deemed filed only against TUSA or Ranger, respectively, and shall be deemed a single Claim against and a single obligation of TUSA or Ranger, respectively, for distribution purposes only and the claims register shall be updated accordingly. This limited substantive consolidation effected pursuant to Section 5.01 of the Plan shall not otherwise affect the rights of any Holder of any Claim, or affect the obligations of any Debtor with respect to such Claim. For the avoidance of doubt, the Estates and Chapter 11 Cases of the TUSA Debtors shall not be deemed to be substantively consolidated with the Estates and Chapter 11 Cases of the Ranger Debtors.

2. General Settlement of Claims and Interests

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, on the Effective Date, the provisions of the Plan shall constitute a good-faith compromise and settlement of all Claims and Interests and controversies resolved pursuant to the Plan.

3. Plan Funding

Distributions under the Plan and the Reorganized Debtors' post-Effective Date operations will be funded from the following sources:

(a) *Exit Facility*. On the Effective Date, Reorganized TUSA as borrower, and, if applicable, the other Reorganized Debtors, as guarantors or additional credit parties, shall enter into the Exit Facility, the final form and substance of which shall be acceptable to the Reorganized Debtors, the Required Participating Noteholders, and the Backstop Parties. Confirmation shall be deemed approval of the Exit Facility (including the transactions contemplated thereby, such as any supplementation or additional syndication of the Exit Facility, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including the payment of all fees, indemnities, and expenses provided for therein) and authorization for the Reorganized Debtors to enter into and execute the Exit Facility and such other documents as the Exit Facility Lenders may reasonably require to effectuate the treatment afforded to such lenders pursuant to the Exit Facility, subject to such modifications as the Reorganized Debtors may deem to be reasonably necessary to consummate such Exit Facility.

(b) *Rights Offering*. On the Effective Date, the Reorganized Debtors shall consummate the Rights Offering, in accordance with Section ~~5.09~~5.10 of the Plan and the terms of the Rights Offering Procedures. On or before the Effective Date, the Backstop Parties shall fulfill their funding obligations under the Backstop Commitment Agreement, including backstopping the Rights Offering up to the Backstop Amount.

(c) *Convenience Claim Excess Balance.* After all Disputed Convenience Claims have been finally Allowed or Disallowed, the Convenience Claim Excess Balance, if any, shall revert to the Reorganized Debtors and may be used, in the discretion of the Reorganized Debtors, to fund other distributions contemplated by the Plan and for general corporate purposes.

(d) *Other Plan Funding*. Other than as set forth in Sections 5.03(a), (b), and (c), of the Plan, all Cash necessary for the Reorganized Debtors to make payments required by the Plan shall be obtained from the Debtors' Cash balances on hand at the time such payment is required, after giving effect to the transactions contemplated in the Plan.

4. ~~Authorization and Issuance of~~ New TUSA ~~HoldCo~~Holdco Common Stock

(a) On or about the Effective Date, New TUSA HoldCo (or other applicable Reorganized Debtor, as set forth in the Restructuring Transactions Memorandum) shall authorize and issue the New TUSA HoldCo Common Stock in accordance with the New TUSA HoldCo Common Stock Allocation. Distribution of New TUSA HoldCo Common Stock under the Plan shall constitute the issuance of 100% of the New TUSA HoldCo Common Stock, and such stock shall be deemed issued on the Effective Date (or such earlier date as may be specified in the Restructuring Transactions Memorandum). The issuance of New TUSA HoldCo Common Stock by New TUSA HoldCo, options for the purchase thereof, or other equity awards, if any, providing for the issuance of New TUSA HoldCo Common Stock, is authorized without the need for any further corporate action or further action by the Debtors or the Reorganized Debtors, as applicable.

(b) The New TUSA HoldCo Common Stock issued under the Plan shall be issued in accordance with the New TUSA HoldCo Common Stock Allocation and subject to economic and legal dilution as set forth in the New TUSA HoldCo Common Stock Allocation and from any other shares, membership units, or functional equivalent thereof, as applicable, of New TUSA HoldCo Common Stock issued after the Effective Date.

(c) All of the shares, membership units, or functional equivalent thereof, as applicable, of New TUSA HoldCo Common Stock issued pursuant to the Plan shall be duly authorized, validly issued, fully paid, and non-assessable. Any Entity that does not execute the New Shareholders Agreement shall be automatically deemed to have accepted the terms of the New Shareholders Agreement (in their capacity as shareholders, membership unit holders, or functional equivalent thereof, as applicable, of New TUSA HoldCo) and to be parties thereto without further action. The New Shareholders Agreement shall be adopted on the Effective Date and shall be deemed to be valid, binding, and enforceable in accordance with its terms, and each Holder of New TUSA HoldCo Common Stock shall be bound thereby.

(d) As of the Effective Date: (i) the New TUSA HoldCo Common Stock and the Rights Offering Securities will not be registered under the Securities Act, listed on a national securities exchange, or quoted in the over-the-counter marketplace; (ii) New TUSA HoldCo and the other Reorganized Debtors will not be reporting companies under the Securities Exchange Act; (iii) New TUSA HoldCo and the other Reorganized Debtors will not be required to, and will not, file reports or other information with the Securities and Exchange Commission or any other person or agency; and (iv) New TUSA HoldCo and the other Reorganized Debtors will not be required to file monthly operating reports with the Bankruptcy Court after the Effective Date. In order to prevent the Reorganized Debtors from becoming subject to the reporting requirements of the Securities Exchange Act, except for New TUSA HoldCo in connection with a registered public offering of New TUSA HoldCo Common Stock, the New Corporate Governance Documents will impose, and the New TUSA HoldCo Common Stock and the Rights Offering Securities will be subject to, certain transfer and other restrictions.

5. Exemption from Securities Act Registration Requirements

The offering, issuance, and distribution of any Securities pursuant to the Plan and the Rights Offering will be exempt from the registration requirements of section 5 of the Securities Act pursuant to section 1145 of the Bankruptcy Code, section 4(a)(2) of the Securities Act, or any other available exemption from registration under the Securities Act, as applicable. Section 4(a)(2) of the Securities Act exempts transactions not involving a public offering, and section 506 of Regulation D of the Securities Act provides a safe harbor under section 4(a)(2) for transactions that meet certain requirements. In addition, under section 1145 of the Bankruptcy Code, if applicable, any Securities issued pursuant to the Plan and any and all settlement agreements incorporated therein will be freely transferable under the Securities Act by the recipients thereof, subject to (a) the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 2(a)(11) of the

Securities Act, and compliance with any applicable state or foreign securities laws, if any, and the Securities Act and the rules and regulations of the United States Securities and Exchange Commission, if any, applicable at the time of any future transfer of such Securities or instruments, (b) the restrictions, if any, on the transferability of such Securities and instruments, including restrictions contained in the Backstop Commitment Agreement or in the governing documents with respect to such Securities or instruments, and (c) any other applicable regulatory approval. In reliance upon these exemptions, the offer, issuance, and distribution of Securities pursuant to the Plan and the Rights Offering will not be registered under the Securities Act or any applicable state "Blue Sky ~~Laws~~" laws, and such Securities and instruments may not be transferred, encumbered, or otherwise disposed of in the absence of such registration or an exemption therefrom under the Securities Act or under such laws and regulations thereunder. All Securities and instruments issued under the Plan and the Rights Offering will bear a legend relating to the transfer restrictions, including those arising under the New Corporate Governance Documents, applicable to such Securities and instruments.

6. Cancellation of Old TUSA Securities and Agreements

On the Effective Date, except as otherwise specifically provided for in the Plan (a) the Old TUSA Securities and any other note, bond, indenture, Certificate, or other instrument or document evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors (including the Senior Notes Indenture), shall be deemed to be automatically cancelled without further action by any person and (b) the obligations of, Claims against, and/or Interests in TUSA under, relating, or pertaining to any agreements, indentures, notes, bonds, certificates of designation, bylaws, or certificate or articles of incorporation or similar documents governing the Old TUSA Securities, and any other note, bond, indenture, Certificate, or other instrument or document evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors (including the Senior Notes Indenture), as the case may be, shall be deemed to be automatically released and discharged and cancelled without further action by any person; *provided*, *however*, that (i) the Class 8 Intercompany Interests shall be treated as set forth in Section 3.02(h) of the Plan and (ii) any agreement (including the Senior Notes Indenture) that governs the rights of a Holder of a Claim and that is administered by a Servicer shall continue in effect solely for the purposes of allowing such Servicer to (A) make the distributions on account of such Claims under the Plan and perform such other necessary functions with respect thereto, if any, as provided for in Section 8.04 of the Plan and (B) maintain and exercise its charging lien or other right to priority payment against distributions under the Plan on account of such Servicer's reasonable fees, expenses, and indemnities owed to such Servicer under the terms of the Senior Notes Indenture.

7. Issuance of New Securities; Execution of Plan Documents

Except as otherwise provided in the Plan, on or as soon as reasonably practicable after the Effective Date, the Reorganized Debtors shall issue all Securities, notes, instruments, Certificates, and other documents required to be issued pursuant to the Plan.

8. Continued Corporate Existence

(a) Except as otherwise provided in the Plan, including Section 5.09, the Debtors, other than the Ranger Debtors, shall continue to exist after the Effective Date as separate legal Entities, the Reorganized Debtors. Each Reorganized Debtor shall have all the powers of corporations or other Entities under applicable law in the jurisdictions in which it was incorporated or formed, as applicable, and pursuant to its certificate of incorporation, bylaws, or other applicable organizational documents in effect prior to the Effective Date, except to the extent such organization documents are amended and restated by the Plan, including pursuant to Section 5.11 of the Plan, all without prejudice to any right of such Reorganized Debtor to terminate its existence (whether by merger or otherwise) under applicable law after the Effective Date. To the extent the organizational documents of any Debtor are amended, such organizational documents are deemed to be amended pursuant to the Plan without any further notice to or action, order, or approval of the Bankruptcy Court or any other court of competent jurisdiction (other than the requisite filings required under applicable state, provincial, or federal law).

(b) Except as otherwise provided in the Plan, the continued existence, operation, and ownership of Affiliates is a material component of the business of the Debtors and the Reorganized Debtors, as applicable, and, as set forth in Section 9.01 of the Plan, all of the Debtors' Interests and other property interests in such Affiliates shall vest in the Reorganized Debtors or their successors on the Effective Date.

9. Restructuring Transactions

(a) On or following the Confirmation Date, the Debtors or Reorganized Debtors, as the case may be, shall take such actions as may be necessary or appropriate to effect the relevant restructuring transactions as set forth in the Plan and the Plan Transaction Documents, including the Restructuring Transactions Memorandum, and may take other actions on or after the Effective Date.

(b) Prior to, on, or after the Effective Date, and pursuant to the Plan, the Reorganized Debtors shall enter into the restructuring transactions described in the Plan and in the Plan Transaction Documents, including the Restructuring Transactions Memorandum. The Debtors or the Reorganized Debtors, as applicable, shall take any actions as may be necessary or appropriate to effect a restructuring of the Debtors' business or the overall organization structure of the Reorganized Debtors. The restructuring transactions may include one or more restructurings, conversions, or transfers as may be determined by the Debtors or the Reorganized Debtors, as applicable, to be necessary or appropriate. The actions taken by the Debtors or the Reorganized Debtors, as applicable, to effect the restructuring transactions may include: (i) the execution, delivery, adoption, and/or amendment of appropriate agreements or other documents of restructuring, conversion, disposition, or transfer containing terms that are consistent with the terms of the Plan and the Plan Transaction Documents and any ancillary documents and that satisfy the applicable requirements of applicable state law and any other terms to which the applicable parties may agree; (ii) the execution, delivery, adoption, and/or amendment of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation

on terms consistent with the terms of the Plan and the Plan Transaction Documents and any ancillary documents and having other terms for which the applicable parties may agree; (iii) the filing of appropriate certificates or articles of incorporation, reincorporation, or conversion (or, in each case, the functional equivalent thereof) pursuant to applicable state law, including but not limited to an amended certificate of incorporation and by-laws (or, in each case, the functional equivalent thereof, as applicable); (iv) the cancellation of shares and warrants; and (v) all other actions that the Debtors or the Reorganized Debtors, as applicable, determine to be necessary, desirable, or appropriate to implement, effectuate, and consummate the Plan or the restructuring transactions contemplated hereby, including making filings or recordings that may be required by applicable state law in connection with the restructuring transactions.

(c) Without limiting the generality of Section 5.09(a) and (b) of the Plan, on or prior to the Effective Date, New TUSA HoldCo will be formed and, pursuant to the transactions contemplated in the Plan and in the Plan Transaction Documents, including the Restructuring Transactions Memorandum, will become the parent company of Reorganized TUSA. New TUSA HoldCo shall have all the powers of ~~corporations~~a corporation or other applicable Entity formed under Delaware law, pursuant to its certificate of incorporation, bylaws, or other applicable organizational documents adopted pursuant to the transactions contemplated in the Plan and the Plan Transaction Documents, all without prejudice to any right of New TUSA HoldCo to terminate its existence (whether by merger or otherwise) under applicable law after the Effective Date. Such organizational documents are deemed to be adopted pursuant to the Plan without any further notice to or action, order, or approval of the Bankruptcy Court or any other court of competent jurisdiction (other than the requisite filings required under applicable state, provincial, or federal law).

(d) Notwithstanding the foregoing, the Ranger Debtors shall be dissolved upon the Effective Date without any further notice to or action, order, or approval of the Bankruptcy Court or any other court of competent jurisdiction (other than the requisite filings required under applicable state, provincial, or federal law, if any). Any Claim arising as a result of such dissolutions shall receive the applicable treatment under the Plan.

10. Rights Offering

(a) The Rights Offering shall consist of a distribution of subscription rights to Eligible Holders of Allowed TUSA General Unsecured Claims (or TUSA General Unsecured Claims Provisionally Allowed) for the purchase of up to approximately $~~185~~180 million in Rights Offering Securities on a ratable basis in proportion to the Allowed amount (or amount deemed Provisionally Allowed) of each such Eligible Holder's TUSA General Unsecured Claims as of the ~~Distribution~~Rights Offering Record Date. The Debtors shall implement and conduct the Rights Offering in accordance with the Backstop Commitment Agreement and the Rights Offering Procedures.

(b) The Rights Offering shall be open solely to Eligible Holders of TUSA General Unsecured Claims who submit an Eligible Holder Certification and whose TUSA General Unsecured Claims are Allowed or Provisionally Allowed as of the ~~Distribution~~Rights Offering Record Date. Each Rights Offering Participant shall pay its

purchase price in Cash in accordance with the Rights Offering Procedures by the funding deadline set forth in the Rights Offering Procedures. Any Rights Offering Participant that fails to timely pay its respective purchase price shall be ineligible to receive Rights Offering Securities and will forfeit and void any exercise of subscription rights in the Rights Offering. An Eligible Holder of a Disputed TUSA General Unsecured Claim that has been Provisionally Allowed as of the ~~Distribution~~Rights Offering Record Date may subscribe to the Rights Offering in the same manner as Holders of Allowed Claims, except that its respective purchase price shall be funded into escrow, and the correlative Rights Offering Securities allocable to such Eligible Holder shall be held in the Disputed Claims Reserve, pending the final reconciliation of the Holder's TUSA Disputed General Unsecured Claim. If such Disputed Claim is Allowed in an amount equal to its Provisionally Allowed ~~Amount~~amount, the Holder's Rights Offering Securities shall be distributed to it pursuant to the terms set forth in Article VII of the Plan, and the purchase price shall be released to the Reorganized Debtors. If, on the other hand, such Disputed Claim Allowed in amount less than its Provisionally Allowed amount or is Disallowed entirely, then the Holder's purchase price shall be refunded to the Holder proportionally, and the correlative Rights Offering Securities shall be cancelled automatically.

(c) The Backstop Parties will backstop the Rights Offering up to the Backstop Amount in accordance with the Backstop Commitment Agreement and shall receive such fees for such backstop agreement as set forth in the Backstop Commitment Agreement.

11. New Corporate Governance Documents

The New Corporate Governance Documents shall be adopted and amended as may be required so as to be consistent with the provisions of the Plan and otherwise comply with section 1123(a)(6) the Bankruptcy Code. After the Effective Date, the Reorganized Debtors may amend and restate the New Corporate Governance Documents and other constituent documents as permitted by applicable state corporation or other comparable alternative law, as applicable, and their charters and bylaws (or in each case, the functional equivalent thereof, as applicable).

12. Directors and Officers of the Reorganized Debtors

On the Effective Date, the New Board shall be appointed. On the Effective Date, the term of the current members of the boards of directors of the Subsidiary Debtors (including TUSA) shall expire, and the New Subsidiary Debtor Boards shall be appointed. On and after the Effective Date, each director or officer of the Reorganized Debtors shall serve pursuant to the terms of the New Corporate Governance Documents and applicable state corporation law or alternative comparable law, as applicable. The members of the New Board and the New Subsidiary Debtor Boards and their compensation shall be set forth in the Plan Supplement.

13. Corporate Action

Each of the matters provided for under the Plan involving the corporate structure of the Debtors or the Reorganized Debtors or corporate action to be taken by or required of the

Debtors or the Reorganized Debtors shall, as of the Effective Date, be deemed to have occurred and be effective as provided in the Plan, and shall be authorized, approved, and to the extent taken prior to the Effective Date, ratified in all respects without any requirement of further action by stockholders, creditors, or directors of the Debtors or the Reorganized Debtors. Such actions may include (a) the formation of New TUSA HoldCo; (b) the adoption and filing of the New Corporate Governance Documents; (c) the appointment of the New Board and the New Subsidiary Debtor Boards; (d) the issuance and distribution of the Rights Offering subscription Rights, the New TUSA HoldCo Common Stock, and the Rights Offering Securities; ~~and~~ (e) entry into the Exit Facility; and (f) such other matters as may be described in the Restructuring Transactions Memorandum.

14. Effectuating Documents; Further Transactions

On and after the Effective Date, the Reorganized Debtors, and the officers thereof and members of the New Board and the New Subsidiary Debtor Boards, shall be authorized to and may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, indentures, and other agreements or documents, and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan, or to otherwise comply with applicable law, in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorizations, or consents except for those expressly required pursuant to the Plan.

15. Employee Matters

(a) *Employment Agreements*. The Debtors shall assume or reject employment, severance (change in control), retirement, indemnification, or other agreements, if any, with their pre-Effective Date managers, officers, and employees in accordance with the provisions of Article VI of the Plan. The Reorganized Debtors may enter into new employment arrangements and/or change in control agreements with the Debtors' officers who continue to be employed after the Effective Date, subject to the consent of the Required Participating Noteholders and the Backstop Parties.

(b) *Other Incentive Plans and Employee Benefits*. Unless otherwise specified in the Plan, and except in connection and not inconsistent with Section 5.15(a) of the Plan, on and after the Effective Date, the Reorganized Debtors shall have the sole discretion to (i) amend, adopt, assume, and/or honor, in the ordinary course of business or as otherwise provided in the Plan, any contracts, agreements, policies, programs, and plans assumed pursuant to Article VI of the Plan for, among other things, compensation, pursuant to the terms thereof or hereof, including any incentive plan, 401(k) plan, health care benefits, disability benefits, deferred compensation benefits, savings, severance benefits, retirement benefits, welfare benefits, workers' compensation benefits, life insurance, and accidental death and dismemberment insurance for the managers, officers, and employees of the Debtors who served in such capacity from and after the Petition Date; *provided, however*, that the Reorganized Debtors shall not alter the terms of the MIP except with the consent of any applicable and affected MIP participant, and (ii) honor, in the ordinary course of business,

Claims of employees employed as of the Effective Date for accrued vacation time arising prior to the Petition Date.

(c) *MIP*. The Plan Supplement shall include a description of the MIP for the Reorganized Debtors. New TUSA HoldCo shall adopt the MIP, on terms consistent with the Plan and the Plan Supplement, on the Effective Date.

16. Preservation of Causes of Action

In accordance with section 1123(b)(3) of the Bankruptcy Code, the Reorganized Debtors shall retain and may (but are not required to) enforce all rights to commence and pursue any and all Causes of Action that are not released pursuant to Section 9.04 of the Plan or an order of the Bankruptcy Court, whether arising before or after the Petition Date, including, without limitation, any actions or categories of actions specifically enumerated in a list of retained Causes of Action contained in the Plan Supplement, and such Causes of Action shall vest in the Reorganized Debtors as of the Effective Date. The Debtors or the Reorganized Debtors, in their sole and absolute discretion, shall determine whether to bring, settle, release, compromise, or enforce such Causes of Action (or decline to do any of the foregoing), and shall not be required to seek further approval of the Bankruptcy Court for such action. The Reorganized Debtors or any successors may pursue such litigation claims in accordance with the best interests of the Reorganized Debtors or any successor holding such rights of action. **No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as any indication that the Debtors or the Reorganized Debtors will not pursue any and all available Causes of Action against it. The Debtors and the Reorganized Debtors expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan.** Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or an order of the Bankruptcy Court, the Reorganized Debtors expressly reserve all Causes of Action for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of Confirmation or consummation of the Plan; *provided*, *however*, that solely with respect to Avoidance Actions, only those Avoidance Actions specifically enumerated in a list of retained Causes of Action contained in the Plan Supplement shall vest in the Reorganized Debtors, and all other Avoidance Actions shall be waived and otherwise released.

17. Reservation of Rights

With respect to any Avoidance Actions that the Debtors abandon in accordance with Section 5.16 of the Plan, the Debtors and the Reorganized Debtors, as applicable, reserve all rights, including the right under section 502(d) of the Bankruptcy Code to use defensively the abandoned avoidance Cause of Action as a basis to object to all or any part of a Claim against any Estates asserted by a creditor which remains in possession of, or otherwise obtains the benefit of, the avoidable transfer.

18. Exemption from Certain Transfer Taxes and Recording Fees

Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant to the Plan shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, or other similar tax or governmental assessment to the fullest extent contemplated by section 1146(a) of the Bankruptcy Code, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall be directed to forgo the collection of any such tax or governmental assessment and to accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

19. Insured Claims

Notwithstanding anything to the contrary contained in the Plan, to the extent the Debtors have insurance with respect to any Allowed General Unsecured Claim, the Holder of such Allowed Claim shall (a) be paid any amount from the proceeds of insurance to the extent that the Claim is insured and (b) receive the treatment provided for in the Plan for Allowed General Unsecured Claims to the extent the applicable insurance policy does not provide coverage with respect to any portion of the Claim.

20. Preservation of Uncompromised Oil and Gas Obligations

Notwithstanding any other provision in the Plan, but subject in all respects to all payments authorized to be made pursuant to the Oil and Gas Obligations Order, on and after the Effective Date all Uncompromised Oil and Gas Obligations shall be fully preserved and remain in full force and effect in accordance with the terms of the granting instruments or other governing documents, if any, applicable to such Uncompromised Oil and Gas Obligations, which granting instruments and governing documents, if any, shall equally remain in full force and effect, and no Uncompromised Oil and Gas Obligations, including payment obligations, whether arising before or after the Petition Date, shall be compromised or discharged by the Plan. For the avoidance of doubt, nothing in Section 5.20 of the Plan shall prejudice the right of the Debtors or the Reorganized Debtors, as applicable, to contest the validity of any asserted Uncompromised Oil and Gas Obligation on grounds available under applicable law or otherwise.

E. Unexpired Leases and Executory Contracts

1. Assumption of Executory Contracts and Unexpired Leases

(a) *Automatic Assumption*. Except as otherwise provided in the Plan, each Executory Contract and Unexpired Lease shall be deemed automatically assumed in accordance with, and subject to, sections 365 and 1123 of the Bankruptcy Code as of the Effective Date, unless any such Executory Contract or Unexpired Lease: (i) is listed on the Schedule of Rejected Executory Contracts and Unexpired Leases contained in the Plan

Supplement; (ii) has been previously rejected by the Debtors by Final Order of the Bankruptcy Court or has been rejected by the Debtors by order of the Bankruptcy Court as of the Effective Date, which order becomes a Final Order after the Effective Date; (iii) is the subject of a motion to assume or reject pending as of the Effective Date; or (iv) is otherwise rejected pursuant to the terms of the Plan.

The Confirmation Order will constitute an order of the Bankruptcy Court approving such assumptions pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date. To the extent any provision in any Executory Contract or Unexpired Lease assumed pursuant to the Plan (including any "change of control" provision) restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the Reorganized Debtors' assumption of such Executory Contract or Unexpired Lease, then such provision shall be deemed modified such that the transactions contemplated by the Plan will not entitle the non-Debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto. Each Executory Contract and Unexpired Lease assumed pursuant to Article VI of the Plan will revest in and be fully enforceable by the Reorganized Debtors in accordance with its terms, except as modified by the provisions of the Plan, any order of the Bankruptcy Court authorizing and providing for its assumption, or applicable law.

(b) *Modifications, Etc*. Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all rights related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated pursuant hereunder.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

(c) *Proofs of Claim Based on Assumed Contracts or Leases*. Any and all proofs of Claim based on Executory Contracts or Unexpired Leases that have been assumed in the Chapter 11 Cases, including hereunder, except proofs of Claim asserting Cure amounts, pursuant to the order approving such assumption, including the Confirmation Order, shall be deemed Disallowed and expunged from the Claims register as of the Effective Date without any further notice to or action, order, or approval of the Bankruptcy Court.

(d) *Cure Proceedings and Payments*. With respect to each of the Executory Contracts or Unexpired Leases assumed under the Plan, the Debtors shall designate a proposed Cure, and the assumption of such Executory Contract or Unexpired Lease shall be conditioned upon the disposition of all issues with respect to Cure. Except as otherwise set forth on the Schedule of Assumed Executory Contracts and Unexpired Leases, the Cure

amount with respect to each of the Executory Contracts or Unexpired Leases assumed hereunder is designated by the Debtors as zero dollars, subject to the determination of a different Cure amount pursuant to the procedures set forth in the Plan (including Section 6.01(e) of the Plan) and in the Cure Notices. Except with respect to Executory Contracts and Unexpired Leases for which the Cure is zero dollars, or for which the Cure amount is in dispute, the Cure shall be satisfied by the Reorganized Debtors or their assignee, if any, by payment of the Cure in Cash within 30 days following the occurrence of the Effective Date or as soon as reasonably practicable thereafter, or on such other terms as may be ordered by the Bankruptcy Court or agreed upon by the parties to the applicable Executory Contract or Unexpired Lease without any further notice to or action, order, or approval of the Bankruptcy Court.

Any provisions or terms of the Executory Contracts or Unexpired Leases to be assumed pursuant to the Plan that are, or may be, alleged to be in default, shall be satisfied solely by Cure, or by an agreed-upon waiver of Cure. If there is a dispute regarding such Cure, the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" within the meaning of section 365 of the Bankruptcy Code, or any other matter pertaining to assumption, then payment of Cure shall occur as soon as reasonably practicable after entry of a Final Order resolving such dispute, approving such assumption (and, if applicable, assignment), or as may be agreed upon by the Debtors or the Reorganized Debtors, as applicable, and the counterparty to the Executory Contract or Unexpired Lease; *provided*, *however*, that the Debtors or the Reorganized Debtors, as applicable, shall have the right either to reject or nullify the assumption of any Executory Contract or Unexpired Lease after entry of a Final Order determining the Cure or any request for adequate assurance of future performance required to assume such Executory Contract or Unexpired Lease.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Cures, Claims, or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption.

(e) *Cure Notice*. No later than seven days before the Confirmation Hearing, the Debtors shall serve upon counterparties to such Executory Contracts and Unexpired Leases a Cure Notice that will (i) notify the counterparty of the proposed assumption of the applicable Executory Contract or Unexpired Lease, (ii) list the applicable Cure, if any, set forth on the Schedule of Assumed Executory Contracts and Unexpired Leases, (iii) describe the procedures for filing objections to the proposed assumption or assumption and assignment of the applicable Executory Contract or Unexpired Lease, (iv) describe the procedures for filing objections to the proposed Cure of the applicable Executory Contract or Unexpired Lease, and (v) explain the process by which related disputes will be resolved by the Bankruptcy Court. If no objection is timely received, (A) the non-Debtor party to the assumed Executory Contract or Unexpired Lease shall be deemed to have consented to the assumption of the applicable Executory Contract or Unexpired Lease and shall be forever

barred from asserting any objection with regard to such assumption, and (B) the proposed Cure shall be controlling, notwithstanding anything to the contrary in any applicable Executory Contract or Unexpired Lease or other document as of the date of the filing of the Plan, and the non-Debtor party to an applicable Executory Contract or Unexpired Lease shall be deemed to have consented to the Cure amount and shall be forever barred from asserting, collecting, or seeking to collect any additional amounts relating thereto against the Debtors or the Reorganized Debtors, or the property of any of them. For the avoidance of doubt, all proposed Cures in excess of $100,000 shall be required to be reasonably acceptable to the Required Participating Noteholders.

(f) *Cure Objections*. If a proper and timely objection to the Cure Notice or proposed Cure was filed by the Cure Objection Deadline, the Cure shall be equal to (i) the amount agreed to between the Debtors or Reorganized Debtors, as applicable, and the applicable counterparty or (ii) to the extent the Debtors or Reorganized Debtors and counterparty do not reach an agreement regarding any Cure or any other matter related to assumption, the Bankruptcy Court shall determine the Allowed amount of such Cure and any related issues. Objections, if any, to the proposed assumption and/or Cure must be in writing, filed with the Bankruptcy Court, and served in hard-copy form on the parties identified in the Cure Notice so that they are actually received by the Cure Objection Deadline.

(g) *Hearing with Respect to Objections*. If an objection to the proposed assumption of an Executory Contract or Unexpired Lease and/or to the proposed Cure thereof is timely filed and received in accordance with the procedures set forth in Section 6.01(f) of the Plan, and the parties do not reach a consensual resolution of such objection, a hearing with respect to such objection shall be held at such time scheduled by the Bankruptcy Court or the Debtors or Reorganized Debtors. Objections to the proposed Cure or assumption of an Executory Contract or Unexpired Lease will not be treated as objections to Confirmation of the Plan.

(h) *Reservation of Rights*. Notwithstanding anything to the contrary in the Plan, prior to the Effective Date, the Debtors may, with the consent of the Required Participating Noteholders (not to be unreasonably withheld), amend their decision with respect to the assumption of any Executory Contract or Unexpired Lease and provide a new notice amending the information provided in the applicable notice. In the case of an Executory Contract or Unexpired Lease designated for assumption that is the subject of a Cure objection that has not been resolved prior to the Effective Date, the Debtors or the Reorganized Debtors, as applicable, may designate such Executory Contract or Unexpired Lease for rejection at any time prior to the payment of the Cure, as set forth in Section 6.01(d) of the Plan.

2. Rejection of Executory Contracts

Upon the occurrence of the Effective Date, each Executory Contract or Unexpired Lease listed on the Schedule of Rejected Executory Contracts and Unexpired Leases in the Plan Supplement shall be deemed automatically rejected pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date. The Confirmation Order will constitute an order of the Bankruptcy Court approving such rejections pursuant to sections 365

and 1123 of the Bankruptcy Code as of the Effective Date. Counterparties to Executory Contracts or Unexpired Leases that are deemed rejected as of the Effective Date shall have the right to assert any Claim on account of the rejection of such Executory Contracts or Unexpired Leases subject to compliance with the requirements of the Plan.

(a) *Preexisting Obligations to Debtors.* Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of pre-existing obligations owed to the Debtors under such contracts or leases. In particular, notwithstanding any non-bankruptcy law to the contrary, the Reorganized Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations on goods previously purchased by the contracting Debtors or the Reorganized Debtors, as applicable, from counterparties to rejected or repudiated Executory Contracts.

(b) *Rejection Damages Claim Procedures.* Unless otherwise provided by a Bankruptcy Court order, any proofs of Claim asserting Claims arising from the rejection of the Executory Contracts and Unexpired Leases pursuant to the Plan or otherwise must be filed with the Claims and Solicitation Agent no later than 30 days after the later of the Effective Date, the effective date of rejection, or the date notice of such rejection is transmitted by the Debtors or the Reorganized Debtors, as applicable, to the counterparty to such Executory Contract or Unexpired Lease. Any proofs of Claim arising from the rejection of the Executory Contracts or Unexpired Leases that are not timely filed shall be Disallowed automatically and forever barred, estopped, and enjoined from assertion and shall not be enforceable against the Debtors or the Reorganized Debtors, without the need for any objection by the Reorganized Debtors or any further notice to or action, order, or approval of the Bankruptcy Court, and any Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, notwithstanding anything in the Schedules or a proof of Claim to the contrary. All Allowed Claims arising from the rejection of the Executory Contracts and Unexpired Leases shall be classified as TUSA General Unsecured Claims or Convenience Claims, as applicable.

(c) Reservation of Rights. Notwithstanding anything to the contrary in the Plan, prior to the Effective Date, the Debtors may amend their decision with respect to the rejection of any Executory Contract or Unexpired Lease.

3. Midstream Contracts

(a) The Caliber Declaratory Judgment Action, and all of the Debtors' or the Reorganized Debtors' rights with respect thereto, shall constitute retained Causes of Action, subject in all respect to Section 5.16 of the Plan. Without limiting the generality of the foregoing, the Debtors, with the consent of the Required Participating Noteholders, or the Reorganized Debtors, as applicable, shall determine whether to continue to prosecute, settle, release, compromise, or enforce the Caliber Declaratory Judgment Action (or decline to do any of the foregoing), and shall not be required to seek further approval of the Bankruptcy Court for such action.

(b) The Specified Caliber Contracts shall be deemed automatically rejected pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date, subject only to the satisfaction of each of the following conditions subsequent: (i) the entry of a Final Order or judgment in the Caliber Declaratory Judgment Action determining that the Specified Caliber Contracts do not constitute or contain a covenant running with the land; and (ii) the entry of a Final Order or judgment determining the Allowed amount of the Caliber Rejection Damages Claim, or estimating the maximum amount thereof, in an amount less than or equal to the Caliber Rejection Damages Cap. No later than 10 days after entry of a Final Order or judgment resulting in satisfaction >of the conditions set forth in clauses (i) and (ii) of <Section 6.03(b) of the Plan, the Debtors shall transmit to Caliber a notice indicating that the Specified Caliber Contracts were conclusively rejected as of the date such conditions were satisfied.

(c) To the extent the Bankruptcy Court or another court of competent jurisdiction issues a Final Order or judgment resulting in the failure of one or both of the conditions set forth in clauses (i) and (ii) of Section 6.03(b) of the Plan, the Specified Caliber Contracts shall automatically be deemed assumed ~~in accordance with, and subject to the terms and conditions of, Section 6.01 of the Plan.~~

. ~~(d)~~ No later than 10 days after entry of a Final Order or judgment resulting in the ~~satisfaction or~~ failure of one or both of the conditions set forth in clauses (i) and (ii) of Section 6.03(b) of the Plan, the Debtors shall transmit to Caliber a notice (A) setting forth the proposed Cure with respect to the Specified Caliber Contracts and (B) indicating that the Specified Caliber Contracts ~~are (i) conclusively deemed rejected~~will be deemed assumed, subject to (1) the resolution of any dispute with respect to Cure and the payment thereof and (2) the resolution of any dispute concerning adequate assurance of future performance, in each case pursuant to the procedures set forth in Section ~~6.03~~6.01(~~b~~d), (f), and (g) of the Plan ~~or (ii) are <deemed assumed pursuant to Section 6.03(c) of the Plan >(subject to payment of any applicable Cure pursuant to Section 6.01 of the Plan), as the case may be. For the avoidance of doubt, the conclusive rejection or assumption of the~~. The Specified Caliber Contracts shall be ~~effective immediately upon the satisfaction or failure of the conditions~~deemed assumed as of the date the matters set forth in clauses (~~i~~1) and (~~ii~~)2) of the preceding sentence are resolved by agreement of the parties or a Final Order of the Bankruptcy Court, and the provisions of Section 6.03~~(b) of the Plan, regardless of when the notice required under Section 6.03~~(d) of the Plan ~~is transmitted to, or received by,~~shall govern the Specified Caliber Contracts until such date.

(~~e~~d) Notwithstanding Section 6.03(b) of the Plan, from and after the Effective Date, through the ~~satisfaction or failure <of the conditions set forth in clauses (i) and (ii) of >~~date the Specified Caliber Contracts are conclusively deemed rejected pursuant to Section 6.03(b) of the Plan or >deemed assumed pursuant to Section 6.03(c) of the Plan<, the Reorganized Debtors shall perform their obligations under the Specified Caliber Contracts in accordance with their terms, and Caliber shall be entitled to exercise all remedies available under applicable non-bankruptcy law with respect to any breach or default by the Reorganized Debtors occurring thereunder during such time period.

4. Postpetition Contracts and Leases

Contracts and leases entered into after the Petition Date by the Debtors, and any Executory Contracts and Unexpired Leases assumed by the Debtors, may be performed by the Reorganized Debtors in the ordinary course of business and in accordance with the terms thereof.

5. General Reservation of Rights

Neither the exclusion nor inclusion of any contract or lease on the Schedule of Rejected Executory Contracts and Unexpired Leases, nor anything contained in the Plan, shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that the Reorganized Debtors, or any of their Affiliates, has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors or the Reorganized Debtors, as applicable, shall have 45 days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

F. Procedures for Resolving Disputed Claims and Interests

1. Determination of Claims and Interests

After the Effective Date, the Reorganized Debtors shall have and retain any and all rights and defenses the Debtors had with respect to any Claim or Interest immediately prior to the Effective Date, including the Causes of Action retained pursuant to Section 5.16 of the Plan, except with respect to any Claim or Interest deemed Allowed under the Plan.

Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases prior to the Effective Date (including the Confirmation Order), no Claim or Interest shall become an Allowed Claim or Interest unless and until such Claim or Interest is deemed Allowed or the Bankruptcy Court has entered a Final Order, including the Confirmation Order, in the Chapter 11 Cases allowing such Claim or Interest. All settled Claims approved prior to the Effective Date pursuant to a Final Order of the Bankruptcy Court, pursuant to Bankruptcy Rule 9019 or otherwise, shall be binding on all parties. For the avoidance of doubt, any Claim determined and liquidated pursuant to (a) an order of the Bankruptcy Court or (b) applicable non-bankruptcy law (which determination has not been stayed, reversed, or amended and as to which determination or any revision, modification, or amendment thereof as to which the time to appeal or seek review or rehearing has expired and no appeal or petition for review or rehearing was filed or, if filed, remains pending) shall be deemed an Allowed Claim in such liquidated amount and satisfied in accordance with the Plan.

Nothing contained in Section 7.01 of the Plan shall constitute or be deemed a waiver of any claim, right, or Cause of Action that the Debtors or the Reorganized Debtors may have against any Entity in connection with or arising out of any Claim, including any rights under section 157(b) of title 28 of the United States Code.

2. Claims Administration Responsibility

Except as otherwise specifically provided for in the Plan, after the Effective Date, the Reorganized Debtors shall retain responsibility for (a) administering, disputing, objecting to, compromising, or otherwise resolving all Claims against, and Interests in, the Debtors, including (i) filing, withdrawing, or litigating to judgment objections to Claims or Interests, (ii) settling or compromising any Disputed Claim or Disputed Interest without any further notice to or action, order, or approval by the Bankruptcy Court, and (iii) administering and adjusting the Claims register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court and (b) making distributions (if any) with respect to all Claims and Interests.

3. Objections to Claims

Unless otherwise extended by the Bankruptcy Court, any objections to Claims (other than Administrative Claims) shall be served and filed on or before the Claims Objection Deadline (or such later date as may be established by the Bankruptcy Court upon request of the Reorganized Debtors without further notice to parties-in-interest). Notwithstanding any authority to the contrary, an objection to a Claim shall be deemed properly served on the Holder of the Claim if the Debtors or the Reorganized Debtors effect service in any of the following manners: (a) in accordance with Federal Rule of Civil Procedure 4, as modified and made applicable by Bankruptcy Rule 7004; (b) to the extent counsel for a Holder of a Claim or Interest is unknown, by first class mail, postage prepaid, on the signatory on the proof of Claim or other representative identified on the proof of Claim or any attachment thereto (or at the last known addresses of such Holder if no proof of Claim is filed or if the Debtors have been notified in writing of a change of address); or (c) by first class mail, postage prepaid, on any counsel that has appeared on behalf of the Holder of the Claim in the Chapter 11 Cases and has not withdrawn such appearance.

4. Disallowance of Claims

Except as otherwise agreed, any and all proofs of Claim filed after the applicable deadline for filing such proofs of Claim shall be deemed Disallowed and expunged as of the Effective Date without any further notice to, or action, order, or approval of the Bankruptcy Court, and Holders of any such Claims shall not receive any distributions on account of such Claims, unless any such late proof of Claim is deemed timely filed by a Final Order of the Bankruptcy Court.

Nothing in the Plan shall in any way alter, impair, or abridge the legal effect of the Bar Date Order, or the rights of the Debtors, the Reorganized Debtors, or other parties-in-interest to object to Claims on the grounds that they are time barred or otherwise subject to disallowance or modification. Nothing in the Plan shall preclude amendments to timely filed proofs of Claim to the extent permitted by applicable law.

All Claims of any Entity from which property is sought by the Debtors under section 542, 543, 550, or 553 of the Bankruptcy Code or that the Debtors or the Reorganized Debtors allege is a transferee of a transfer that is avoidable under section 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code shall be Disallowed if (a) the Entity, on the one hand, and the Debtors or the Reorganized Debtors, on the other hand, agree or the Bankruptcy Court has determined by Final Order that such Entity or transferee is liable to turn over any property or monies under any of the aforementioned sections of the Bankruptcy Code and (b) such Entity or transferee has failed to turn over such property by the date set forth in such agreement or Final Order.

5. Estimation of Claims

Before or after the Effective Date, the Debtors or the Reorganized Debtors, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate a Disputed Claim pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or Interest or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any such Disputed Claim, including during the litigation of any objection to any Disputed Claim or during the pendency of any appeal relating to such objection. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim, that estimated amount shall constitute a maximum limitation on such Claim for all purposes under the Plan (including for purposes of distributions and participation in the Rights Offering), without prejudice to the Holder of such Claim's right to request that estimation should be for the purpose of determining the Allowed amount of such Claim, and the Reorganized Debtors may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim. All of the objection, estimation, settlement, and resolution procedures set forth in the Plan are cumulative and not necessarily exclusive of one another. All estimation procedures set forth in the Plan shall be applied in accordance with section 502(c) of the Bankruptcy Code. Disputed Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Plan or the Bankruptcy Court.

6. No Interest on Disputed Claims

Unless otherwise specifically provided for in the Plan or as otherwise required by section 506(b) of the Bankruptcy Code, postpetition interest shall not accrue or be paid on Claims or Interests, and no Holder of a Claim or Interest shall be entitled to interest accruing on or after the Petition Date on any Claim or Interest. Additionally, and without limiting the foregoing, unless otherwise specifically provided for in the Plan or as otherwise required by section 506(b) of the Bankruptcy Code, interest shall not accrue or be paid on any Disputed Claim in respect of the period from the Effective Date to the date a final distribution is made, when and if such Disputed Claim becomes an Allowed Claim.

7. Amendments to Claims

On or after the Effective Date, except as otherwise provided in the Plan, a Claim may not be filed or amended without the authorization of the Bankruptcy Court or the Reorganized Debtors, and, to the extent such authorization is not received, any such new or amended Claim filed shall be deemed Disallowed in full and expunged without any further notice to or action, order, or approval of the Bankruptcy Court.

G. Provisions Governing Distribution

1. Time of Distributions

Except as otherwise provided for in the Plan or ordered by the Bankruptcy Court, distributions under the Plan shall be made on the later of (a) the Initial Distribution Date or (b) on the first Periodic Distribution Date occurring after the later of, (i) 30 days after the date when a Claim is Allowed or (ii) 30 days after the date when a Claim becomes payable pursuant to any agreement between the Debtors (or the Reorganized Debtors) and the Holder of such Claim; *provided*, *however*, that the Reorganized Debtors may, in their sole discretion, make one-time distributions on a date that is not a Periodic Distribution Date.

2. Currency

Except as otherwise Provided in the Plan or Bankruptcy Court order, as of the Effective Date, any Claim asserted in currency other than U.S. dollars shall be automatically deemed converted to the equivalent U.S. dollar value using the exchange rate as of the Effective Date at 4:00 p.m. prevailing Eastern Time, mid-range spot rate of exchange for the applicable currency as published in the next *The Wall Street Journal, National Edition* following the Effective Date.

3. Distribution Agent

Except as otherwise provided in the Plan, all distributions under the Plan shall be made by the Reorganized Debtors as Distribution Agent, or by such other Entity designated by the Reorganized Debtors as a Distribution Agent on the Effective Date. The Distribution Agent shall not be required to give any bond or surety or other security for the performance of the Reorganized Debtors' duties as Distribution Agent unless otherwise ordered by the Bankruptcy Court. The Distribution Agent shall be empowered to (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (b) make all distributions contemplated hereby; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Distribution Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Distribution Agent to be necessary and proper to implement the provisions hereof. If the Distribution Agent is an Entity other than the Reorganized Debtors, such Entity shall be paid its reasonable fees and expenses, including the reasonable fees and expenses of its attorneys or

other professionals. The Reorganized Debtors shall be the Distribution Agent with respect to all Claims against the Ranger Debtors.

4. Claims Administered by Servicers

In the case of Holders of Claims governed by an agreement and administered by a Servicer, the respective Servicer shall be deemed to be the Holder of such Claims for purposes of distributions to be made hereunder. The Distribution Agent shall make all distributions on account of such Claims to the Servicers or as directed by the Servicers, in the Servicers' sole discretion. Each Servicer shall, at its option, hold or direct such distributions for the beneficial Holders of such Allowed Claims, as applicable; *provided*, *however*, that the Servicer shall retain all rights under its respective agreement in connection with delivery of distributions to the beneficial Holders of such Allowed Claim, including rights on account of its charging lien; *provided further*, *however*, that the Debtors' and the Reorganized Debtors' obligations to make distributions pursuant to the Plan shall be deemed satisfied upon delivery of distributions to each Servicer or the Entity or Entities designated by the Servicers. The Servicers shall not be required to give any bond, surety, or other security for the performance of their duties with respect to such distributions. The Servicers shall be paid in Cash their reasonable fees and expenses, including the reasonable fees and expenses of their attorneys or other professionals by the Reorganized Debtors.

5. Distributions on Claims Allowed After the Effective Date

(a) *No Distributions Pending Allowance.* No payments or distributions shall be made with respect to all or any portion of a Disputed Claim unless and until all objections to such Disputed Claim have been settled or withdrawn or have been determined by a Final Order of the Bankruptcy Court, and the Disputed Claim has become an Allowed Claim.

(b) *Special Rules for Distributions to Holders of Disputed Claims.* Notwithstanding any provision otherwise in the Plan and except as otherwise agreed by the relevant parties no partial payments and no partial distributions shall be made with respect to a Disputed Claim until all such disputes in connection with such Disputed Claim have been resolved by settlement or Final Order. All distributions made pursuant to the Plan on account of a Disputed Claim that is later deemed an Allowed Claim by the Bankruptcy Court shall be made together with any dividends, payments, or other distributions made on account of, as well as any obligations arising from, the distributed property as if such Allowed Claim had been an Allowed Claim on the dates distributions were previously made to Holders of Allowed Claims included in the applicable Class; *provided*, *however*, that no interest shall be paid on account to such Allowed Claims unless required under applicable bankruptcy law.

(c) *Disputed Claims Reserve*. The Reorganized Debtors shall establish and administer the Disputed Claims Reserve. Each Holder of a Disputed TUSA General Unsecured Claim that becomes an Allowed TUSA General Unsecured Claim after the Effective Date shall receive a distribution of New TUSA HoldCo Common Stock from the Disputed Claims Reserve pursuant to the terms set forth in Section 8.05(b) of the Plan and at

the time set forth in Section 8.01 of the Plan, together with such Holder's Rights Offering Securities, to the extent such Holder validly subscribed to purchase such Rights Offering Securities pursuant to the Rights Offering Procedures. On each Periodic Distribution Date, (i) all shares of New TUSA HoldCo Common Stock in the Disputed Claims Reserve on account of a Disputed TUSA General Unsecured ~~Claims~~Claim that has become Disallowed in whole or in part (or has been Allowed in an amount less than its Provisionally Allowed amount) shall be redistributed ratably among (A) Holders of Allowed TUSA General Unsecured Claims and (B) the Disputed Claims Reserve and (ii) the correlative Rights Offering Securities in the Disputed Claims Reserve that were subscribed for by the Holder of such wholly or partially Disallowed Claim shall be automatically cancelled.

6. Delivery of Distributions

(a) *Record Date for Distributions*. On the Distribution Record Date, the Claims register shall be closed and the Distribution Agent shall be authorized and entitled to recognize only those record Holders listed on the Claims register as of the close of business on the Distribution Record Date. The RBL Agent shall have no obligation to recognize any transfer of any RBL Claims occurring after the close of business on the Distribution Record Date and shall instead be entitled to recognize and deal for all purposes under the Plan with only those Holders of record as of the close of business on the Distribution Record Date. Further, the Senior Notes Indenture Trustee shall have no obligation to recognize any transfer of any Senior Notes Claims occurring after the close of business on the Distribution Record Date and shall instead be entitled to recognize and deal for all purposes under the Plan with only those Holders of record as of the close of business on the Distribution Record Date.

(b) *Cash Distributions*. Distributions of Cash may be made either by check drawn on a domestic bank or wire transfer from a domestic bank, at the option of the Reorganized Debtors, except that Cash payments made to foreign creditors may be made in such funds and by such means as are necessary or customary in a particular foreign jurisdiction.

(c) *Address for Distributions.* Distributions to Holders of Allowed Claims shall be made by the Distribution Agent or the appropriate Servicer (i) at the addresses set forth on the proofs of Claim filed by such Holders of Claims (or at the last known addresses of such Holders of Claims if no proof of Claim is filed or if the Debtors or the Distribution Agent have been notified in writing of a change of address), (ii) at the addresses set forth in any written notices of address changes delivered to the Distribution Agent after the date of any related proof of Claim, (iii) at the addresses reflected in the Schedules if no proof of Claim has been filed and the Distribution Agent has not received a written notice of a change of address, or (iv) in the case of a Holder of a Claim whose Claim is governed by an agreement and administered by a Servicer, at the addresses contained in the official records of such Servicer. The Debtors, the Reorganized Debtors, and the Distribution Agent shall not incur any liability whatsoever on account of any distributions under the Plan.

(d) *Undeliverable Distributions*. If any distribution to a Holder of a Claim is returned as undeliverable, no further distributions to such Holder of such Claim shall

be made unless and until the Distribution Agent or the appropriate Servicer is notified of then-current address of such Holder of the Claim, at which time all missed distributions shall be made to such Holder of the Claim without interest, dividends, or accruals of any kind on the next Periodic Distribution Date. Amounts in respect of undeliverable distributions shall be returned to the Reorganized Debtors until such distributions are claimed.

(e) *Reversion*. Any distribution under the Plan that is an Unclaimed Distribution for a period of six months after such distribution shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code and such Unclaimed Distribution shall revert to and vest in the Reorganized Debtors free of any restrictions thereon, and to the extent such Unclaimed Distribution is New TUSA HoldCo Common Stock, shall be deemed cancelled. Upon vesting, the Claim of any Holder or successor to such Holder with respect to such property shall be cancelled, discharged, and forever barred, notwithstanding federal or state escheat, abandoned, or unclaimed property laws to the contrary. The provisions of the Plan regarding undeliverable distributions and Unclaimed Distributions shall apply with equal force to distributions that are issued by the Reorganized Debtors or the Distribution Agent made pursuant to any indenture or Certificate (but only with respect to the initial distribution by the Servicer to Holders that are entitled to be recognized under the relevant indenture or Certificate and not with respect to Entities to whom those recognized Holders distribute), notwithstanding any provision in such indenture or Certificate to the contrary and notwithstanding any otherwise applicable federal or state escheat, abandoned, or unclaimed property law.

(f) *De Minimis Distributions*. Notwithstanding any other provision of the Plan to the contrary, the Reorganized Debtors, the Distribution Agent, and any Servicer shall not be required to make a distribution on account of an Allowed Claim if (i) the aggregate amount of all distributions authorized to be made on the Periodic Distribution Date in question is or has a value less than $100,000; *provided*, *however*, that the Reorganized Debtors shall make, or cause to be made, a distribution on a Periodic Distribution Date of less than $100,000 if the Reorganized Debtors expect that such Periodic Distribution Date shall be the final Periodic Distribution Date; or (ii) the amount to be distributed to the specific Holder of the Allowed Claim on the particular Periodic Distribution Date does not both (x) constitute a final distribution to such Holder and (y) have a value of at least $50.00.

(g) *Fractional Distributions*. Notwithstanding any other provision of the Plan to the contrary, the Reorganized Debtors, the Distribution Agent, and any Servicer shall not be required to make partial distributions or distributions of fractional shares or membership units of New TUSA HoldCo Common Stock or distributions or payments of fractions of dollars. Whenever any payment or distribution of a fractional share or membership unit of New TUSA HoldCo Common Stock under the Plan would otherwise be called for, such fraction shall be deemed zero. Whenever any payment of Cash of a fraction of a dollar pursuant to the Plan would otherwise be required, the actual payment shall reflect a rounding of such fraction to the nearest whole dollar (up or down), with half dollars or more being rounded up.

(h) *Accrual of Dividends and Other Rights*. For purposes of determining the accrual of dividends or other rights after the Effective Date, New TUSA HoldCo Common Stock shall be deemed distributed as of the Effective Date regardless of the date on which it is actually issued, dated, authenticated, or distributed; *provided*, *however*, the Reorganized Debtors shall not pay any such dividends or distribute such other rights, if any, until after distributions of New TUSA HoldCo Common Stock actually take place.

7. Surrender of Securities or Instruments

As soon as practicable after the Effective Date, each Holder of Senior Notes shall surrender its note(s) to the Senior Notes Indenture Trustee, or in the event such note(s) are held in the name of, or by a nominee of, ~~the~~ DTC, the Reorganized Debtors shall seek the cooperation of ~~the~~ DTC to provide appropriate instructions to the Senior Notes Indenture Trustee, and each Holder of Senior Notes shall be deemed to have surrendered each such Holder of Senior Note's note, debenture, or other evidence of indebtedness upon surrender of such global security by DTC or such other securities depository or custodian thereof. No distributions under the Plan shall be made for or on behalf of such Holder unless and until such note(s) is received by the Senior Notes Indenture Trustee or the loss, theft, or destruction of such note(s) is established to the reasonable satisfaction of the Indenture Trustee, which satisfaction may require such Holder to submit (a) a lost instrument affidavit and (b) an indemnity bond holding the Debtors, the Reorganized Debtors, and the Senior Notes Indenture Trustee, harmless in respect of such note and distributions made thereof. Upon compliance with Section 8.07 of the Plan by a Holder of Senior Notes, such Holder shall, for all purposes under the Plan, be deemed to have surrendered such Claim. Any Holder that fails to surrender such Senior Note or satisfactorily explain its non-availability to the Senior Notes Indenture Trustee within one year of the Effective Date shall be deemed to have no further Claim against the Debtors, the Reorganized Debtors (or their property), or the Senior Notes Indenture Trustee in respect of such Claim and shall not participate in any distribution under the Plan. All property in respect of such forfeited distributions, including interest thereon, shall be promptly returned to the Reorganized Debtors by the ~~applicable~~Senior Notes Indenture Trustee, and any such security shall be cancelled. Notwithstanding the foregoing, if the record Holder of a Senior Notes Claim is ~~the~~ DTC or its nominee or such other securities depository or custodian thereof, or if a Senior Notes Claim is held in book-entry or electronic form pursuant to a global security held by ~~the~~ DTC or such other securities depository or custodian thereof, then the beneficial Holder of such an Allowed Senior Notes Claim shall be deemed to have surrendered such Holder's security, note, debenture, or other evidence of indebtedness upon surrender of such global security by ~~the~~ DTC or such other securities depository or custodian thereof.

8. Compliance Matters

In connection with the Plan, to the extent applicable, the Reorganized Debtors and the Distribution Agent shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to

the contrary, the Reorganized Debtors and the Distribution Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Reorganized Debtors reserve the right to allocate all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, and other spousal awards, Liens, and encumbrances.

9. Claims Paid or Payable by Third Parties

The Claims and Solicitation Agent shall reduce in full a Claim to the extent that the Holder of such Claim receives payment in full on account of such Claim from a party that is not the Debtors or the Reorganized Debtors without any further notice to or action, order, or approval of the Bankruptcy Court. To the extent a Holder of a Claim receives a distribution on account of such Claim and receives payment from a party that is not the Debtors or the Reorganized Debtors on account of such Claim, such Holder shall, within two weeks of receipt thereof, repay or return the distribution under the Plan to the Reorganized Debtors, to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan.

10. Setoffs

Except as otherwise expressly provided for in the Plan and except with respect to any RBL Claims or Senior Notes Claim, and any distribution on account thereof, the Reorganized Debtors pursuant to the Bankruptcy Code (including section 553 of the Bankruptcy Code), applicable non-bankruptcy law, or as may be agreed to by the Holder of a Claim, may set off against any Allowed Claim and the distributions to be made pursuant to the Plan on account of such Allowed Claim, any Claims, rights, and Causes of Action of any nature that the Debtors or the Reorganized Debtors, as applicable, may hold against the Holder of such Allowed Claim, to the extent such Claims, rights, or Causes of Action against such Holder have not been otherwise compromised or settled on or prior to the Effective Date (whether pursuant to the Plan or otherwise); *provided*, *however*, that neither the failure to effect such a setoff nor the allowance of any Claim pursuant to the Plan shall constitute a waiver or release by the Reorganized Debtors of any such Claims, rights, and Causes of Action that the Reorganized Debtors may possess against such Holder. In no event shall any Holder of Claims be entitled to set off any Claim against any Claim, right, or Cause of Action of the Debtors or the Reorganized Debtors, as applicable, unless such Holder has filed a motion with the Bankruptcy Court requesting the authority to perform such setoff on or before the Confirmation Date, and notwithstanding any indication in any proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to section 553 or otherwise.

11. Recoupment

In no event shall any Holder of Claims or Interests be entitled to recoup any Claim or Interest against any Claim, right, or Cause of Action of the Debtors or the Reorganized Debtors, as applicable, unless (a) such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtors on or before the Confirmation Date or (b) such Holder's right to recoupment is preserved by applicable bankruptcy law.

12. Allocation of Plan Distributions Between Principal and Interest

To the extent that any Allowed Claim entitled to a distribution under the Plan is composed of indebtedness and accrued but unpaid interest thereon, such distribution shall, to the extent permitted by applicable law, be allocated for federal income tax purposes to the principal amount of the Claim first and then, to the extent the consideration exceeds the principal amount of the Claim, to the portion of such Claim representing accrued but unpaid interest.

H. Effect of Plan on Claims and Interests

1. Vesting of Assets

Except as otherwise explicitly provided in the Plan, on the Effective Date, all property comprising the Estate (including Causes of Action, but excluding property that has been abandoned pursuant to an order of the Bankruptcy Court) shall vest in the Reorganized Debtors which, as Debtors, owned such property or interest in property as of the Effective Date, free and clear of all Claims, Liens, charges, encumbrances, rights, and Interests (except for such Liens as may be retained in favor of the RBL Agent to secure the Excluded RBL Obligations); *provided*, *however*, that any property held by any of the inactive Debtors dissolved pursuant to Section 5.09 of the Plan shall vest in New TUSA HoldCo solely in its capacity as Distribution Agent for the Ranger Debtors. As of and following the Effective Date, the Reorganized Debtors may operate their business and use, acquire, and dispose of property and settle and compromise Claims, Interests, or Causes of Action without supervision of the Bankruptcy Court, free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan or the Confirmation Order.

2. Discharge of the Debtors

Pursuant to section 1141(d) of the Bankruptcy Code, except as otherwise specifically provided in the Plan or the Confirmation Order, and effective as of the Effective Date: (a) the distributions and rights that are provided in the Plan, if any, and the treatment of all Claims and Interests shall be in exchange for and in complete satisfaction, discharge, and release of all Claims and Causes of Action, whether known or unknown, including any interest accrued on such Claims from and after the Petition Date, against, liabilities of, Liens on, obligations of, rights against, and Interests in the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims, rights, and Interests, including, but not limited to, Claims and Interests that arose before the Effective Date and all debts of the kind specified in sections 502(g), 502(h),

or 502(i) of the Bankruptcy Code, in each case whether or not (i) a proof of Claim or Interest based upon such Claim, debt, right, or Interest is filed or deemed filed under section 501 of the Bankruptcy Code, (ii) a Claim or Interest based upon such Claim, debt, right, or Interest is Allowed under section 502 of the Bankruptcy Code, or (iii) the Holder of such a Claim, right, or Interest accepted the Plan; (b) the Plan shall bind all Holders of Claims and Interests notwithstanding whether any such Holders failed to vote to accept or reject the Plan or voted to reject the Plan; (c) all Claims and Interests shall be satisfied, discharged, and released in full, and the Debtors' liability with respect thereto shall be extinguished completely, including any liability of the kind specified under section 502(g) of the Bankruptcy Code; and (d) all Entities shall be precluded from asserting against the Debtors, the Estates, the Reorganized Debtors, their successors and assigns, and their assets and properties any other Claims or Interests based upon any documents, instruments, or any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims against and Interests in the Debtors, subject to the occurrence of the Effective Date.

3. Compromise and Settlement

Pursuant to Bankruptcy Rule 9019(a), the Debtors may compromise and settle various (a) Claims or Interests and (b) Causes of Action that the Debtors have against other Entities up to the Effective Date. After the Effective Date, any such right shall pass to the Reorganized Debtors as contemplated in Section 9.01 of the Plan, without the need for further approval of the Bankruptcy Court. Pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided pursuant to the Plan or any distribution to be made on account of an Allowed Claim, the provisions of the Plan shall constitute a good-faith compromise of all Claims, Interests, and controversies relating to the contractual, legal, and subordination rights that a Holder of a Claim or Interest may have with respect to any Allowed Claim or Allowed Interest. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Interests, and controversies, as well as a finding by the Bankruptcy Court that any such compromise or settlement is in the best interests of the Debtors, their Estates, and Holders of Claims and Interests, and is fair, equitable, and reasonable.

4. Release by Debtors

Pursuant to section 1123(b) of the Bankruptcy Code, as of the Effective Date, the Debtors and their Estates, the Reorganized Debtors, and each of their respective current and former Affiliates shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released, waived, and discharged the Released Parties from any and all Claims, Interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative Claims, asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or in any way relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the

purchase, sale, or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, provided under any applicable law, rule, or regulation, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the Plan, the Disclosure Statement, the Cash Collateral Order, the Backstop Commitment Agreement, the Plan Supplement, the Rights Offering, the Exit Facility, any other Plan Transaction Document, or related agreements, instruments, or other documents, upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date of the Plan, other than Claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes the failure to perform the duty to act in good faith and where such failure to perform constitutes willful misconduct, gross negligence, or actual fraud. Notwithstanding anything to the contrary in the foregoing, the release set forth above does not release any post-Effective Date obligations of any party under the Plan or any document, instrument, or agreement executed to implement the Plan. For the avoidance of doubt, nothing in this paragraph shall in any way affect the operation of Section 9.02 of the Plan, pursuant to section 1141(d) of the Bankruptcy Code.

5. Release by Holders of Claims and Interests

(a) *Release by Holders of Claims and Interests*. As of the Effective Date, and as permitted by applicable law, the Releasing Parties shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released, waived, and discharged the Debtors, the Reorganized Debtors, their Estates, non-Debtor Affiliates, and the Released Parties from any and all Claims, Interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative Claims, asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, at law, in equity, or otherwise, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or in any way relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors provided under any applicable law, rule, or regulation, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the Plan, the Disclosure Statement, the Cash Collateral Order, the Backstop Commitment Agreement, the Plan Supplement, the Rights Offering, the Exit Facility, any other Plan Transaction Document, or related agreements, instruments, or other documents, upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date of the Plan, other than Claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes the failure to perform the duty to act in good faith and where such failure to perform constitutes willful misconduct or, gross negligence, or actual fraud. Notwithstanding anything to the contrary in the foregoing, the release set forth above does not release any post-Effective Date obligations of any party under the Plan or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan.

For the avoidance of doubt, except as expressly provided in the Plan, nothing in Section 9.05 of the Plan shall in any way affect the operation of Section 9.02 of the Plan, pursuant to section 1141(d) of the Bankruptcy Code.

6. Exculpation and Limitation of Liability

The Exculpated Parties shall neither have, nor incur, any liability to any Entity for any Exculpated Claim; *provided*, *however*, that the foregoing "exculpation" shall have no effect on the liability of any Entity ~~rising~~arising out of or relating to any act or omission of a Released Party that constitutes the failure to perform the duty to act in good faith and where such failure to perform constitutes willful misconduct ~~or~~, gross negligence, or actual fraud.

The Exculpated Parties have, and upon Confirmation shall be deemed to have, participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including with regard to the distributions of the New TUSA HoldCo Common Stock and the Rights Offering Securities pursuant to the Plan and, therefore, are not and shall not be liable at any time for the violations of any applicable, law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

7. Indemnification Obligations

From and after the Effective Date, the Reorganized Debtors will indemnify each Indemnitee to the same extent of any Indemnification Obligation in effect immediately prior to the Effective Date. The Reorganized Debtors' indemnification obligation shall remain in full force and effect~~,~~ and shall not be modified, reduced, discharged, impaired, or otherwise affected in any way. The treatment of Indemnification Obligations in Section 9.07 of the Plan shall be in complete satisfaction, discharge, and release of any Claim on account of such Indemnification Obligation of the Debtors, except that any Indemnitee may assert a Claim in the Chapter 11 Cases for any prepetition Indemnification Obligation that is not satisfied because of the limitation contained in the prior sentence.

8. Injunction

The satisfaction, release, and discharge pursuant to Article IX of the Plan shall act as an injunction, from and after the Effective Date, against any Entity (a) commencing or continuing in any manner or in any place, any action, employment of process, or other proceeding; (b) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order; (c) creating, perfecting, or enforcing any Lien or encumbrance; (d) asserting a setoff, right of subrogation, or recoupment of any kind against any debt, liability, or obligation due to the Debtors, except as set forth in ~~Section~~Sections 8.10 or 8.11 of the Plan, in each case with respect to any Claim, Interest, or Cause of Action satisfied, released or to be released, exculpated or to be exculpated, or discharged under the Plan or pursuant to the Confirmation Order and to the fullest extent authorized or provided by the Bankruptcy Code, including to the extent provided for or authorized by sections 524 and 1141 thereof; *provided*,

however, that nothing contained in the Plan shall preclude such Entities from exercising their rights pursuant to and consistent with the terms of the Plan or the Confirmation Order.

9. Injunction Against Worthless Stock Deductions

Unless otherwise ordered by the Bankruptcy Court, on and after the Confirmation Date, any person or group of persons constituting a "fifty percent shareholder" of TUSA within the meaning of section 382(g)(4)(D) of the Internal Revenue Code shall be enjoined from (a) claiming a worthless stock deduction with respect to any Old TUSA Common Stock held by such person(s) (or otherwise treating such Old TUSA Common Stock as worthless for U.S. federal income tax purposes) for any taxable year of such person(s) ending prior to the Effective Date, (b) making an election pursuant to Treasury Regulations section 1.1502-36(d)(6), or (c) taking any other action that would reduce, limit, or otherwise adversely affect the U.S. federal income tax attributes of TUSA.

10. Subordination Rights

(a) Except as otherwise provided in the Plan, the allowance, classification, and treatment of all Allowed Claims and the respective distributions and treatments under the Plan take into account and conform to the relative priority and rights of the Claims in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code, or otherwise. All Claims and all rights and claims between or among Holders of Claims relating in any manner whatsoever to distributions on account of Claims or Interests, based upon any claimed subordination rights, whether asserted or unasserted, legal or equitable, shall be deemed satisfied by the distributions under the Plan to Holders of Claims having such subordination rights, and such subordination rights shall be deemed waived, released, discharged, and terminated as of the Effective Date. Except as otherwise specifically provided for in the Plan, distributions to the various Classes of Claims hereunder shall not be subject to levy, garnishment, attachment, or like legal process by any Holder of a Claim by reason of any subordination rights or otherwise, so that each Holder of a Claim shall have and receive the benefit of the distributions in the manner set forth in the Plan.

(b) Except as otherwise provided in the Plan, the right of the Debtors or the Reorganized Debtors to seek subordination of any Claim or Interest pursuant to section 510 of the Bankruptcy Code is fully reserved, and the treatment afforded any Claim or Interest that becomes a subordinated Claim or Interest at any time shall be modified to reflect such subordination. Unless the Plan or the Confirmation Order otherwise provide, no distributions shall be made on account of a Claim subordinated pursuant to Section 9.10(b) of the Plan unless ordered by the Bankruptcy Court.

11. Protections Against Discriminatory Treatment

Consistent with section 525 of the Bankruptcy Code and clause 2 of Article VI of the United States Constitution, no Governmental Unit shall discriminate against the Reorganized

Debtors or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Reorganized Debtors, or another Entity with whom the Reorganized Debtors have been associated, solely because the Reorganized Debtors have been debtors under chapter 11, have been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or have not paid a debt that is dischargeable in the Chapter 11 Cases.

12. Release of Liens

Except as otherwise provided in the Plan, including Section 3.02(b) of the Plan, or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released, and discharged, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Reorganized Debtors and their successors and assigns.

13. Reimbursement or Contribution

If the Bankruptcy Court disallows a Claim for reimbursement or contribution of an Entity pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is contingent as of the Effective Date, such Claim shall be forever Disallowed notwithstanding section 502(j) of the Bankruptcy Code, unless prior to the Effective Date (a) such Claim has been adjudicated as non-contingent or (b) the relevant Holder of a Claim has filed a contingent proof of Claim on account of such Claim and a Final Order has been entered determining such Claim as no longer contingent.

I. Conditions Precedent

1. Conditions Precedent to the Effective Date of the Plan

The following are conditions precedent to the occurrence of the Effective Date, each of which may be satisfied or waived in accordance with Section 10.02 of the Plan:

(a) except as otherwise set forth in the Plan, the Plan and Plan Transaction Documents shall be in form and substance reasonably acceptable to the Required Participating Noteholders;

(b) the Plan and Confirmation Order shall be in form reasonably acceptable to the RBL Agent; *provided*, *however*, that all provisions of the Plan and the Confirmation Order relating to the RBL Credit Documents (as defined in the Cash Collateral Order), the Prepetition Secured Indebtedness (as defined in the Cash Collateral Order), the Adequate Protection Obligations, and the Cash Collateral Order shall be acceptable to the RBL Agent in its sole discretion:

(c) the Bankruptcy Court shall have entered the Confirmation Order, and such order shall be a Final Order;

(d) the Bankruptcy Court shall have entered the Backstop and Rights Offering Procedures Approval Order, and such order shall be a Final Order, and the Debtors shall have paid all reasonable and documented fees and expenses in accordance with the terms thereof;

(e) the Rights Offering shall have been consummated in all material respects in accordance with the Backstop and Rights Offering Procedures Approval Order and the Backstop Commitment Agreement;

(f) the Backstop Commitment Agreement shall not have been terminated;

(g) TUSA (i) shall have obtained the Exit Facility, (ii) shall have executed and delivered the documentation governing the Exit Facility, which Exit Facility shall close substantially contemporaneously with the Effective Date, and (iii) all conditions to effectiveness of the Exit Facility shall have been satisfied or waived (or will be satisfied and waived substantially concurrently with the occurrence of the Effective Date);

(h) the New Corporate Governance Documents shall have been adopted and (where required by applicable law) filed with the applicable authorities of the relevant jurisdictions of organization and shall have become effective in accordance with such jurisdiction's corporation, limited liability company, or alternative comparable laws, as applicable;

(i) all authorizations, consents, certifications, approvals, rulings, no action letters, opinions or other documents, or actions required by any law, regulation, or order to be received or to occur in order to implement the Plan on the Effective Date shall have been obtained or shall have occurred unless failure to do so will not have a material adverse effect on the Reorganized Debtors;

(j) all statutory fees and obligations then due and payable to the Office of the United States Trustee shall have been paid and satisfied in full; and

(k) the Adequate Protection Obligations, including but not limited to, the adequate protection payments and fees and expenses payable by the Debtors under the Cash Collateral Order shall have been paid in full in Cash.

2. Waiver of Conditions Precedent

(a) The conditions set forth in Section 10.01(a), (d), (e), (f), (h) (i), and (j) of the Plan may be waived, in whole or in part, by the Debtors, with the consent of the Required Participating Noteholders and each Backstop Party.

(b) The conditions set forth in Section 10.01(k) may be waived, in whole or in part, by the Debtors, with the consent of the RBL Agent, in its sole discretion.

(c) The conditions set forth in Section 10.01, (b), (c) and (g) of the Plan may be waived, in whole or in part, by the Debtors, with the consent of the RBL Agent and the Required Participating Noteholders, and each Backstop Party, in each of their sole discretion.

3. Notice of Effective Date

The Reorganized Debtors shall file with the Bankruptcy Court a notice of the occurrence of the Effective Date within a reasonable period of time after the conditions in Section 10.01 of the Plan have been satisfied or waived pursuant to Section 10.02 of the Plan.

4. Effect of Non-Occurrence of Conditions to Consummation

If, prior to consummation of the Plan, the Confirmation Order is vacated pursuant to a Final Order, then except as provided in any order of the Bankruptcy Court vacating the Confirmation Order, the Plan will be null and void in all respects, and nothing contained in the Plan or Disclosure Statement shall (a) constitute a waiver or release of any Claims, Interests, or Causes of Action, (b) prejudice in any manner the rights of the Debtors or any other Entity, or (c) constitute an admission, acknowledgment, offer, or undertaking of any sort by the Debtors or any other Entity.

J. Bankruptcy Court Jurisdiction

1. Retention of Jurisdiction

Pursuant to sections 105(a) and 1142 of the Bankruptcy Code, the Bankruptcy Court shall have exclusive jurisdiction of all matters arising out of, and related to, the Chapter 11 Cases and the Plan, including jurisdiction to:

(a) resolve any matters related to Executory Contracts and Unexpired Leases, including: (i) the assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases to which the Debtors are a party or with respect to which the Debtors may be liable, and to hear and determine the allowance of Claims resulting therefrom including the amount of Cure, if any, required to be paid; (ii) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed; (iii) the Reorganized Debtors' amendment, modification, or supplement after the Effective Date, pursuant to Article VI of the Plan, of the lists of Executory Contracts and Unexpired Leases to be assumed or rejected or otherwise; and (iv) any dispute regarding whether a contract or lease is or was executory or expired;

(b) adjudicate any and all adversary proceedings, applications, and contested matters that may be commenced or maintained pursuant to the Chapter 11 Cases, the Plan, or that were the subject of proceedings before the Bankruptcy Court, prior to the

Effective Date, proceedings to adjudicate the allowance of Disputed Claims and Disputed Interests, and all controversies and issues arising from or relating to any of the foregoing;

(c) ensure that distributions to Holders of Allowed Claims are accomplished as provided in the Plan and adjudicate any and all disputes arising from or relating to distributions under the Plan;

(d) allow in whole or in part, disallow in whole or in part, determine, liquidate, classify, estimate, or establish the priority, secured or unsecured status, or amount of any Claim or Interest, including hearing and determining any and all objections to the allowance or estimation of Claims or Interests filed, both before and after the Confirmation Date, including any objections to the classification of any Claim or Interest, and the resolution of request for payment of any Administrative Claim;

(e) hear and determine or resolve any and all matters related to Causes of Action;

(f) enter and implement such orders as may be appropriate if the Confirmation Order is for any reason stayed, revoked, modified, and/or vacated;

(g) issue and implement orders in aid of execution, implementation, or consummation of the Plan;

(h) consider any modifications of the Plan, to Cure any defect or omission, or to reconcile any inconsistency in any order of the Bankruptcy Court, including the Confirmation Order;

(i) hear and determine all applications for allowance of compensation and reimbursement of Professional Claims under the Plan or under sections 330, 331, 503(b), 1103, and 1129(a)(4) of the Bankruptcy Code;

(j) determine requests for the payment of Claims entitled to priority under section 507(a)(1) of the Bankruptcy Code, including compensation and reimbursement of expenses of parties entitled thereto;

(k) adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;

(l) hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan or the Confirmation Order, including disputes arising under agreements, documents, or instruments executed in connection with the Plan and disputes arising in connection with any Entity's obligations incurred in connection with the Plan;

(m) hear and determine all suits or adversary proceedings to recover assets of the Debtors and property of their Estates, wherever located;

(n) hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;

(o) resolve any matters relating to any pre- and post-Confirmation sales of the Debtors' assets;

(p) grant any consensual request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code;

(q) hear any other matter not inconsistent with the Bankruptcy Code;

(r) hear and determine all disputes involving the existence, nature, or scope of the Debtors' discharge;

(s) enter a Final Decree closing the Chapter 11 Cases;

(t) enforce all orders previously entered by the Bankruptcy Court;

(u) hear and determine all matters relating to any ~~Section~~section 510(b) Claim; and

(v) hear and determine all matters arising in connection with the interpretation, implementation, or enforcement of the Backstop Commitment Agreement and the Rights Offering.

From the Confirmation Date through the Effective Date, the Bankruptcy Court shall retain jurisdiction with respect to each of the foregoing items and all other matters that were subject to its jurisdiction prior to the Confirmation Date. Nothing contained in the Plan shall be construed to increase, decrease, or otherwise modify the independence, sovereignty, or jurisdiction of the Bankruptcy Court.

K. Miscellaneous Provisions

1. Binding Effect

Upon the Effective Date, the Plan shall be binding upon and inure to the benefit of the Debtors, the Reorganized Debtors, all current and former Holders of Claims, all current and former Holders of Interests, and all other parties-in-interest and their respective heirs, successors, and assigns.

2. Payment of Statutory Fees

All fees payable pursuant to section 1930 of title 28 of the United States Code, as of the entry of the Confirmation Order as determined by the Bankruptcy Court at the Confirmation Hearing, shall be paid on the Effective Date. The Reorganized Debtors shall continue to pay fees pursuant to section 1930 of title 28 of the United States Code until the

Chapter 11 Cases are closed by entry of the Final Decree. Furthermore, following entry of the Confirmation Order, the Reorganized Debtors shall continue to file quarterly reports in compliance with Bankruptcy Rule 2015(a)(5); *provided*, *however*, such reports shall not purport to be prepared in accordance with GAAP, may not be construed as reports filed under the Securities Exchange Act, and may not be relied upon by any party for any purpose except as set forth in Bankruptcy Rule 2015(a)(5).

3. Restructuring Expenses

On the Effective Date, the Debtors or the Reorganized Debtors, as applicable, shall pay in full in Cash all outstanding Restructuring Expenses not previously paid pursuant to an order of the Bankruptcy Court in accordance with the terms of the applicable engagement letters entered into or acknowledged by the Debtors or other applicable arrangements, without the need for any application or notice to or approval by the Bankruptcy Court. Restructuring Expenses invoiced after the Effective Date, covering the period prior to or on the Effective Date, shall be paid promptly by the Reorganized Debtors following receipt of invoices therefor and the terms of the applicable documents giving rise to such rights; *provided*, *however*, that the Debtors or the Reorganized Debtors, as applicable, reserve their right to dispute the reasonableness of any such Restructuring Expenses, and any such dispute that is not consensually resolved among the parties shall be resolved by the Bankruptcy Court pursuant to Section 2.01 of the Plan.

4. Modification and Amendment

The Debtors may alter, amend, or modify the Plan under section 1127(a) of the Bankruptcy Code at any time prior to the Confirmation Date, provided that such amendments and modifications are consistent with the Cash Collateral Order and that nothing in the Plan shall be deemed to imply that any other party has consented to such amendment. After the Confirmation Date and prior to substantial consummation of the Plan as defined in section 1101(2) of the Bankruptcy Code, the Debtors may under section 1127(b) of the Bankruptcy Code, institute proceedings in the Bankruptcy Court to remedy any defect or omission or reconcile any inconsistencies in the Plan, the Disclosure Statement, or the Confirmation Order, and such matters as may be necessary to carry out the purposes and effects of the Plan.

5. Confirmation of Plan

The Debtors request Confirmation of the Plan under section 1129(b) of the Bankruptcy Code with respect to any Impaired Class that does not accept the Plan pursuant to section 1126 of the Bankruptcy Code. The Debtors reserve the right to amend the Plan to any extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification.

6. Additional Documents

On or before the Effective Date, the Debtors may file with the Bankruptcy Court such agreements or other documents as may be necessary or appropriate to effectuate and further

evidence the terms and conditions of the Plan. The Debtors or the Reorganized Debtors, as applicable, and Holders of Claims receiving distributions pursuant to the Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provision and intent of the Plan.

7. Revocation, Withdrawal, Non-Consummation

(a) *Right to Revoke or Withdraw*. The Debtors reserve the right to revoke or withdraw the Plan at any time prior to the Effective Date and file subsequent chapter 11 plans, subject to the terms of the Cash Collateral Order.

(b) *Effect of Withdrawal, Revocation, or Non-Consummation*. If the Debtors revoke or withdraw the Plan prior to the Effective Date, or if the Confirmation Date or the Effective Date does not occur, then the Plan, any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain any Claim or Class of Claims or the allocation of the distributions to be made hereunder), the assumption or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan shall be null and void in all respects. In such event, nothing contained in the Plan or in the Disclosure Statement, and no acts taken in preparation for consummation of the Plan, shall be deemed to constitute a waiver or release of any Claims, Interests, or Causes of Action by or against the Debtors or any other Entity, to prejudice in any manner the rights and defenses of the Debtors, the Holder of a Claim or Interest, or any Entity in any further proceedings involving the Debtors, or to constitute an admission, acknowledgement, offer, or undertaking of any sort by the Debtors or any other Entity.

8. Notices

After the Effective Date, any pleading, notice, or other document required by the Plan to be served on or delivered on the parties below shall be served as follows:

If to the Debtors or the Reorganized Debtors:

TRIANGLE USA PETROLEUM CORPORATION
1200 17th Street, Suite 2500
Denver, Colorado 80202
Attn: General Counsel

With a copy (which shall not constitute notice) to:

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
155 North Wacker Drive
Chicago, Illinois 60606
Attn: George N. Panagakis
Ron E. Meisler
Christopher M. Dressel
Renu P. Shah

– and –

One Rodney Square
P.O. Box 636
Wilmington, Delaware 19899
Attn: Sarah E. Pierce

If to the Office of the United States Trustee:

OFFICE OF THE UNITED STATES TRUSTEE
FOR THE DISTRICT OF DELAWARE
Room 2207, Lockbox 35
844 North King Street
Wilmington, Delaware 19801
Attn: Jane Leamy

9. Term of Injunctions or Stays

Unless otherwise provided in the Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and existing on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order) shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

10. Governing Law

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of New York shall govern the construction and implementation of the Plan, any agreements, documents, and instruments executed in connection with the Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreements shall control). Corporate governance matters shall be governed by the laws of the state of incorporation, formation, or functional equivalent thereof, as applicable, of the applicable Reorganized Debtor.

11. Entire Agreement

Except as otherwise indicated, the Plan supersedes all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan.

12. Severability

If, prior to Confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is (a) valid and enforceable pursuant to its terms, (b) integral to the Plan and may not be deleted or modified without the consent of (i) the Debtors, (ii) Required Participating Noteholders (not to be unreasonably withheld), (iii), with respect to any document over which the Backstop Parties have consent rights pursuant to the Backstop and Rights Offering Procedures Approval Order, the Backstop Parties, and (iv) to the extent set forth in the Cash Collateral Order, the Prepetition Secured Parties, and (c) non-severable and mutually dependent.

13. No Waiver or Estoppel

Upon the Effective Date, each Holder of a Claim or Interest shall be deemed to have waived any right to assert that its Claim or Interest should be Allowed in a certain amount, in a certain priority, be secured, or not be subordinated by virtue of an agreement made with the Debtors and/or their counsel or any other party, if such agreement was not disclosed in the Plan, the Disclosure Statement, or papers filed with the Bankruptcy Court.

14. Conflicts

In the event that the provisions of the Disclosure Statement and the provisions of the Plan conflict, the terms of the Plan shall govern.

VIII. RISK FACTORS TO BE CONSIDERED

PRIOR TO VOTING TO ACCEPT OR REJECT THE PLAN, ALL HOLDERS OF CLAIMS THAT ARE IMPAIRED AND ENTITLED TO VOTE SHOULD READ AND CONSIDER CAREFULLY THE FACTORS SET FORTH HEREIN, AS WELL AS ALL OTHER INFORMATION SET FORTH OR OTHERWISE REFERENCED IN THIS DISCLOSURE STATEMENT. ALTHOUGH THESE RISK FACTORS ARE MANY, THESE FACTORS SHOULD NOT BE REGARDED AS CONSTITUTING THE ONLY RISKS PRESENT IN CONNECTION WITH THE DEBTORS' BUSINESS OR THE PLAN AND ITS IMPLEMENTATION.

As noted above, there can be no guarantee that the assumptions, estimates, and projections underlying the Plan will continue to be accurate or valid at any time after the date hereof. This section of this Disclosure Statement explains that there are certain risk factors that each voting Holder of a Claim should consider in determining whether to vote to accept or reject the Plan. Accordingly, each Holder of a Claim who is entitled to vote on the Plan should read and carefully consider the following factors, as well as the other information set forth in this Disclosure Statement (and the documents delivered together herewith and/or incorporated by reference herein), before deciding whether to vote to accept or to reject the Plan.

A. General

The Plan sets forth the means for satisfying the Claims against and Interests in each of the Debtors. Certain Claims are not expected to be paid in full. Nevertheless, the reorganization of the Debtors' business and operations under the proposed Plan avoids the potentially adverse impact of the likely increased delays and costs associated with a chapter 7 liquidation of the Debtors. The Plan has been proposed after a careful consideration of all reasonable restructuring alternatives. Despite the risks inherent in the Plan, as described herein, the Debtors believe that the Plan is in the best interests of ~~Creditors~~creditors when compared to all reasonable alternatives.

B. The Plan May Not Be Accepted by Sufficient Holders of Impaired Claims.

The Plan is subject to a vote of Holders of Impaired Claims in voting Classes and to confirmation by the Bankruptcy Court. Article X hereof summarizes the numerous requirements for confirmation of the Plan, including that the Plan be accepted by at least one Class of Impaired Claims. There can be no assurance that the requisite acceptances to confirm the Plan will be obtained. Thus, while the Debtors believe the Plan is confirmable under the

standards set forth in Bankruptcy Code section 1129, there is no guarantee that the Plan will be accepted by the requisite Classes entitled to vote on the Plan.

C. ~~Industry-Specific Risk Factors~~The Bankruptcy Court May Not Confirm the Plan.

~~<The following are risk factors pertaining to the Debtor's operations and industry: >~~

~~<(a) Oil and natural gas prices are volatile and change for reasons beyond the Debtors' control. Decreases in the price the Debtors receive for their production adversely affect the Debtors' business, financial condition, results of operations, and liquidity. ></~~

~~<(b) Oil and natural gas exploration, exploitation, and development activities may not be successful and could result in a complete loss of a significant investment. ></~~

~~<(c) The oil and natural gas industries are subject to complex laws and regulations, including environmental laws and regulations that can adversely affect the cost, manner, and feasibility of doing business and limit Debtors' future growth.></~~

~~D. Certain Bankruptcy Considerations~~

Even if all voting Impaired Classes vote in favor of the Plan, and even if with respect to any Impaired Class deemed to have rejected the Plan the requirements for "cramdown" (discussed in more detail in Section X.F herein) are met, the Bankruptcy Court, which, as a court of equity, has substantial discretion concerning Plan confirmation, and may choose not to confirm the Plan. Bankruptcy Code section 1129 requires, among other things, a showing that confirmation of the Plan will not be followed by liquidation or the need for further financial reorganization of the Debtors, and that the value of distributions to dissenting Holders of Claims and Interests will not be less than the value such Holders would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code, see *infra* Section X.C. Although the Debtors believe that the Plan will meet such tests, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

Based on a valuation of the Reorganized Debtors described in **Exhibit C** of this Disclosure Statement, the Debtors estimate that distributions under the Plan to holders of Allowed Claims in Class 5 (*i.e.*, TUSA General Unsecured Claims) will result in a recovery less than total Allowed Amount of Claims in such Class. Consist with the Debtors' valuation of the Reorganized Debtors, the Plan provides that the Existing TUSA Common Stock will be cancelled as of the Effective Date and that there will be no recovery for TPC, the Holder of the Existing TUSA Common Stock.

The Debtors understand that TPC is currently investigating the assumptions underlying the valuation analysis described in **Exhibit C**, and, if it concludes that these assumptions are incorrect and the value proposed to be distributed under the Plan to Holders of Claims in

Class 5 exceeds the Allowed Amount of such Claims, it may assert that the Plan violates the "absolute priority rule," "discriminates unfairly" against TPC, and is not be confirmable.

D. Industry-Specific Risk Factors

>The following are risk factors pertaining to the Debtor's operations and industry: <

>(a) Oil and natural gas prices are volatile and change for reasons beyond the Debtors' control. Decreases in the price the Debtors receive for their production adversely affect the Debtors' business, financial condition, results of operations, and liquidity. <

>(b) Oil and natural gas exploration, exploitation, and development activities may not be successful and could result in a complete loss of a significant investment. <

>(c) The oil and natural gas industries are subject to complex laws and regulations, including environmental laws and regulations that can adversely affect the cost, manner, and feasibility of doing business and limit Debtors' future growth.<

E. Bankruptcy-Specific Risk Factors That Could Negatively Impact the Debtors' Business

1. The Debtors are subject to the risks and uncertainties associated with the Chapter 11 Cases.

For the duration of the Chapter 11 Cases, the Debtors' operations and ~~its~~their ability to execute ~~its~~their business strategy will be subject to risks and uncertainties associated with bankruptcy. These risks include:

(a) the Debtors' ability to continue as a going concern;

(b) the Debtors' ability to obtain Bankruptcy Court approval with respect to motions filed in the Chapter 11 Cases;

(c) the Debtors' ability to develop, prosecute, confirm, and consummate the proposed Plan or any other plan of reorganization with respect to the Chapter 11 Cases;

(d) the ability of third parties to seek and obtain court approval to terminate or shorten the exclusivity period for the Debtors to propose and confirm a plan of reorganization, to appoint a chapter 11 trustee, or to convert the Chapter 11 Cases to chapter 7 cases;

(e) the Debtors' ability to retain key vendors or secure alternative supply sources;

(f) the Debtors' ability to obtain and maintain normal payment and other terms with vendors and service providers;

(g) the Debtors' ability to maintain contracts that are critical to its operations;

(h) the Debtors' ability to attract, motivate, and retain management and other key employees; and

(i) the Debtors' ability to fund and execute their business plan.

2. The Debtors' business could suffer from a long and protracted restructuring.

Although the Debtors will seek to make their stay in chapter 11 as brief as possible and to obtain relief from the Bankruptcy Court so as to minimize any potential disruption to their business operations, it is possible that the commencement and pendency of the Chapter 11 Cases could materially adversely affect the relationship among the Debtors, customers, employees, vendors, and service providers.

The Debtors' future results are dependent upon the successful confirmation and implementation of a plan of reorganization. Failure to obtain this approval in a timely manner could adversely affect the Debtors' operating results, as their ability to obtain financing to fund operations may be harmed, and the Debtors may need to pursue the Sales Process pursuant to the Final Cash Collateral Order. Accordingly, if the Plan is not confirmed and implemented within the Plan Milestones, there is a significant risk that the value of the Debtors' enterprise would be substantially eroded to the detriment of all stakeholders.

Furthermore, the Debtors cannot predict the ultimate amount of all settlement terms for the liabilities that will be subject to a plan of reorganization. Even once a plan of reorganization is approved and implemented, the Debtors' operating results may be adversely affected by the possible reluctance of prospective lenders, customers, or vendors to do business with a company that recently emerged from bankruptcy proceedings.

F. Classification and Treatment of Claims and Interests

Bankruptcy Code section 1122 requires that the Plan classify Claims against, and Interests in, the Debtors. The Bankruptcy Code also provides that the Plan may place a Claim or Interest in a particular Class only if such Claim or Interest is substantially similar to the other Claims or Interests of such Class. The Debtors believe that all Claims and Interests have been appropriately classified in the Plan.

To the extent that the Bankruptcy Court finds that a different classification is required for the Plan to be confirmed, the Debtors would seek (a) to modify the Plan to provide for whatever classification might be required for confirmation and (b) to use the acceptances received from any ~~Creditor~~creditor pursuant to this solicitation for the purpose of obtaining the

approval of the Class or Classes of which such ~~Creditor~~creditor ultimately is deemed to be a member. Any such reclassification of ~~Creditors~~creditors, although subject to the notice and hearing requirements of the Bankruptcy Code, could adversely affect the Class in which such ~~Creditor~~creditor was initially a member, or any other Class under the Plan, by changing the composition of such Class and the vote required for approval of the Plan. There can be no assurance that the Bankruptcy Court, after finding that a classification was inappropriate and requiring a reclassification, would approve the Plan based upon such reclassification. Except to the extent that modification of classification in the Plan requires resolicitation, the Debtors will, in accordance with the Bankruptcy Code and the Bankruptcy Rules, seek a determination by the Bankruptcy Court that acceptance of the Plan of any Holder of Claims pursuant to this solicitation will constitute a consent to the Plan's treatment of such Holder regardless of the Class as to which such Holder is ultimately deemed to be a member. The Debtors believe that under the Bankruptcy Rules, they would be required to resolicit votes for or against the Plan only when a modification adversely affects the treatment of the Claim of any ~~Creditor~~creditor or equity holder.

The Bankruptcy Code also requires that the Plan provide the same treatment for each Claim or Interest of a particular Class unless the Holder of a particular Claim or Interest agrees to a less favorable treatment of its Claim or Interest. The Debtors believe that the Plan complies with the requirement of equal treatment. To the extent that the Bankruptcy Court finds that the Plan does not satisfy such requirement, the Bankruptcy Court could deny confirmation of the Plan.

Issues or disputes relating to classification and/or treatment could result in a delay in the confirmation and consummation of the Plan and could increase the risk that the Plan will not be consummated.

G. Conditions Precedent to Consummation of the Plan

Article XI of the Plan provides for certain conditions that must be satisfied (or waived) prior to the Effective Date. As of the date of this Disclosure Statement, there can be no assurance that any or all of the conditions in the Plan will be satisfied (or waived). Accordingly, even if the Plan is confirmed by the Bankruptcy Court, there can be no assurance that the Plan will be consummated and the restructuring completed.

H. Funding Necessary for the Consummation of the Plan

The Debtors require additional capital to fund their future operations. Although the Debtors have made substantially progress toward securing the capital necessary to consummate the Plan, there can be no assurance that the contemplated financing transactions will be successfully and timely completed.

More specifically, the occurrence of the Effective Date is predicated on, among other things, (i) consummation of the backstopped Rights Offering and (ii) entry into a new senior-secure reserve-based Exit Facility. Certain Backstop Parties (each of whom is a member of the Ad Hoc Noteholder Group) have agreed to backstop $150 million of the Rights Offering

~~pursuant to a negotiated term sheet~~on the terms appended to the Rights Offering Motion and definitively documented in the Backstop Commitment Agreement. The Backstop Parties' agreement to backstop the Rights Offering is conditioned, however, on ~~an agreement on definitive documentation and~~ certain other conditions precedent~~. There~~ described in the Backstop Commitment Agreement. Although the Debtors believe that the conditions precedent and other terms of the Backstop Commitment Agreement are reasonable and customary for an agreement of that type, there can be no assurance that the Debtors will ~~be able to negotiate definitive documents and~~ satisfy the applicable conditions necessary to consummate the backstopped Rights Offering. ~~Similarly, while the Debtors are engaged in negotiations with a large financial institution concerning the terms of a new, reserve based credit facility, there is no guarantee that the Debtors will receive exit financing on favorable terms.~~

Similarly, while the Debtors have engaged JPMorgan to arrange and syndicate an Exit Facility, a role in which JPMorgan has substantial experience and expertise, the Debtors' ability to realize the contemplated Exit Facility is subject to certain risks and contingencies. JPMorgan's ability to successfully syndicate the Exit Facility among other financial institutions is not assured. In addition, while the indicative proposed terms of the Exit Facility, as described in **Exhibit F**, are in the Debtors' judgment reasonable and customary for a facility of that nature, the final terms of the Exit Facility are subject to further agreement and definitive documentation. Moreover, the closing of the Exit Facility will be subject to various conditions, and there can be no guarantee that the applicable conditions will be satisfied or waived. If the Debtors are unsuccessful in executing the contemplated exit financing transactions with JPMorgan, they may have to seek alternative sources of capital. There can be no guarantee that comparable financing will be available from other providers on as favorable terms or at all.

If the Debtors do not receive the necessary ~~backstop commitments or~~ exit financing, and/or are unable to consummate the Rights Offering and backstop, the Debtors will not be able to effectuate the transactions necessary for consummation on the Effective Date.

I. Liquidation Under Chapter 7

If no plan can be confirmed, the Chapter 11 Cases may be converted to a case under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be elected or appointed to liquidate the assets of the Debtors for distribution in accordance with the priorities established by the Bankruptcy Code. A discussion of the effects that chapter 7 liquidation would have on the recoveries of holders of Claims and the Debtors' Liquidation Analysis is described herein and attached hereto as **Exhibit B**.

J. Certain Tax Consequences of the Plan

Some of the material consequences of the Plan regarding United States federal income taxes ~~will be~~, including certain relevant tax risks, are summarized in Article XII ~~pursuant to a subsequent amendment or supplement to this Disclosure Statement~~. You are urged to consider such analysis carefully ~~when it becomes available~~.

K. The Debtors May Be Unsuccessful in Addressing Their Above-Market Midstream ~~Arrangement~~Arrangements.

The Debtors have identified the realignment of their midstream cost structure with prevailing market conditions as a key objective of these Chapter 11 Cases. Accordingly, as discussed in detail above, the Debtors have made extensive efforts to renegotiate or, if necessary, reject their burdensome and above-market midstream services agreements with Caliber. There can be no guarantee, however, that the Debtors will reach a consensual, commercial resolution with Caliber or succeed in their litigation with Caliber.

Section 6.03 the Plan provides for the rejection of the Specified Caliber Contracts, subject to: (i) the entry of a final order or judgment in the Caliber Declaratory Judgment Action determining that the Specified Caliber Contracts do not constitute or contain a covenant running with the land; and (ii) the entry of a Final Order or judgment determining the Allowed amount of the Caliber Rejection Damages Claim, or estimating the maximum amount thereof, in an amount less than or equal to the Caliber Rejection Damages Cap (*i.e.* $75 million). There is no guarantee that the Debtors will succeed in the litigation necessary to satisfy both of these conditions. If the Debtors fail to satisfy either or both of these conditions, then the Specified Caliber Contracts will be deemed assumed and (absent a consensual resolution with Caliber) the Debtors will not realize the cost savings associated with rejection of the Specified Caliber Contracts. While the Debtors believe the Plan would be feasible even if the Specified Caliber Contracts were assumed (as the Financial Projections illustrate), assumption of these above-market agreements necessarily will make the Debtors' post-emergence business less valuable and thereby depress recoveries for creditors.

L. The Debtors May Be Unsuccessful in Obtaining Approval of Section 9.09 of the Plan.

To preserve the ability of the Debtors to use any available tax attributes, the Debtors have requested an injunction (the "**Tax Injunction**") in Section 9.09 of the Plan prohibiting any person or group of persons constituting a "fifty percent shareholder" of TUSA within the meaning of section 382(g)(4)(D) of the Internal Revenue Code from, among other things, taking a worthless stock deduction with respect to any Old TUSA Common Stock for any taxable year ending prior to the Effective Date and any other action that would reduce, limit, or otherwise adversely affect the U.S. federal income tax attributes of TUSA. Without entry of the Tax Injunction to be contained in the Confirmation Order, the Debtors believe their ability to use the tax attributes could be eliminated or significantly impaired, which could limit the Debtors' ability to take advantage of future business opportunities such as asset sales without incurring significant additional taxes. To the extent any tax attributes of the Debtor survive after any reduction of attributes due to any cancellation of debt income, such attributes could be used to offset the Debtors' future taxable income.

The Debtors have requested from TPC information relating to the Debtors' tax attributes and to analyses performed by TPC's advisors addressing the extent to which New TUSA HoldCo and Reorganized TUSA will have tax attributes available to them following

the restructuring. However, the Debtors have not received this information. As a result, no assurance can be made that the Debtors will have tax attributes available to them following the restructuring.

TUSA's parent, TPC, indicates that it opposes the relief sought by the Debtors on the grounds that the relief to be requested in the Confirmation Order, if granted, would impermissibly prevent TPC from taking a worthless stock deduction for any taxable year ending prior to the Effective Date due to loss of TPC's investment in TUSA stemming from TUSA's proposed cancellation of Old TUSA Common Stock owned by TPC under the Plan without any return distribution or other consideration to TPC. The Debtors understand that TPC intends to challenge the Tax Injunction being sought under the Confirmation Order but the Debtors believe that the Tax Injunction is appropriate and supported by applicable law.

Based upon this dispute, there can be no guarantee that the Tax Injunction or Confirmation Order will be approved by the Bankruptcy Court.

IX. SOLICITATION AND VOTING PROCEDURES

A. Voting Status of Each Class

Under the Bankruptcy Code, ~~Creditors~~creditors are entitled to vote on the Plan if their contractual rights are Impaired by the Plan and they are receiving a distribution under the Plan. Creditors are not entitled to vote if their contractual rights are Unimpaired by the Plan or if they will receive no distribution of property under the Plan. The following table sets forth which Classes of Claims will or will not be entitled to vote on the Plan:

Class	Claim or Interest	Status	Voting Rights
1	Other Priority Claims	Unimpaired	Presumed to Accept
2	Other Secured Claims	Unimpaired	Presumed to Accept
3	RBL Claims	Unimpaired	Presumed to Accept
4	Ranger General Unsecured Claims	Impaired	Entitled to Vote
5	TUSA General Unsecured Claims	Impaired	Entitled to Vote
6	Convenience Claims ~~Against~~against the TUSA Debtors	Impaired	Entitled to Vote
7	Intercompany Claims	Unimpaired	Presumed to Accept
8	Intercompany Interests	Unimpaired	Presumed to Accept
9	Subordinated Claims	Impaired	Deemed to Reject
10	Ranger Interests	Impaired	Deemed to Reject
11	TUSA Interests	Impaired	Deemed to Reject

B. Classes Entitled to Vote

The following Classes are the only Classes entitled to vote to accept or reject the Plan:

Class	Claim or Interest	Status
4	Ranger General Unsecured Claims	Impaired
5	TUSA General Unsecured Claims	Impaired
6	Convenience Claims ~~Against~~against the TUSA Debtors	Impaired

If your Claim or Interest is not included in any of these Classes, you are not entitled to vote and you will not receive a Solicitation Package.

Under the Bankruptcy Code, acceptance of a plan of reorganization by a Class of Claims is determined by calculating the number and the amount of Claims voting to accept, based on the actual total Allowed Claims voting on the Plan. Acceptance by a Class requires more than one-half of the number of total Allowed Claims in the Class to vote in favor of the Plan and at least two-thirds in dollar amount of the total Allowed Claims in the Class to vote in favor of the Plan.

C. Voting Procedures[22]

The Debtors retained Prime Clerk LLC to, among other things, act as the Debtors' agent in connection with the solicitation of votes to accept or reject the Plan.

1. Voting Record Date

The Voting Record Date (as defined in the Disclosure Statement Motion)[~~22~~23] is [January 9, 2017] (the "**Voting Record Date**"). The Voting Record Date is the date for determining (a) which Holders of Claims are entitled to vote to accept or reject the Plan and receive ~~the~~a package containing relevant solicitation materials (the "**Solicitation Package**") in accordance with the Solicitation Procedures (as defined in the Disclosure Statement Motion) and (b) whether Claims have been properly assigned or transferred to an assignee under Bankruptcy Rule 3001(e) such that the assignee can vote as the Holder of a Claim. The Voting Record Date and all of the Debtors' solicitation and voting procedures shall apply to all of the Debtors' ~~Creditors~~creditors and other parties in interest.

2. Distribution of Solicitation Packages

[22] All capitalized terms used in this Article IX.C and not otherwise defined shall have the meanings ascribed to them in the Solicitation Procedures

[~~22~~23] As used herein, the "**Disclosure Statement Motion**" refers to the *Motion of the Debtors for Order Under Bankruptcy Code Sections 105, 1125, 1126, and 1128, Bankruptcy Rules 2002, 3017, and 3018, and Local Bankruptcy Rule 2002-1 and 3017-1 (I) Approving the Adequacy of the Debtors' Disclosure Statement, (II) Approving Solicitation and Notice Procedures, with Respect to Confirmation of the Debtors' Proposed Plan of Reorganization, (III) Approving the Form of Various Ballots and Notices in Connection Therewith, and (IV) Scheduling Certain Dates with Respect Thereto* [Docket No. 498].

Under the Plan, Holders of Claims in Classes 4, 5, and 6 (collectively, the "**Voting Classes**") are entitled to vote to accept or reject the Plan. As such, the Debtors are providing Solicitation Packages to record Holders of Ranger General Unsecured Claims, TUSA General Unsecured Claims, and Convenience Claims ~~Against~~against the TUSA Debtors.

3. General Voting Instructions

In order for the Holder of a Claim in the Voting Classes to have such Holder's Ballot (as defined in the Disclosure Statement Motion) counted as a vote to accept or reject the Plan, such Holder's Ballot, must be either (a) properly completed by hand, executed, and delivered in accordance with the instructions included in the Ballot by: (i) first class mail, (ii) courier, or (iii) personal delivery to the Solicitation Agent, or (b) properly completed electronically using the Solicitation Agent's E-Balloting platform; *provided, however*, that E-Balloting will not be available to Holders of Claims arising out of an interest in the Senior Notes. Whether completing the ballot by hand or electronically using the Solicitation Agent's E-Balloting Platform, each Holder's Ballot must be **actually received by** [**February 10, 2017], at 4:00 p.m. (Eastern)** at the following address: Triangle USA Petroleum Corporation, c/o Prime Clerk LLC ~~("**Prime Clerk**" or the "**Solicitation Agent**")~~, 830 3rd Avenue, 3rd Floor, New York, New York 10022 prior to 4:00 p.m. (Eastern) on [February 10, 2017] (the "**Voting Deadline**"). It is important that the Holder of a Claim in the Voting Classes follow the specific instructions provided on such Holder's Ballot and the accompanying instructions. The Holder of a Claim should also provide all of the information requested by the Ballot, and, if completing the ballot by hand, should complete and return all Ballots received in the enclosed, self-addressed, postage-paid envelope provided with each such Ballot either to the Solicitation Agent or their Direct Participant, as applicable. Except in the Debtors' sole discretion, ballots may not be transmitted by facsimile, email, or other electronic means, other than the Solicitation Agent's E-Balloting Platform.

Holders of Class 5 TUSA General Unsecured Claims that arise out of an interest in the Senior Notes will receive a Class 5 Beneficial Ballot (the "**Beneficial Ballots**"). Such Holders should carefully review any instructions accompanying the Beneficial Ballots, and direct any inquiries regarding such Ballots to the Direct Participant. Unless otherwise indicated, the Beneficial Ballots will be returned to the Direct Participant, and not the Solicitation Agent. E-Balloting cannot be used to complete the Beneficial Ballots.

IF A BALLOT IS RECEIVED AFTER THE VOTING DEADLINE, IT WILL NOT BE COUNTED UNLESS THE DEBTORS DETERMINE OTHERWISE IN THEIR SOLE AND ABSOLUTE DISCRETION.

ANY BALLOT THAT IS PROPERLY EXECUTED BY THE HOLDER OF A CLAIM BUT THAT DOES NOT CLEARLY INDICATE AN ACCEPTANCE OR REJECTION OF THE PLAN OR ANY BALLOT THAT INDICATES BOTH AN ACCEPTANCE AND A REJECTION OF THE PLAN WILL NOT BE COUNTED FOR PURPOSES OF ACCEPTING OR REJECTING THE PLAN.

EACH HOLDER OF A CLAIM MUST VOTE ALL OF ITS CLAIMS WITHIN A PARTICULAR CLASS EITHER TO ACCEPT OR REJECT THE PLAN AND MAY NOT SPLIT SUCH VOTES. BY SIGNING AND RETURNING A BALLOT, EACH HOLDER OF A CLAIM WILL CERTIFY TO THE BANKRUPTCY COURT AND THE DEBTORS THAT NO OTHER BALLOTS WITH RESPECT TO SUCH CLAIM HAVE BEEN CAST.

IT IS IMPORTANT TO FOLLOW THE SPECIFIC INSTRUCTIONS PROVIDED ON EACH BALLOT, AS APPROPRIATE, WHEN SUBMITTING A VOTE.

IF YOU ARE A HOLDER OF A CLAIM ENTITLED TO VOTE ON THE PLAN AND YOU DID NOT RECEIVE A BALLOT, YOU RECEIVED A DAMAGED BALLOT, OR YOU LOST YOUR BALLOT, OR IF YOU HAVE ANY QUESTIONS CONCERNING THIS DISCLOSURE STATEMENT, THE PLAN, OR PROCEDURES FOR VOTING ON THE PLAN, PLEASE CONTACT THE SOLICITATION AGENT, PRIME CLERK, AT (855) 842-4122, WITHIN THE UNITED STATES OR CANADA, OR (929) 333-8982, OUTSIDE OF THE UNITED STATES OR CANADA, OR AT tusaballots@primeclerk.com.

4. Miscellaneous

All Ballots must be signed by the holder of record of the appropriate classes of claims, as applicable, or any person who has obtained a properly completed Ballot proxy from the record holder of the appropriate classes of claims, as applicable, on such date. An otherwise properly executed Ballot that attempts to partially accept and partially reject the Plan will likewise not be counted. If you cast more than one Ballot voting the same Claim(s) before the Voting Deadline, the last valid Ballot received on or before the Voting Deadline will be deemed to reflect your intent, and thus, to supersede any prior Ballot. If you cast Ballots received by the Solicitation Agent on the same day, but which are voted inconsistently, such Ballots will not be counted.

Except as provided below, unless the Ballot is timely submitted to the Solicitation Agent before the Voting Deadline together with any other documents required by such Ballot, the Debtors may, in their sole discretion, reject such Ballot as invalid, and therefore decline to utilize it in connection with seeking confirmation of the Plan.

5. Fiduciaries And Other Representatives

If a beneficial holder Ballot is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation, or another acting in a fiduciary or representative capacity, such person should indicate such capacity when signing and, if requested, must submit proper evidence satisfactory to the Debtors of authority to so act. Authorized signatories should submit the separate beneficial holder Ballot of each Holder for whom they are voting.

D. Rights Offering Procedures[24]

ONLY ELIGIBLE HOLDERS OF CLASS 5 TUSA GENERAL UNSECURED CLAIMS ARE ENTITLED TO PARTICIPATE IN THE RIGHTS OFFERING. The Debtors will allocate and distribute to each Holder of an Allowed TUSA General Unsecured Claim and each holder of a Provisionally Allowed TUSA General Unsecured Claim rights (the "**Subscription Rights**"), in each case, as of the Rights Offering Record Date, to purchase an amount of Convertible Preferred Stock equal to an aggregate amount of the Rights Offering multiplied by a fraction (i) the numerator of which shall be the aggregate principal amount of such Holder's TUSA General Unsecured Claims (whether Allowed or Provisionally Allowed) and (ii) the denominator of which shall be the total amount of Allowed TUSA General Unsecured Claims and Provisionally Allowed TUSA General Unsecured Claims held by all Holders thereof, each as of the Record Date (each such fraction, as to a Holder, the "**Subscription Percentage**"). In addition, ~~the Subscription Rights will give each Participating~~participating Eligible ~~Holder~~Holders will have the right, but not the obligation (the "**Option to Purchase Additional Shares**") to elect to purchase ~~up to its Subscription Percentage of~~ any shares ("**Additional Shares**") of Convertible Preferred Stock equal to the lesser of (x) the maximum number of Additional Shares which such Participating Eligible Holder has indicated on its Rights Exercise Form; and (y) a number of shares of such stock for which Subscription Rights were allocated to Holders of Provisionally Allowed TUSA General Unsecured Claims but not validly exercised by any such Holders in accordance with the terms of the Rights Offering~~.~~ multiplied by a fraction (i) the numerator of which shall be the aggregate principal amount of such Participating Eligible Holder's TUSA General Unsecured Claims (whether Allowed or Provisionally Allowed) and (ii) the denominator of which shall be the total amount of Allowed TUSA General Unsecured Claims and Provisionally Allowed TUSA General Unsecured Claims held by Participating Eligible Holders that have validly exercised their Additional Shares Option in accordance with the terms hereof and the Rights Offering Procedures.

The Rights Offering process will occur substantially simultaneously with solicitation of votes to approve or reject the plan. On the date on which solicitation is commenced, Prime Clerk, LLC, (the "**Rights Offering Agent**") will distribute to each Holder of Allowed TUSA General Unsecured Claims and each Holder of Provisionally Allowed TUSA General Unsecured Claims: (i) the Rights Offering Procedures, together with all exhibits and attachments thereto, and (ii) a form for Eligible Holders to exercise their Subscription Rights (a "**Rights Exercise Form**"). Eligible Holders who wish to exercise their Subscription Rights must confirm their eligibility by duly completing and executing the certification (the "**Investor Certification**") included in the Rights Exercise Form in which the Eligible Holder must certify that it is an "accredited investor" as defined in Rule 501(a)(1), (2), (3), (7) or (8)

[24] All capitalized terms used in this Article IX.D and not otherwise defined shall have the meanings ascribed to them in the Rights Offering Procedures

(provided that in the case of clause (8), all of the equity owners of such entity are accredited investors as defined in Rule 501(a)(1), (2), (3), (7) or (8) as modified by this parenthetical) under the Securities Act or a "qualified institutional buyer" as defined in Rule 144A under the Securities Act.

In order to validly exercise its Subscription Rights an Eligible Holder must:

(a) timely return the duly completed and signed Rights Exercise Form (including the Investor Certification) (each of which must be completed and returned in whole and not in part) to the Rights Offering Agent electing to exercise all or a portion of its Subscription Rights (the "**Exercised Subscription Rights**"); and

(b) ~~i f~~if such Eligible Holder is not a Backstop Investor (as defined in the Rights Offering Procedures), deliver, via wire transfer of immediately available funds in U.S. dollars to the applicable account indicated in the Rights Exercise Form ~~(such account, the "**Applicable Subscription Escrow Account**")~~, an amount (the "**Funding Amount**") equal to the product determined by multiplying (1) the Exercise Price and (2) the total number of Exercise Shares to be issued upon its exercise of its Exercised Subscription Rights (other than with respect to any Additional Shares, which funds shall be required to be delivered prior to the Additional Shares Funding Deadline (as defined in the Rights Offering Procedures)).

THE DULY COMPLETED AND EXECUTED RIGHTS EXERCISE FORM (INCLUDING THE INVESTOR CERTIFICATION) MUST BE RECEIVED BY THE RIGHTS OFFERING AGENT, AND THE FUNDING AMOUNT (FOR ALL ELIGIBLE HOLDERS WHO ARE NOT BACKSTOP INVESTORS) MUST BE RECEIVED IN THE APPLICABLE ~~SUBSCRIPTION~~ ESCROW ACCOUNT, IN EACH CASE, PRIOR TO [FEBRUARY ~~10~~13], 2017 AT 4:00 P.M (EASTERN TIME) (subject to adjustment as provided in the Rights Offering Procedures).

EACH ELIGIBLE HOLDER WHO VALIDLY SUBMITS A RIGHTS EXERCISE FORM WILL BE DEEMED TO HAVE THEREBY ~~TO MAKE~~MADE CERTAIN CERTIFICATIONS, REPRESENTATIONS AND ACKNOWLEDGMENTS, INCLUDING HAVING AGREED TO AND ACKNOWLEDGED THE TERMS AND CONDITIONS OF THE RIGHTS OFFERING, INCLUDING, IN THE CASE OF A HOLDER OF A PROVISIONALLY ALLOWED TUSA GENERAL UNSECURED CLAIM, AN AGREEMENT AND ACKNOWLEDGEMENT THAT IT WILL NOT RECEIVE ANY SHARES OF CONVERTIBLE PREFERRED STOCK IN RESPECT OF ANY SUBSCRIPTION RIGHTS THAT IT EXERCISES (OTHER THAN, FOR THE AVOIDANCE OF DOUBT, ANY ADDITIONAL SHARES IT VALIDLY ELECTS TO PURCHASE PURSUANT TO THE OPTION TO PURCHASE ADDITIONAL SHARES) IF AND TO THE EXTENT THAT ANY OF SUCH CLAIMS FOR WHICH IT HAS RECEIVED SUBSCRIPTION RIGHTS ARE ULTIMATELY DISALLOWED BY THE BANKRUPTCY COURT, AND THAT IT WILL RECEIVE A RETURN OF THE SUBSCRIPTION MONIES IT HAD TENDERED IN RESPECT THEREOF WITHOUT INTEREST THEREON.

THE METHOD OF DELIVERY OF THE RIGHTS EXERCISE FORM AND ANY OTHER REQUIRED DOCUMENTS, AND DELIVERY OF THE FUNDING AMOUNT AND, IF APPLICABLE, THE ADDITIONAL SHARES FUNDS, BY EACH ELIGIBLE HOLDER IS AT SUCH ELIGIBLE HOLDER'S OPTION AND SOLE RISK, AND DELIVERY WILL BE CONSIDERED MADE ONLY WHEN SUCH RIGHTS EXERCISE FORM AND OTHER DOCUMENTATION ARE ACTUALLY RECEIVED BY THE RIGHTS OFFERING AGENT AND SUCH FUNDING AMOUNT AND, IF APPLICABLE, THE ADDITIONAL SHARES FUNDS, IS ACTUALLY RECEIVED IN THE APPLICABLE ~~SUBSCRIPTION~~ ESCROW ACCOUNT. IF DELIVERY OF THE RIGHTS EXERCISE FORM AND ANY OTHER REQUIRED DOCUMENTS IS BY MAIL, THE USE OF REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERLY INSURED, IS ENCOURAGED AND STRONGLY RECOMMENDED. RIGHTS EXERCISE FORMS AND OTHER REQUIRED DOCUMENTS WILL NOT BE ACCEPTED BY TELECOPY, FACSIMILE, EMAIL OR OTHER ELECTRONIC MEANS. IN ALL CASES, YOU SHOULD ALLOW SUFFICIENT TIME TO ENSURE TIMELY DELIVERY PRIOR TO [FEBRUARY ~~10~~13], 2017 AT 4:00 P.M (EASTERN TIME) (SUBJECT TO ADJUSTMENT AS PROVIDED IN THE RIGHTS OFFERING PROCEDURES) OR FOR ADDITIONAL SHARES FUNDS PRIOR TO THE ADDITIONAL SHARES FUNDING DEADLINE. TO THE EXTENT ANY TUSA GENERAL UNSECURED CLAIM IS HELD THROUGH A BROKER, BANK OR OTHER NOMINEE, THE HOLDER THEREOF SHOULD ALLOW SUFFICIENT TIME TO OBTAIN THE PROPER CERTIFICATIONS FROM ITS NOMINEE.

All documents relating to the Rights Offering are available from the Rights Offering Agent via the website listed below. In addition, such documents, together with all filings made with the Bankruptcy Court in the Debtors' Chapter 11 Cases, are available free of charge from the Debtors' restructuring website http://cases.primeclerk.com/tusa.

X. STATUTORY REQUIREMENTS FOR CONFIRMATION OF THE PLAN

The following is a brief summary of the Confirmation process. Holders of Claims and Interests are encouraged to review the relevant provisions of the Bankruptcy Code and to consult with their own advisors.

A. The Confirmation Hearing

Bankruptcy Code section 1128(a) provides that the Bankruptcy Court, after notice, may conduct a Confirmation Hearing. Bankruptcy Code section 1128(b) provides that any party in interest may object to Confirmation of the Plan.

B. Confirmation Standards

The following requirements must be satisfied under Bankruptcy Code section 1129(a) before the Bankruptcy Court may confirm a plan of reorganization.

1. The Plan complies with the applicable provisions of the Bankruptcy Code.

2. The proponents of the Plan have complied with the applicable provisions of the Bankruptcy Code.

3. The Plan has been proposed in good faith and not by any means forbidden by law.

4. Any payment made or to be made by the proponent, by a Debtor, or by a person issuing securities or acquiring property under a Plan, for services or for costs and expenses in or in connection with the Chapter 11 Cases, in connection with the Plan and incident to the Chapter 11 Cases, has been approved by, or is subject to the approval of, the Bankruptcy Court as reasonable.

5. The proponent of the Plan has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the Plan, as a director, officer, or voting trustee of the Debtors, an Affiliate of the Debtors participating in a joint Plan with a Debtor or a successor to a Debtor under the Plan, and the appointment to, or continuance in, such office of such individual is consistent with the interests of ~~Creditors~~creditors and Holders of Interests and with public policies.

6. The proponent of the Plan has disclosed the identity of any ~~Insider~~insider that will be employed or retained by the Reorganized Debtors and the nature of any compensation for such insider.

7. Any governmental regulatory commission with jurisdiction, after Confirmation, over the rates of the Debtors has approved any rate change provided for in the Plan.

8. With respect to each holder within an Impaired Class of Claims or Interests, each such Holder (a) has accepted the Plan or (b) will receive or retain under the Plan on account of such Claim or Interest property of value, as of the Effective Date of the Plan, that is not less than the amount that such Holder would so receive or retain if the Debtors were liquidated under chapter 7 of the Bankruptcy Code on such date.

9. With respect to each Class of Claims or Interests, such Class (a) has accepted the Plan or (b) is Unimpaired under the Plan; *provided*, *however*, that if the Plan is rejected by an Impaired Class, the Plan may be confirmed if it "does not discriminate unfairly" and is "fair and equitable" as to such Class, is feasible, and is in the "best interests" of Holders of Claims and Interests that are Impaired under the Plan.

10. Except to the extent that the Holder of a particular Claim has agreed to a different treatment of such Claim, the Plan provides that:

(a) With respect to a Claim of a kind specified in Bankruptcy Code sections 507(a)(2) or 507(a)(3), on the Effective Date of the Plan, the Holder of the Claim will receive on account of such Claim Cash equal to the Allowed amount of such Claim, unless otherwise agreed;

(b) With respect to a Class of Claim of the kind specified in Bankruptcy Code sections 507(a)(1), 507(a)(4), 507(a)(5), 507(a)(6), or 507(a)(7), each Holder of a Claim of such Class will receive (a) if such Class has accepted the Plan, deferred Cash payments of a value, on the Effective Date of the Plan, equal to the Allowed amount of such Claim or (b) if such Class has not accepted the Plan, Cash on the Effective Date of the Plan equal to the Allowed amount of such Claim; and

(c) With respect to a Priority Tax Claim of a kind specified in Bankruptcy Code section 507(a)(8), the Holder of such Claim will receive on account of such claim deferred Cash payments, over a period not exceeding five years after the date of the order for relief, of a value, as of the Effective Date of the Plan, equal to the Allowed amount of such Claim.

11. If a Class of Claims is Impaired under the Plan, at least one Class of Claims that is Impaired under the Plan has accepted the Plan, determined without including any acceptance of the Plan by any Insider.

12. Confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtors or any successor to the Debtors under the Plan, unless such liquidation or reorganization is proposed in the Plan.

13. All fees payable under section 1930 of title 28, as determined by the Bankruptcy Court at the Confirmation Hearing, have been paid or the Plan provides for the payment of all such fees on the Effective Date of the Plan.

14. The Plan provides that following the Effective Date of the Plan, subject to the Reorganized Debtors' rights, if any, under applicable non-bankruptcy law, unless otherwise ordered by the Bankruptcy Court, the Reorganized Debtors shall continue to pay all retiree benefits, as that term is defined in Bankruptcy Code section 1114, at the level established under subsection (e)(1)(B) or (g) of section 1114 of the Bankruptcy Code, at any time prior to confirmation, for the duration of the period the debtor has obligated itself to provide such benefits.

C. Liquidation Analysis

As described above, Bankruptcy Code section 1129(a)(7) requires that each Holder of an Impaired Claim or Interest either (a) accept the Plan or (b) receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the value such Holder would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code.

Based on the ~~Liquidation Analysis~~liquidation analysis attached hereto as **Exhibit B** (the "**Liquidation Analysis**"), the Debtors believe that the value of any distributions if the Chapter 11 Cases were converted to cases under chapter 7 of the Bankruptcy Code would be no greater than the value of distributions under the Plan.

D. Valuation Analysis

The Debtors' financial advisor, PJT, at the direction of the Debtors, has estimated the value of the Reorganized Debtors as of the Effective Date, based on information available as of December 2016 (the "**Valuation Analysis**"). PJT has undertaken the Valuation Analysis to determine the value available for distribution to Holders of Allowed Claims and Holders of Allowed Interests, if any, pursuant to the Plan and to analyze the recoveries of such Holders thereunder. The estimated total value available for distribution to Holders of Allowed Claims and Allowed interests as applicable (the "**Total Enterprise Value**") consists of the estimated value of the Reorganized Debtors' operations on a going-concern basis. The Valuation Analysis assumes that the Effective Date occurs on March 1, 2017 and is based on the ~~Financial Projections~~financial projections, a copy of which is attached hereto as **Exhibit ~~C~~D** (the "**Financial Projections**").

THE TOTAL ENTERPRISE VALUE RANGE, AS OF AN ASSUMED EFFECTIVE DATE OF MARCH 1, 2017, REFLECTS WORK PERFORMED BY PJT ON THE BASIS OF INFORMATION AVAILABLE TO PJT AS OF DECEMBER 2016. ALTHOUGH SUBSEQUENT DEVELOPMENTS MAY AFFECT PJT'S CONCLUSIONS, NEITHER PJT, NOR THE DEBTORS HAVE ANY OBLIGATION TO UPDATE, REVISE, OR REAFFIRM THE VALUATION ANALYSIS.

E. Financial Feasibility

Bankruptcy Code section 1129(a)(11) requires that a debtor demonstrate that confirmation of a plan is not likely to be followed by liquidation or the need for further financial reorganization. For purposes of determining whether the Plan meets this requirement, the Debtors have analyzed their ability to meet their obligations under the Plan.

The Debtors believe that the Plan meets the feasibility requirement set forth in Bankruptcy Code section 1129(a)(11). As part of this analysis, the Debtors' management, with the assistance of their advisors, prepared the Financial Projections for the annual periods ending January 31, 2018 (fiscal year 2018)~~23~~25 through January 31, 2021 (fiscal year 2021). The Financial Projections, together with the assumptions upon which they are based, are attached hereto as **Exhibit D**. Based on such Financial Projections, the Debtors believe that they will be able to make all payments required under the Plan. Therefore, the Debtors believe that confirmation and consummation of the Plan is not likely to be followed by liquidation or the need for further reorganization.

~~23~~25 Fiscal year 2018 covers the period of March 1, 2017 through January 1, 2018.

THE PROJECTIONS, INCLUDING THE UNDERLYING ASSUMPTIONS, SHOULD BE CAREFULLY REVIEWED IN EVALUATING THE PLAN. WHILE MANAGEMENT BELIEVES THE ASSUMPTIONS UNDERLYING THE PROJECTIONS, WHEN CONSIDERED ON AN OVERALL BASIS, ARE REASONABLE IN LIGHT OF CURRENT CIRCUMSTANCES AND EXPECTATIONS, NO ASSURANCE CAN BE GIVEN THAT THE PROJECTIONS WILL BE REALIZED. THE DEBTORS MAKE NO REPRESENTATION OR WARRANTY AS TO THE ACCURACY OF THE FINANCIAL PROJECTIONS.

The Financial Projections have not been examined or compiled by independent accountants. The Debtors make no representation as to their ability to achieve the projected results. Many of the assumptions on which the projections are based are inherently subject to significant economic and competitive uncertainties and contingencies beyond the control of the Debtors and their management. Inevitably, some assumptions will not materialize and unanticipated events and circumstances may affect the actual financial results. Therefore, the actual results achieved throughout the four-year period of the Financial Projections may vary from the projected results, and the variations may be material. All Holders of Claims that are entitled to vote to accept or reject the Plan are urged to examine carefully all of the assumptions on which the Financial Projections are based in connection with their evaluation of the Plan.

F. Acceptance by Impaired Classes

The Bankruptcy Code also requires, as a condition to Confirmation, that each Class of Claims or Interests that is Impaired but still receives distributions under the Plan vote to accept the Plan, unless the Debtors can "cramdown" such Classes, as described below. A Class that is Unimpaired is presumed to have accepted the Plan and, therefore, solicitation of acceptances with respect to such Class is not required. A Class is Impaired unless the Plan leaves unaltered the legal, equitable, and contractual rights to which the Claim or Interest entitles the Holder of such Claim or Interest, or the Debtors cure any default and reinstate the original terms of the obligation.

Under Bankruptcy Code sections 1126(c) and 1126(d) and except as otherwise provided in Bankruptcy Code section 1126(e): (a) an Impaired Class of Claims has accepted the Plan if the Holders of at least two-thirds in dollar amount and more than half in number of the voting Allowed Claims have voted to accept the Plan and (b) an Impaired Class of Interests has accepted the Plan if the Holders of at least two-thirds in amount of the Allowed Interests of such Class actually voting have voted to accept the Plan.

G. Confirmation Without Acceptance by All Impaired Classes

Bankruptcy Code section 1129(b) allows the Bankruptcy Court to confirm the Plan, even if the Plan has not been accepted by all Impaired Classes, provided that the Plan has been accepted by at least one Impaired Class entitled to vote, without counting the vote of any Insider, as defined in Bankruptcy Code section 101(31). Bankruptcy Code section 1129(b)

permits the Debtors to confirm the Plan, notwithstanding the failure of any Impaired Class to accept the Plan, in a procedure commonly known as "cramdown," so long as the Plan "does not discriminate unfairly" and is "fair and equitable" as to each Impaired Class that has not accepted the Plan.

1. No Unfair Discrimination

A plan "does not discriminate unfairly" if (a) the legal rights of a nonaccepting class are treated in a manner that is consistent with the treatment of other classes whose legal rights are similar to those of the nonaccepting class and (b) no class receives payments in excess of that which it is legally entitled to receive for its claims or interests. The test does not require that the treatment be the same or equivalent, but that such treatment be "fair."

The Debtors do not believe the Plan discriminates unfairly against any Impaired Class of Claims or Interests. The Debtors believe the Plan and the treatment of all Classes of Claims and Interests under the Plan satisfy the foregoing requirements for nonconsensual Confirmation.

2. Fair and Equitable Treatment

With respect to a dissenting class of claims or interests, the "fair and equitable" standard requires that a plan provide that either the claims or interests in each class received everything to which they are legally entitled or, with respect to unsecured claims, that classes junior in priority to the class receive nothing.

The Bankruptcy Code establishes different "fair and equitable" tests for holders of secured claims, unsecured claims, and interests, which may be summarized as follows:

(a) *Secured Claims*. Either (i) each holder of a claim in an impaired class of secured claims retains its liens securing its secured claim and it receives on account of its secured claim deferred cash payments having a present value equal to the amount of its allowed secured claim, (ii) each holder of a claim in an impaired class of secured claims realizes the indubitable equivalent of its allowed secured claim, or (iii) the property securing the claim is sold free and clear of liens, with such liens to attach to the proceeds and the treatment of such liens on proceeds as provided in clause (i) or (ii) of this subparagraph.

(b) *Unsecured Claims*. Either (i) each holder of a claim in an impaired class of unsecured claims receives or retains under the plan property of a value equal to the amount of its allowed claim or (ii) the holders of claims and interests that are junior to the claims of the dissenting class will not receive any property under the chapter 11 plan, subject to the applicability of the judicial doctrine of contributing new value.

(c) *Interests*. Either (i) each holder of an equity interest in an impaired class of interests will receive or retain under the chapter 11 plan property of a value equal to the greater of (y) the fixed liquidation preference or redemption price, if any, of such stock or (z) the value of the stock or (ii) the holders of interests that are junior to the stock will not

receive any property under the chapter 11 plan, subject to the applicability of the judicial doctrine of contributing new value.

The Debtors believe that the distributions provided under the Plan satisfy the "fair and equitable" requirements of the Bankruptcy Code. Certain Classes of Claims and Interests will receive no distribution under the Plan and are therefore conclusively deemed to reject the Plan. Accordingly, the Debtors will seek to confirm the Plan under Bankruptcy Code 1129(b) with respect to such Classes. In addition, although the Plan is predicated on the substantial support of certain of the Debtors' creditor constituencies, the Debtors reserve the right to seek confirmation of the Plan under Bankruptcy Code section 1129(b) if one or more voting Impaired Classes votes to reject the Plan.

XI. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

The Debtors believe that the Plan affords Holders of Claims and Interests the potential for the greatest realization on the Debtors' assets and, therefore, is in the best interests of such Holders. If the Plan is not confirmed, however, the theoretical alternatives include: (a) continuation of the pending Chapter 11 Cases, (b) the sale of the Debtors' assets under Bankruptcy Code section 363, (c) an alternative plan or plans of reorganization, or (d) the liquidation of the Debtors under chapter 7 or chapter 11 of the Bankruptcy Code.

A. Continuation of the ~~Bankruptcy~~Chapter 11 Cases

If the Debtors remain in chapter 11, they could continue to operate their business and manage their properties as debtors in possession, but they would remain subject to the restrictions imposed by the Bankruptcy Code and the requirements of the Final Cash Collateral Order related to the Sales Process. It is not clear whether the Debtors could survive as a going concern in protracted chapter 11 cases. In particular, the Debtors could have difficulty gaining access to sufficient liquidity to allow them to continue their operations as a going concern. Moreover, protracted chapter 11 proceedings will make it difficult for the Debtors to expand their customer base, which is critical to the ultimate success of the Debtors' business.

B. Sale of Substantially All of the Debtors' Assets Under Bankruptcy Code Section 363

In lieu of the present Plan, or if the Debtors fail to meet the Plan Milestones pursuant to the Final Cash Collateral Order, the Debtors may have to pursue the Sales Process to sell substantially all of their assets to a buyer under Bankruptcy Code section 363. A section 363 sale would leave a residual estate consisting of the proceeds of the sale and any excluded assets and unassumed liabilities. Following the sale, the Debtors would remain in chapter 11 to administer this residual estate and distribute proceeds to ~~Creditors~~creditors pursuant to a chapter 11 plan of liquidation or a liquidation pursuant to chapter 7 of the Bankruptcy Code.

The Debtors believe that the Plan represents a superior structure than a sale under Bankruptcy Code section 363. The Debtors believe the Plan provides recoveries equal to or

greater than what ~~Creditors~~creditors would likely achieve in a section 363 sale, but with the advantages of greater efficiency and greater certainty as to outcome. In particular, an asset sale is unlikely to be a ~~value-maximizing~~value-maximizing proposition. Given the current commodity price environment, such a sale would likely produce a lower recovery for ~~Creditors~~creditors than they would otherwise obtain through confirmation of a plan. For the above-stated reasons, the Debtors believe the Plan represents a superior option than a section 363 sale at the time of this Disclosure Statement. However, the Debtors continue to monitor and assess the ~~macro-ecomonic~~macro-economic and firm-specific conditions that may make a section 363 sale more favorable.

C. Alternative Plans of Reorganization

If the Plan is not confirmed, the Debtors, or, after the expiration of the Debtors' exclusive period in which to propose and solicit a reorganization plan, any other party in interest in the Chapter 11 Cases, could propose a different plan or plans. Additionally, until the Plan is consummated, subject to certain conditions, the Debtors may determine to withdraw the Plan and propose and solicit different reorganization plans. Any such plans proposed by the Debtors or others might involve either a reorganization and continuation of the Debtors' business, or an orderly liquidation of its assets, or a combination of both.

Although alternative plans of reorganization are possible, the present Plan is the result of a thorough assessment of restructuring alternatives undertaken in consultation with key stakeholders. Accordingly, the Debtors believe the prospect of an alternative plan of reorganization that delivers greater value to economic stakeholders is remote.

D. Liquidation Under Chapter 7 or Chapter 11

If no plan is confirmed, the Chapter 11 Cases may be converted to cases under chapter 7 of the Bankruptcy Code. In chapter 7 cases, a trustee or trustees would be appointed to liquidate the assets of the Debtors. It is impossible to predict precisely how the proceeds of the liquidation would be distributed to the respective Holders of Claims or Interests.

However, the Debtors believe that ~~Creditors~~creditors would lose the materially higher going concern value if the Debtors were forced to liquidate. In addition, the Debtors believe that in liquidation under chapter 7, before ~~Creditors~~creditors received any distribution, additional administrative expenses involved in the appointment of a trustee or trustees and attorneys, accountants, and other professionals to assist such trustees would cause a substantial diminution in the value of the Estate. The assets available for distribution to ~~Creditors~~creditors would be reduced by such additional expenses and by claims, some of which would be entitled to priority, which would arise by reason of the liquidation and from the rejection of leases and other executory contracts in connection with the cessation of operations and the failure to realize the greater going concern value of the Debtors' assets.

The Debtors may also be liquidated under a chapter 11 plan. In a liquidation under chapter 11, the Debtors' assets could be sold in an orderly fashion over a more extended period of time than in a liquidation under chapter 7. Thus, a chapter 11 liquidation might

result in larger recoveries than a chapter 7 liquidation, but the delay in distributions could result in lower present values received and higher administrative costs. Because a trustee is not required in a chapter 11 case, expenses for professional fees could be lower than in a chapter 7 case, in which a trustee must be appointed. However, any distribution to the Holders of Claims or Interests under a chapter 11 liquidation plan probably would be delayed substantially. In addition, as with a chapter 7 liquidation, the Debtors believe that ~~Creditors~~creditors would lose the materially higher going concern value if the Debtors were forced to liquidate under a chapter 11 plan.

The Liquidation Analysis attached hereto as **Exhibit B** illustrates the recoveries the Debtors anticipate in a liquidation scenario. The Liquidation Analysis is premised upon a hypothetical liquidation in a chapter 7 case. In the Liquidation Analysis, the Debtors have taken into account the nature, status, and underlying value of their assets, the ultimate realizable value of their assets, and the extent to which such assets are subject to liens and security interests. The likely form of any liquidation in a chapter 7 proceeding would be the sale of individual assets. Based on this analysis, it is likely that a chapter 7 liquidation of the Debtors' assets would produce less value for distribution to each class of ~~Creditors~~creditors than that recoverable under the Plan. In the Debtors' opinion, the recoveries projected to be available in a chapter 7 liquidation are not likely to afford Holders of Claims and Interests as great a realization potential as does the Plan.

~~[~~XII. CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES~~]~~[24]

The following discussion summarizes certain U.S. federal income tax consequences of the implementation of the Plan to the Debtors and to certain Holders of Claims. The following summary does not address the U.S. federal income tax consequences to Holders whose Claims are Unimpaired, otherwise entitled to payment in full in cash under the Plan, or deemed to reject the Plan.

The following summary is based on the Internal Revenue Code (the "**Tax Code**"), Treasury Regulations promulgated thereunder, judicial decisions, and published administrative rules and pronouncements of the Internal Revenue Service (the "**IRS**"), all as in effect on the date hereof. Changes in such rules or new interpretations thereof may have retroactive effect and could significantly affect the U.S. federal income tax consequences described below.

The U.S. federal >income tax consequences of the Plan <are complex and are subject to significant uncertainties. The Debtors have not requested a ruling from the IRS or an opinion of counsel with respect to any of the tax aspects of the Plan. Thus, no assurance can be given that the IRS will not challenge, nor that a court will sustain, any of the considerations discussed herein. In addition, this summary generally does not address foreign,

[24] ~~The Debtors' evaluation of the material Federal <income tax consequences of the Plan >is ongoing and will be described in a subsequent amendment or supplement to this Disclosure Statement.~~

state, or local tax consequences of the Plan, nor does it address the U.S. federal income tax consequences of the Plan to special classes of taxpayers (such as broker-dealers, banks, mutual funds, insurance companies, other financial institutions, small business investment companies, regulated investment companies, tax-exempt organizations (including, without limitation, certain pension funds), persons holding a Claim as part of a constructive sale, straddle, or other integrated transaction, and investors in pass-through entities) or to holders who acquire Convertible Preferred Stock pursuant to the Backstop Commitment Agreement. Except where specifically noted below, this summary does not address the consequences to Holders of Claims that are non-U.S. holders (as defined below).

For purposes of this discussion, a "non-U.S. holder" means any Holder of a Claim (other than a partnership or other pass-through entity) that is not a "U.S. holder." A "U.S. holder" means a Holder of a Claim that, for U.S. federal income tax purposes is, or is treated as, a citizen or individual resident of the United States, a corporation (including any entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia, an estate the income of which is subject to U.S. federal income taxation regardless of its source, or a trust if (a) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust, or (b) the trust has a valid election in effect under applicable Treasury Regulations to be treated as a United States person.

If a partnership (or other entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds a Claim, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and upon the activities of the partnership.

This discussion also assumes that the New TUSA HoldCo Common Stock and Convertible Preferred Stock are held as "capital assets" (generally, property held for investment) within the meaning of section 1221 of the Tax Code, and that the various debt and other arrangements to which the Debtors are parties will be respected for U.S. federal income tax purposes in accordance with their form.

Accordingly, the following summary of certain U.S. federal income tax consequences is for informational purposes only and is not a substitute for careful tax planning and advice based upon the individual circumstances pertaining to a Holder of a Claim.

A. Consequences to the Debtors

For U.S. federal income tax purposes, the Debtors are members of an affiliated group of corporations, of which TPC is the common parent (the "**TPC Group**"), and file a single consolidated U.S. federal income tax return, or are disregarded or pass-through entities for U.S. federal income tax purposes wholly or substantially owned by members of the TPC Group. The TPC Group has reported net operating loss ("**NOL**") carryforwards of approximately $286 million for U.S. federal income tax purposes as of January 31, 2016. The amount of any such losses remains subject to audit and adjustment by the IRS.

As discussed below, in connection with the implementation of the Plan, the amount of the Debtors' currently existing NOL carryforwards and certain other tax attributes may be reduced or eliminated. The Debtors have requested from TPC information relating to the Debtors' tax attributes and to analyses performed by TPC's advisors addressing the extent to which New TUSA HoldCo and Reorganized TUSA will have NOLs or other tax attributes available to them following the restructuring. However, the Debtors have not received this information. As a result, no assurance can be made that the Debtors will have NOLs or other tax attributes available to them following the restructuring.

1. Formation of New TUSA HoldCo

Pursuant to the Plan, on or prior to the Effective Date, New TUSA HoldCo will be formed and will become the parent company of Reorganized TUSA, as more specifically described in the Restructuring Transactions Memorandum to be included in the Plan Supplement. The transaction is expected to qualify as a "reorganization" within the meaning of Section 368(a)(1)(F) of the Tax Code. Assuming the transaction so qualifies, the Debtors should not recognize any gain or loss as a result of the transaction, and New TUSA HoldCo should succeed to any tax attributes of Reorganized TUSA, including its NOL carryforwards.

2. Cancellation of Indebtedness

In general, the Internal Revenue Code provides that the amount of any cancellation of debt ("**COD**") of a solvent taxpayer is included in income. The amount of COD income realized is generally the excess of the amount of indebtedness discharged over the value of any consideration given in exchange therefor. Certain statutory or judicial exceptions may apply to limit the amount of COD income incurred for U.S. federal income tax purposes. In addition, COD income is excluded from income if a taxpayer is insolvent (but only to the extent of the taxpayer's insolvency) or if the COD income is realized pursuant to a confirmed plan of reorganization or court order in a chapter 11 bankruptcy case of the taxpayer, such as the Plan.

When the insolvency or bankruptcy exception to COD income inclusion applies, the Internal Revenue Code provides that a taxpayer must reduce certain of its attributes—such as NOL carryforwards, capital losses, tax credits, and tax basis in assets—by the amount of any COD excluded from income. The taxpayer can elect to reduce the basis of depreciable property prior to any reduction in its NOL carryforwards or other tax attributes.

To the extent that the Debtors are required to reduce their tax attributes, the mechanics of such attribute reduction will be governed by Treasury Regulation section 1.1502-28, which contains rules that apply where the debtor corporation is a member of a group filing a consolidated return. These rules generally provide that the tax attributes attributable to the debtor corporation are the first to be reduced. For this purpose, tax attributes attributable to the debtor member include consolidated tax attributes (such as consolidated NOLs) that are attributable to the debtor member pursuant to the consolidated return regulations, and also include the basis of property of the debtor (including subsidiary stock). To the extent that the

COD income of the debtor member exceeds the tax attributes attributable to it, the consolidated tax attributes attributable to other members of the consolidated group must be reduced. In the case of a consolidated group with multiple debtor members, each debtor member's tax attributes must be reduced before such member's COD income can be reduced by tax attributes attributable to other members of the consolidated group.

Any reduction in tax attributes in respect of excluded COD income does not occur until after the determination of the taxpayer's income or loss for the taxable year in which the COD income is realized. If the amount of COD income excludes available NOL carryforwards and other tax attributes available for reduction, such excess is permanently excluded from income.

As a result of the discharge of Claims pursuant to the Plan, the Debtors expect to incur a substantial amount of COD income. The extent of such COD and resulting tax attribute reduction will depend, in part, on (a) the value of the New TUSA HoldCo Common Stock and Subscription Rights to purchase Convertible Preferred Stock pursuant to the Rights Offering and (b) the extent to which NOLs and other tax attributes of the TPC Group are allocable to TUSA. The extent to which NOLs and other tax attributes of the TPC Group that are allocable to TUSA survive tax attribute reduction (and the extent of any basis reduction and potentially the identity of the assets whose basis is reduced) will depend upon the manner of applying the attribute reduction rules in the context of a consolidated group. Accordingly, there can be no assurance that the Debtors will have NOLs following implementation of the Plan.

3. Limitation of NOL Carryforwards and Other Tax Attributes

Following the implementation of the Plan, any remaining NOLs and certain other tax attributes allocable to periods prior to the Effective Date (collectively, "pre-change losses") to offset the Debtors' future taxable income is likely to be limited under section 382 of the Code as a result of the change in ownership of TUSA.

Under section 382, if a corporation undergoes an "ownership change" and the corporation does not qualify for (or elects out of) the special bankruptcy exception discussed below, the amount of its pre-change losses that may be utilized to offset future taxable income is subject to an annual limitation. A loss corporation generally undergoes an ownership change if the percentage of stock of the corporation owned by one or more 5% shareholders has increased by more than 50 percentage points over a three-year period (with certain groups of less-than-5% shareholders treated as a single shareholder for this purpose). In general, the amount of the annual limitation to which a corporation that undergoes an ownership change would be subject is equal to the product of (a) the fair market value of the stock of the corporation immediately before the ownership change (with certain adjustments) multiplied by (b) the "long-term tax-exempt rate" in effect for the month in which the ownership change occurs (e.g., 2.04% for ownership changes occurring in January 2017). Pursuant to the Plan, an ownership change of the Debtors will occur.

This annual limitation sometimes may be increased in the event the corporation has an overall "built-in" gain in its assets at the time of the ownership change. For a corporation in

bankruptcy that undergoes an ownership change pursuant to a confirmed bankruptcy plan, the stock value generally is determined immediately after (rather than before) the ownership change after giving effect to the surrender of creditors' claims, but subject to certain adjustments (which can result in a reduced stock value); in no event, however, can the stock value for this purpose exceed the pre-change gross value of the corporation's assets.

Any portion of the annual limitation that is not used in a given year may be carried forward, thereby adding to the annual limitation for the subsequent taxable year. However, if the corporation does not continue its historic business or use a significant portion of its historic assets in a new business for at least two years after the ownership change, the annual limitation resulting from the ownership change is reduced to zero, thereby precluding any utilization of the corporation's pre-change losses (absent any increases due to recognized net built-in gains).

Accordingly, the impact of an ownership change on the Debtors depends upon, among other things, the amount of pre-change losses remaining after any reduction of attributes due to the COD income, the value of both the stock and assets of the Debtors at or about the Effective Date, the continuation of their respective businesses, and the amount and timing of future taxable income.

Among the pre-change losses to which section 382 applies, section 382 can operate to limit the deduction of "built-in" losses recognized subsequent to the date of the ownership change. If a loss corporation has a net unrealized built-in loss at the time of an ownership change (taking into account most assets and items of built-in income, gain, loss, and deduction), then any built-in losses recognized during the following five years (up to the amount of the original net unrealized built-in loss) generally will be treated as pre-change losses and similarly will be subject to the annual limitation. In general, a loss corporation's net unrealized built-in loss will be deemed to be zero unless such loss exceeds the lesser of (a) $10 million or (b) 15% of the fair market value of its assets (with certain adjustments) before the ownership change. Whether a Debtor will be subject to the limitation for "built-in" losses will depend upon the respective value of the Debtor's assets immediately before the Effective Date.

An exception to the foregoing annual limitation rules generally applies where qualified (so-called "old and cold") creditors of a debtor receive, in respect of their claims, at least 50% of the vote and value of the stock of the reorganized debtor (or a controlling corporation if also in bankruptcy) pursuant to a confirmed chapter 11 plan. However, the Debtors do not expect that they will qualify for this exception.

New TUSA HoldCo will also enter into a registration rights agreement with each of the Backstop Parties, pursuant to which such Backstop Parties will be entitled in connection with the transfer of any of their shares of Convertible Preferred Stock to assign their rights, subject to the conditions contained therein. Trading of equity interests in New TUSA HoldCo after the Effective Date could subject the Debtors to a subsequent ownership change, resulting in a new annual limitation.

B. Consequences to Holders of Certain Claims

1. Consequences to TUSA General Unsecured Claims

Pursuant to the Plan and in satisfaction of their Claims, Holders of Senior Notes Claims and other Allowed TUSA General Unsecured Claims, other than Convenience Claims, will receive their Pro Rata Share of New TUSA HoldCo Common Stock, and, if such Holders are Eligible Holders, Subscription Rights to purchase Convertible Preferred Stock pursuant to the Rights Offering.

The U.S. federal income tax consequences to a Holder of a TUSA General Unsecured Claim will vary depending upon, among other things, whether such Claim constitutes a "security" for U.S. federal income tax purposes. Neither the Code nor the Treasury Regulations promulgated thereunder defines the term "security." Whether an instrument constitutes a "security" for U.S. federal income tax purposes is determined based on all of the facts and circumstances. Certain authorities have held that the length of the initial term of the debt instrument is an important factor in making such a determination. Generally, these authorities have indicated that an initial term of less than five years is evidence that the instrument is not a security, whereas an initial term of ten years or more is evidence that it is a security. Nevertheless, there are numerous other factors that may be taken into account in determining whether a debt instrument is a security, including, but not limited to, whether repayment is secured, the level of creditworthiness of the obligor, whether or not the instrument is subordinated, whether the holders have the right to vote or otherwise participate in the management of the obligor, whether the instrument is convertible into an equity interest, whether payments of interest are fixed, variable, or contingent, and whether such payments are made on a current basis or are accrued. Due to the inherently factual nature of the determination, Holders are urged to consult their tax advisors regarding the appropriate status of their Claims for U.S. federal income tax purposes.

(a) Tax-Free Recapitalization

The surrender of a TUSA General Unsecured Claim that constitutes a "security" for U.S. federal income tax purposes in exchange for New TUSA HoldCo Common Stock, and, if such Holders are Eligible Holders, Subscription Rights to purchase Convertible Preferred Stock, should be treated as a recapitalization for U.S. federal income tax purposes. Accordingly, a Holder of a TUSA General Unsecured Claim that constitutes a "security" for U.S. federal income tax purposes generally should not recognize any gain or loss upon such an exchange of its Claim. A Holder will have interest income to the extent of any consideration allocable to accrued but unpaid interest not previously included in income. For a discussion of the U.S. federal income tax consequences of any Claim for accrued but unpaid interest, see Section XII.B.1(d).

A Holder's aggregate tax basis in New TUSA HoldCo Common Stock and Subscription Rights received in satisfaction of a Claim should equal the Holder's adjusted tax basis in such Claim, increased by any interest income received in respect of such Claim, and

decreased by any deductions claimed in respect of any previously accrued interest. Such tax basis should be allocated between the New TUSA HoldCo Common Stock and any Subscription Rights received based on their relative fair market values. The Holder's holding period for any New TUSA HoldCo Common Stock and any Subscription Rights received generally should include the Holder's holding period for the Claim, except that the holding period of any New TUSA HoldCo Common Stock and any Subscription Rights issued in respect of a Claim for accrued but unpaid interest would begin on the day following the receipt of such New TUSA HoldCo Common Stock and Subscription Rights.

(b) Fully Taxable Exchange

The receipt by a Holder of a TUSA General Unsecured Claim that does not constitute a "security" for U.S. federal income tax purposes of New TUSA HoldCo Common Stock and, if such Holder is an Eligible Holder, Subscription Rights, should be a fully taxable transaction. Accordingly, a Holder of such a Claim generally should recognize gain or loss in an amount equal to the difference between (i) the amount realized by the Holder in satisfaction of its Claim, which is the sum of the fair market value of any shares of New TUSA HoldCo Common Stock and the fair market value of any Subscription Rights received (other than in respect of any Claim for accrued but unpaid interest), and (ii) the Holder's adjusted tax basis in its Claim (other than in respect of any Claim for accrued but unpaid interest). For a discussion of the U.S. federal income tax consequences to Holders of any Claim for accrued but unpaid interest, see Section XII.B.1(d).

A Holder's tax basis in any New TUSA HoldCo Common Stock and any Subscription Rights received in satisfaction of a Claim generally should equal the fair market values of such New TUSA HoldCo Common Stock and Subscription Rights on the Effective Date. A Holder's holding period for any New TUSA HoldCo Common Stock and any Subscription Rights received generally should begin the day following the Effective Date.

(c) Character of Gain of Loss

If gain or loss is recognized by a Holder in respect of the satisfaction of its TUSA General Unsecured Claim, the character of such gain or loss will generally be long-term capital gain or loss if the Holder has held the claim for more than a year, subject to the "market discount" rules discussed below. Each Holder of a TUSA General Unsecured Claim is urged to consult its tax advisor for a determination of the character of any gain or loss recognized in respect to the satisfaction of its TUSA General Unsecured Claim. Holders of TUSA General Unsecured Claims who recognize capital losses as a result of the distributions under the Plan will be subject to limits on their use of capital losses.

(d) Accrued but Unpaid Interest

The extent to which any consideration received by a Holder of a TUSA General Unsecured Claim pursuant to the Plan will be attributable to accrued but unpaid interest is unclear. Pursuant to the Plan, distributions to any Holder of TUSA General Unsecured Claims will be allocated for U.S. federal income tax purposes to the principal amount of the Claim

first and then, to the extent the consideration exceeds the principal amount of the Claim, to the portion of such Claim representing accrued but unpaid interest. There is no assurance, however, that the IRS would respect such allocation for U.S. federal income tax purposes.

In general, to the extent that any consideration received pursuant to the Plan by a Holder of a TUSA General Unsecured Claim is received in satisfaction of accrued but unpaid interest during its holding period, such amount will be taxable to the Holder as interest income (if not previously included in the Holder's gross income). Conversely, a Holder generally recognizes a loss to the extent any accrued but unpaid interest claimed or amortized market discount was previously included in its gross income and is not paid in full. Each Holder of a Claim is urged to consult its tax advisor regarding the allocation of consideration and the deductibility of accrued but unpaid interest for U.S. federal income tax purposes.

(e) Market Discount

A Holder that purchased its TUSA General Unsecured Claim from a prior holder at a "market discount" (relative to the "adjusted issue price" of the existing notes at the time of acquisition) may be subject to the market discount rules of the Internal Revenue Code. If a Holder purchased its existing claims at a price less than such claim's principal amount, the difference would constitute "market discount" for U.S. federal income tax purposes. In general, a debt obligation (other than a debt obligation with a fixed maturity of one year or less) that is acquired by a holder in the secondary market (or, in certain circumstances, upon original issuance) is a "market discount bond" as to that holder if its stated redemption price at maturity (or, in the case of a debt obligation having original issue discount ("**OID**"), the revised issue price) exceeds the adjusted tax basis of the bond in the holder's hands immediately after its acquisition. However, a debt obligation will not be a "market discount bond" if such excess is less than a statutory de minimis amount. Any gain recognized by such holder would be treated as ordinary income to the extent of the accrued but unrecognized market discount.

2. Ownership and Disposition of New TUSA HoldCo Common Stock

(a) Distributions

Distributions, if any, with respect to the New TUSA HoldCo Common Stock will be subject to tax as dividend income when paid to the extent of New TUSA HoldCo's current and accumulated earnings and profits as determined under U.S. federal income tax principles. Any portion of a distribution that exceeds New TUSA HoldCo's current and accumulated earnings and profits will generally be treated first as a return of capital, on a share-by-share basis, to the extent of the holder's tax basis in the New TUSA HoldCo Common Stock (and will reduce the holder's basis in such stock), and, to the extent such portion exceeds the holder's tax basis in its New TUSA HoldCo Common Stock, will be treated as gain from the disposition of the stock, the tax treatment of which is discussed below in "Sale or Other Disposition."

(i) U.S. Holders

Dividends paid by New TUSA HoldCo will generally be eligible for the preferential tax rate applicable to "qualified dividend income" of eligible non-corporate U.S. holders provided that the U.S. holder meets certain holding period requirements and for the "dividends received deduction" for corporate shareholders, provided that certain requirements are met.

(ii) Non-U.S. Holders

Subject to the discussion below regarding dividends that are effectively connected with a trade or business in the United States, dividends paid to a non-U.S. holder with respect to New TUSA HoldCo Common Stock will generally be subject to U.S. federal withholding tax at a 30% rate on the gross amount of the dividend, or such lower rate as may be provided by an applicable income tax treaty, provided that the non-U.S. holder furnishes proper certification of the applicability of such income tax treaty. In addition, because the Debtors believe that New TUSA HoldCo will be treated as a "United States real property holding corporation" (as described below) upon substantial consummation of the Plan, New TUSA HoldCo may, if required, withhold 15% of any distribution that exceeds New TUSA HoldCo's current and accumulated earnings and profits. Such withholding does not apply if New TUSA HoldCo's stock is regularly traded on an established securities market and the non-U.S. holder did not own (directly, indirectly or constructively) more than 5% of New TUSA HoldCo Common Stock at any time during the shorter of the five-year period ending on the date of the distribution or the period that the non-U.S. holder held New TUSA HoldCo Common Stock. There can be no assurance that New TUSA HoldCo Common Stock will qualify as regularly traded on an established securities market.

Non-U.S. holders should consult their tax advisors regarding their entitlement to benefits under an applicable income tax treaty and the manner of claiming the benefits of such treaty. A non-U.S. holder that is eligible for a reduced rate of U.S. federal withholding tax under an income tax treaty may obtain a refund of any excess amounts withheld by timely filing a properly executed IRS Form W-8BEN or W-8BEN-E (or successor form) upon which the non-U.S. holder certifies, under penalties of perjury, its status as a non-U.S. person and its entitlement to the lower treaty rate or exemption from tax with respect to such distributions.

Dividends that (a) are effectively connected with a non-U.S. holder's conduct of a trade or business in the United States and, (b) if an income tax treaty requires, are attributable to a permanent establishment maintained by the non-U.S. holder in the United States, will not be subject to U.S. federal withholding tax, assuming that the non-U.S. holder timely files a properly executed IRS Form W-8ECI certifying an exemption from withholding with respect to such dividends. Instead, such dividends will be subject to tax on a net income basis at regular graduated U.S. federal income tax rates, in the manner applicable to U.S. persons. In addition, dividends received by a corporate non-U.S. holder that are effectively connected with the conduct of a trade or business in the United States (and, if an income tax treaty requires, that are attributable to a permanent establishment maintained by the non-U.S. holder in the United States) may be subject to a branch profits tax at a 30% rate, or at a lower rate if provided by an applicable income tax treaty.

(b) Sale or Other Disposition

(i) U.S. Holders

Any gain or loss recognized by a U.S. holder on the sale, exchange, or other disposition of New TUSA HoldCo Common Stock should generally be capital gain or loss in an amount equal to the difference, if any, between the amount realized by the holder and the holder's adjusted tax basis in the New TUSA HoldCo Common Stock immediately before the sale, exchange, or other disposition. A holder's amount realized should equal the amount of cash and the fair market value of any property received in consideration of its stock. Any such gain or loss should generally be long-term if the holder's holding period for its stock is more than one year at that time. The use of capital losses is subject to limitations.

(ii) Non-U.S. Holders

Subject to the discussion below on backup withholding and the Foreign Account Tax Compliance Act, a non-U.S. holder will generally not be subject to U.S. federal income tax on gain recognized on a sale, exchange or other taxable disposition of New TUSA HoldCo Common Stock unless (a) the non-U.S. holder is an individual present in the United States for 183 days or more during the taxable year of the disposition and certain other conditions are met, (b) the gain is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States and, if an income tax treaty requires, is attributable to a permanent establishment maintained by the non-U.S. holder in the United States; or (c) New TUSA HoldCo is, or has been, a "United States real property holding corporation" for U.S. federal income tax purposes at any time during the shorter of the five-year period ending on the date of disposition or the period that the non-U.S. holder held New TUSA HoldCo Common Stock, and either (i) the non-U.S. holder owns or owned (directly, indirectly, or constructively), at any time during the shorter of such periods, more than 5% of New TUSA HoldCo Common Stock, or (ii) New TUSA HoldCo Common Stock has ceased to be regularly traded on an established securities market prior to the beginning of the calendar year in which the sale, exchange, or other taxable disposition occurs.

Under U.S. federal income tax laws, New TUSA HoldCo will be a "United States real property holding corporation" if the fair market value of New TUSA HoldCo's "United States real property interests" equals or exceeds 50% of the sum of (a) New TUSA HoldCo's real property interests, plus (b) any other of New TUSA HoldCo's assets used or held for use in a trade or business. The Debtors believe that New TUSA HoldCo will be treated as a "United States real property holding corporation" on the Effective Date. Nevertheless, a non-U.S. holder will not be subject to U.S. federal income tax on a disposition of New TUSA HoldCo Common Stock so long as (i) the non-U.S. holder did not own (directly, indirectly, or constructively) more than 5% of New TUSA HoldCo Common Stock at any time during the shorter of the five-year period ending on the date of disposition or the period that the non-U.S. holder held New TUSA HoldCo Common Stock, and (ii) New TUSA HoldCo Common Stock is regularly traded on an established securities market. If such conditions are not satisfied, a non-U.S. holder will be subject to U.S. federal income tax on a disposition of New TUSA

HoldCo Common Stock as if the gain were effectively connected with the conduct of the non-U.S. holder's trade or business in the United States, as discussed below. In addition, if New TUSA HoldCo Common Stock is not treated as regularly traded on an established securities market, a buyer of New TUSA HoldCo Common Stock from a non-U.S. holder generally would be required to withhold tax in an amount equal to 15% of the amount realized by the non-U.S. holder on the sale or other taxable disposition of the New TUSA HoldCo Common Stock. There can be no assurance that New TUSA HoldCo Common Stock will qualify as regularly traded on an established securities market. The rules regarding "United States real property holding corporations" are complex, and non-U.S. holders are urged to consult with their tax advisors on the application of these rules based on their particular circumstances.

An individual non-U.S. holder who is subject to U.S. tax because such holder was present in the United States for 183 days or more during the year of disposition will generally be taxed on such holder's gain from the disposition of New TUSA HoldCo Common Stock at a flat rate of 30% (net of any United States-source capital loss recognized in such year), or at a lower rate if provided by an applicable income tax treaty. However, non-U.S. holders whose gain from the disposition of New TUSA HoldCo Common Stock is treated as effectively connected (including for reasons described in the preceding paragraph) with such non-U.S. holder's conduct of a trade or business in the United States (and, if an income tax treaty requires, that is attributable to a permanent establishment maintained by the non-U.S. holder in the United States) will generally be taxed on such disposition on a net income basis at regular graduated U.S. federal income tax rates, in the same manner in which citizens or residents of the United States would be taxed. In addition, gain recognized by a corporate non-U.S. holder that is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States (and, if an income tax treaty requires, that is attributable to a permanent establishment maintained by the non-U.S. holder in the United States) may be subject to a branch profits tax at a 30% rate, or at a lower rate if provided by an applicable income tax treaty. Accordingly, non-U.S. holders of New TUSA HoldCo Common Stock are urged to consult their tax advisors regarding the U.S. federal income tax consequences to them of owning, selling or disposing of New TUSA HoldCo Common Stock.

(iii) Foreign Account Tax Compliance Act

Under certain provisions of the Tax Code referred to as the Foreign Account Tax Compliance Act, withholding at a rate of 30% will generally be required in certain circumstances on dividends in respect of, and after December 31, 2018, gross proceeds from the sale or other disposition of, shares of New TUSA HoldCo Common Stock held by or through certain foreign financial institutions (including investment funds), unless such institution (a) enters into, and complies with, an agreement with the IRS to report, on an annual basis, information with respect to certain interests in, or accounts maintained by, the institution that are owned by certain U.S. persons or by certain non-U.S. entities that are wholly or partially owned by U.S. persons and to withhold on certain payments, or (b) if required under an intergovernmental agreement between the United States and an applicable foreign country, reports such information to its local tax authority, which will exchange such information with the U.S. authorities. An intergovernmental agreement between the United

States and an applicable foreign country may modify these requirements. Accordingly, the entity through which New TUSA HoldCo Common Stock is held will affect the determination of whether such withholding is required. Similarly, dividends in respect of, and after December 31, 2018, gross proceeds from the sale or other disposition of, New TUSA HoldCo Common Stock held by a holder that is a non-financial non-U.S. entity that does not qualify under certain exceptions will generally be subject to withholding at a rate of 30%, unless such entity either (i) certifies to the withholding agent that such entity does not have any "substantial United States owners" or (ii) provides certain information regarding the entity's "substantial United States owners," which in turn will be required to be provided to the United States Department of the Treasury. Holders should consult their tax advisors regarding the possible implications of these rules on their ownership in New TUSA HoldCo Common Stock.

3. Ownership and Disposition of Convertible Preferred Stock

A holder of Subscription Rights to purchase Convertible Preferred Stock pursuant to the Rights Offering generally should not recognize any gain or loss upon the exercise of such Subscription Rights. A holder's aggregate tax basis in the Convertible Preferred Stock received upon exercise of a Subscription Right should be equal to the sum of the amount of cash paid by the holder to exercise the Subscription Right and the holder's tax basis in the right exercised (i.e., the fair market value of the Subscription Right). A holder's holding period in the Convertible Preferred Stock received on exercise of the Subscription Right should begin on the day after the day of receipt.

It is uncertain whether a Holder that receives but does not exercise a Subscription Right should be treated as receiving anything of additional value in respect of its Claim. If the Holder is treated as having received a Subscription Right of value (despite its subsequent lapse), such that it obtains a tax basis in the Subscription Right, the Holder generally would recognize a loss to the extent of the holder's tax basis in the Subscription Right. In general, such loss would be a short-term capital loss.

Because, among other things, (A) upon liquidation, a holder of Convertible Preferred Stock is entitled to receive the greater of (i) its liquidation preference plus any applicable redemption premium and (ii) the amount such holder would have received if the Convertible Preferred Stock were converted into New TUSA HoldCo Common Stock immediately prior to such liquidation, and (B) upon redemption, a holder of Convertible Preferred Stock is entitled to receive the greater of (i) its liquidation preference plus any applicable redemption premium and (ii) the amount equal to the value of the New TUSA HoldCo Common Stock such holder would have received if the Convertible Preferred Stock were converted into New TUSA HoldCo Common Stock, the Debtors believe that the Convertible Preferred Stock should be considered participating stock for U.S. federal income tax purposes that generally should not be subject to the preferred OID rules under section 305 of the Internal Revenue Code. No regulations or other administrative guidance have been issued addressing an instrument with terms similar to the Convertible Preferred Stock, and, consequently, there is uncertainty regarding the application of the preferred OID rules to the Convertible Preferred Stock. Accordingly, Holders of Claims should consult their tax advisors regarding the U.S. federal

income tax consequences of the acquisition, ownership, and disposition of the Convertible Preferred Stock. The Debtors intend to treat the Convertible Preferred Stock as participating stock for U.S. federal income tax purposes, and the remainder of this discussion assumes the correctness of the Debtors' position. However, no assurance can be made that the IRS will not successfully challenge this characterization.

Accordingly, the U.S. federal income tax consequences of the ownership and disposition of Convertible Preferred Stock generally should be the same as those discussed in respect of New TUSA HoldCo Common Stock, unless indicated otherwise herein.

The conversion of Convertible Preferred Stock into New TUSA HoldCo Common Stock will not be a taxable event. A holder's tax basis in the New TUSA HoldCo Common Stock received upon a conversion of Convertible Preferred Stock will equal the tax basis of the Convertible Preferred Stock that was converted. The holder's holding period for the New TUSA HoldCo Common Stock received will include the holder's holding period for the Convertible Preferred Stock converted.

A redemption of the Convertible Preferred Stock will be treated as a distribution taxable as a dividend to holders of the Convertible Preferred Stock to the extent of the Debtors' current or accumulated earnings and profits, unless it can be satisfactorily established that, for U.S. federal income tax purposes, (a) the redemption is "not essentially equivalent to a dividend,'' (b) the redemption results in a "complete termination'' of the holder's interest in the stock (both preferred and common) of New TUSA HoldCo, or (c) the redemption is "substantially disproportionate'' with respect to the holder, all within the meaning of section 302(b) of the Internal Revenue Code. In any such case, the redemption would be treated as a sale or exchange that gives rise to capital gain or loss generally equal to the difference between (a) the amount of cash received by the holder and (b) the holder's tax basis in the Convertible Preferred Stock redeemed, subject to any limitations on such holder's ability to deduct capital losses.

In the event that New TUSA HoldCo does not declare and pay in full in cash the quarterly dividend on the Convertible Preferred Stock pursuant to the terms of the Convertible Preferred Stock, and instead the liquidation preference of the Convertible Preferred Stock is automatically increased by such undeclared and unpaid portion of such dividend, such action may, in some circumstances, result in a deemed distribution to the holder. Pursuant to section 305(b)(2) of the Tax Code, an increase in the liquidation preference or certain rights of stock constitutes a "disproportionate distribution," and is therefore taxable, if it results in (a) the receipt of cash or property by some stockholders and (b) an increase in the proportionate interest of other stockholders in the assets or earnings and profits of the distributing corporation. Under the applicable Treasury Regulations, where the receipt of cash or property occurs more than 36 months following the increase in liquidation preference, or where the increase in liquidation preference occurs more than 36 months following the receipt of cash or property, such transaction will be presumed not to result in the receipt of cash or property by some stockholders and an increase in the proportionate interest of other stockholders, unless the receipt of cash or property by some stockholders and the increase in the proportionate interest of other stockholders are made pursuant to a plan. Accordingly, if New TUSA HoldCo

pays a cash or stock dividend to holders of another class of stock (other than the Convertible Preferred Stock) or convertible securities of New TUSA HoldCo, such action could result in the increase in liquidation preference of the Convertible Preferred Stock as being treated as a deemed distribution to the holder.

Holders of Convertible Preferred Stock may also be treated as receiving deemed distributions in certain circumstances where the conversion rate of the Convertible Preferred Stock will be adjusted. Adjustments (or failure to make adjustments) that have the effect of increasing a holder's proportionate interest in our assets or earnings and profits may, in some circumstances, result in a deemed distribution to the holder. Adjustments to the conversion rate made pursuant to a bona fide reasonable adjustment formula that has the effect of preventing the dilution of the interest of the holder of the Convertible Preferred Stock, however, will generally not be considered to result in a deemed distribution to the holder. Certain of the possible conversion rate adjustments provided in the terms of the Convertible Preferred Stock (including adjustments in respect of taxable dividends paid to holders of common stock) may not qualify as being pursuant to a bona fide reasonable adjustment formula. If adjustments that have the effect of increasing a holder's proportionate interest in our assets or earnings and profits and that do not qualify as being pursuant to a bona fide reasonable adjustment formula are made, holders of Convertible Preferred Stock may generally be deemed to have received a distribution even though they have not received any cash or property.

Any such deemed distributions under the circumstances described above will generally be taxable to a holder in the same manner as an actual distribution as described above under Section XII.B.2(a). For holders that are non-U.S. holders, constructive distributions may be subject to U.S. federal withholding tax at a 30% rate (or at a reduced rate or exemption from tax established through adequate documentation to be available to the non-U.S. holder under an applicable income tax treaty), which tax may be withheld by or on behalf of New TUSA HoldCo from other payments due to such holders. New TUSA HoldCo may also take other measures to obtain cash to satisfy its withholding requirements with respect to such constructive distributions, including by retaining, selling or liquidating property of the applicable holders held in its custody or over which it has control. Such holders would not be entitled to receive any additional amounts in respect of any amounts withheld or required to be withheld.

C. Information Reporting and Withholding

All distributions to Holders of Allowed TUSA General Unsecured Claims under the Plan are generally subject to any applicable tax withholding. Under U.S. federal income tax law, interest, dividends, and other reportable payments may, under certain circumstances, be subject to "backup withholding." Backup withholding generally applies if the holder (a) fails to furnish its social security number or other TIN, (b) furnishes an incorrect TIN, (c) fails properly to report interest or dividends, or (d) under certain circumstances, fails to provide a certified statement, signed under penalty of perjury, that the TIN provided is its correct number and that it is a United States person that is not subject to backup withholding.

Backup withholding is not an additional tax and may be refunded by the IRS to the extent it results in an overpayment of tax and the appropriate information is timely supplied to the IRS. Certain persons are exempt from backup withholding, including, in certain circumstances, corporations and financial institutions.

In addition, from an information reporting perspective, Treasury Regulations generally require disclosure by a taxpayer on its U.S. federal income tax return of certain types of transactions in which the taxpayer participated, including, among other types of transactions, certain transactions that result in the taxpayer's claiming a loss in excess of specified thresholds. Holders are urged to consult their tax advisors regarding these regulations and whether the transactions contemplated by the Plan would be subject to these regulations and require disclosure on the holders' tax returns.

The foregoing summary has been provided for informational purposes only. All Holders of Claims receiving a distribution under the Plan are urged to consult their tax advisors concerning the U.S. federal, state and local, and foreign tax consequences applicable under the Plan.

XIII. PLAN SUPPLEMENT

Exhibits to the Plan not attached hereto shall be filed in one or more Plan Supplements. Any Plan Supplement (and amendments thereto) filed by the Debtors shall be deemed an integral part of the Plan and shall be incorporated by reference as if fully set forth therein. The Plan Supplements may be viewed at the office of the clerk of the Court or its designee during normal business hours, by visiting the Bankruptcy Court's website at http://www.deb.uscourts.gov (PACER account required) or at the Solicitation Agent website https://cases.primeclerk.com/tusa, or by written request to the Solicitation Agent at:

By regular mail, hand delivery, or overnight mail at:

Prime Clerk LLC
Re: Triangle USA Petroleum Corp.
830 3rd Avenue, 3rd Floor
New York, New York 10022

By electronic mail at:

tusainfo@primeclerk.com

By telephone at:

(855) 842-4122 within the United States or Canada; or (929) 333-8982 outside the United States or Canada.

The documents contained in any Plan Supplements shall be subject to approval by the Bankruptcy Court pursuant to the Confirmation Order.

[Remainder of Page Intentionally Left Blank]

XIV. RECOMMENDATION AND CONCLUSION

In the opinion of the Debtors, the Plan is preferable to all other available alternatives and provides for a larger distribution to the Debtors' creditors than would otherwise result in any other scenario. Accordingly, the Debtors recommend that Holders of Claims entitled to vote on the Plan vote to accept the Plan and support Confirmation of the Plan.

Dated: ~~December 23~~January 12, 2016

TRIANGLE USA
on behalf of itself and all other Debtors

/s/ John R. Castellano
Name: John R. Castellano
Title: Chief Restructuring Officer