

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

EMERALD OIL, INC., *et al.*,¹

Debtors.

) Chapter 11

) Case No. 16-10704 (KG)

) (Jointly Administered)

ORDER CONFIRMING DEBTORS' AMENDED JOINT PLAN OF
LIQUIDATION (AS MODIFIED) PURSUANT TO CHAPTER 11 OF THE
BANKRUPTCY CODE

The above-captioned debtors and debtors in possession (collectively, the "Debtors"),
having:²

- a. commenced, on March 22, 2016 (the "Petition Date"), these chapter 11 cases (these "Chapter 11 Cases") by filing voluntary petitions in the United States Bankruptcy Court for the District of Delaware (the "Court") for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "Bankruptcy Code");
- b. continued to operate their businesses and manage their properties as debtors in possession in accordance with sections 1107(a) and 1108 of the Bankruptcy Code;
- c. filed, on September 28, 2016, the *Notice of Successful Bidder and Cancellation of Auction* [Docket No. 752] in compliance with the *Order (A) Approving Bidding Procedures and Bid Protections in Connection with the Sale of Substantially All of the Debtors' Assets, (B) Approving the Form and Manner of Notice Thereof, (C) Scheduling an Auction and a Sale Hearing, (D) Approving Procedures for the Assumption and Assignment of Contracts, and (E) Granting Related Relief* [Docket No. 664] (the "Bidding Procedures Order"), in which the Successful Bid (as defined in the Bidding Procedures Order) was identified; with all necessary

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Emerald Oil, Inc. (9000); Emerald DB, LLC (2933); Emerald NWB, LLC (7528); Emerald WB LLC (8929); and EOX Marketing, LLC (4887). The location of the Debtors' service address is: 200 Columbine Street, Suite 500, Denver, Colorado 80206.

² Capitalized terms used but not otherwise defined in these findings of fact, conclusions of law, and order (collectively, this "Confirmation Order") have the meanings given to such terms in the Plan (as defined herein). The rules of interpretation set forth in Article I.B of the Plan apply to this Confirmation Order.

parties being provided sufficient notice, as evidenced by the *Affidavit of Service* [Docket No. 681];

- d. obtained entry, on October 1, 2016, of the *Order (A) Approving the Asset Purchase Agreement Between the Debtors and the Purchaser, (B) Further Implementing the Sale of Substantially All of the Debtors' Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests, (C) Authorizing the Assumption and Assignment of Contracts, and (D) Modifying Certain Provisions of the Final DIP Order, (E) Approving the DMS Settlement, and (F) Granting Related Relief*, in which the Court approved the Sale Transaction contemplated by the Purchase Agreement [Docket No. 874];
- e. filed, on December 30, 2016, (i) the *Disclosure Statement for the Debtors' Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 985] (the "Disclosure Statement") and (ii) the *Debtors' Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 984];
- f. filed, on February 8, 2017, (i) the *Disclosure Statement for the Debtors' Amended Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 1057] (the "Amended Disclosure Statement") and (ii) the *Debtors' Amended Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 1056];
- g. obtained entry, on February 8, 2017, of the *Order (I) Approving the Adequacy of the Disclosure Statement, (II) Approving the Solicitation and Notice Procedures with Respect to Confirmation of the Debtors' Proposed Joint Plan of Liquidation, (III) Approving the Forms of Ballots and Notices in Connection Therewith, (IV) Scheduling Certain Dates with Respect Thereto, and (V) Granting Related Relief* [Docket No. 1053] (the "Disclosure Statement Order"), approving the Disclosure Statement, the solicitation procedures (the "Solicitation Procedures"), and the related notices, forms, and ballots (collectively, the "Solicitation Packages");
- h. caused, beginning on or about February 14, 2017, the Solicitation Packages and the Confirmation Hearing Notice to be distributed in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Bankruptcy Rules"), the Disclosure Statement Order, and the Solicitation Procedures, as evidenced by, among other things, the *Affidavit of Service* (the "Affidavit of Service") filed at [Docket No. 1077]
- i. caused, on February 21, 2017, notice of the Confirmation Hearing (the "Confirmation Hearing Notice") to be published in *USA Today* and the *Denver Post*, as evidenced by the *Affidavit of Publication of the Notice of Order (A) Approving the First Amended Disclosure Statement, (B) Approving the Solicitation Procedures, (C) Approving the Forms of Ballots and Notices in*

Connection Therewith, (D) Establishing the Plan Confirmation Schedule, and (E) Granting Related Relief in the Denver Post and USA Today [Docket No. 1091] (the "Publication Affidavit") (together with the Affidavit of Service, the "Affidavits");

- j. filed, on March 8, 2017, the *Plan Supplement to the Debtors' Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 1104] (as modified, amended, or supplemented from time to time, the "Plan Supplement" and which, for purposes of the Plan and this Confirmation Order, is included in the definition of "Plan");
- k. caused, on March 8, 2017, notice of the Plan Supplement, as evidenced by the *Affidavit of Service* [Docket No. 1106];
- l. filed, on March 17, 2017, the *Debtors' Memorandum of Law in Support of Confirmation of the Debtors' Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 1112] (the "Confirmation Brief");
- m. filed, on March 17, 2017, the *Declaration of Wade Stubblefield in Support of Confirmation of the Debtors' Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 1113] (the "Stubblefield Declaration");
- n. filed, on March 17, 2017, the *Declaration of Jung W. Song on Behalf of Donlin, Recano & Company, Inc. Regarding Voting and Tabulation of Ballots Accepting and Rejecting Debtors' Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 1114] (the "Voting Report");
- o. filed, on March 22, 2017, the proposed *Order Confirming Debtors' Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 1125]; and
- p. filed, on March 24, the *Debtors' Amended Joint Plan of Liquidation (As Modified) Pursuant to Chapter 11 of the Bankruptcy Code*, dated March 24, 2017 [Docket No. 1132].

The Court having:

- a. entered, on February 8, 2017, the Disclosure Statement Order;
- b. set March 22, 2017, at 10:00 a.m. (prevailing Eastern Time) as the date and time for the commencement of the Confirmation Hearing in accordance with Bankruptcy Rules 3017 and 3018 and sections 1126, 1128, and 1129 of the Bankruptcy Code;
- c. reviewed the Plan, the Disclosure Statement, the Confirmation Brief, the Stubblefield Declaration, the Voting Report, and all pleadings, exhibits, statements, responses, and comments regarding Confirmation, including all

objections, statements, and reservations of rights filed by parties in interest on the docket of these Chapter 11 Cases;

- d. held the Confirmation Hearing;
- e. heard the statements and arguments made by counsel in respect of Confirmation;
- f. considered all oral representations, documents, filings, and other evidence regarding Confirmation;
- g. overruled any and all objections to the Plan and to Confirmation and all statements and reservations of rights not consensually resolved or withdrawn unless otherwise indicated; and
- h. taken judicial notice of all papers and pleadings filed in these Chapter 11 Cases and all evidence proffered or adduced and all arguments made at the hearings held before the Court during the pendency of these Chapter 11 Cases.

NOW, THEREFORE, the Court having found that notice of the Confirmation Hearing and the opportunity for any party in interest to object to Confirmation having been adequate and appropriate as to all parties affected or to be affected by the Plan and the transactions contemplated thereby; and the record of these Chapter 11 Cases and the legal and factual bases set forth in the documents filed in support of Confirmation and presented at the Confirmation Hearing establish just cause for the relief granted in this Confirmation Order; and after due deliberation thereon and good cause appearing therefor, the Court hereby makes and issues the following findings of fact, conclusions of law, and order:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

IT IS HEREBY FOUND AND DETERMINED THAT:

A. Findings of Fact and Conclusions of Law.

1. The findings of fact and the conclusions of law set forth in this Confirmation Order constitute findings of fact and conclusions of law in accordance with Bankruptcy Rule 7052, made applicable to this proceeding by Bankruptcy Rule 9014. All findings of fact and conclusions of law announced by the Court at the Confirmation Hearing in

relation to Confirmation are hereby incorporated into this Confirmation Order to the extent not inconsistent herewith. To the extent that any of the following constitutes findings of fact or conclusions of law, they are adopted as such. To the extent any finding of fact or conclusion of law set forth in this Confirmation Order (including any findings of fact or conclusions of law announced by the Court at the Confirmation Hearing and incorporated herein) constitutes an order of the Court, it is adopted as such.

B. Jurisdiction and Venue.

2. The Court has subject matter jurisdiction over this matter under 28 U.S.C. § 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. The Court has exclusive jurisdiction to determine whether the Plan complies with the applicable provisions of the Bankruptcy Code and should be confirmed. Venue in the Court was proper as of the Petition Date and remains proper under 28 U.S.C. §§ 1408 and 1409. The Debtors confirm their consent, pursuant to Bankruptcy Rule 7008, to the entry of a final order by the Court in connection with this Confirmation Order to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

C. Eligibility for Relief.

3. The Debtors were and continue to be entities eligible for relief under section 109 of the Bankruptcy Code.

D. Commencement and Joint Administration of the Chapter 11 Cases.

4. On the Petition Date, the Debtors properly commenced these Chapter 11 Cases. On March 22, 2016, the Court entered an order [Docket No. 36] authorizing the joint administration and procedural consolidation of these Chapter 11 Cases in accordance with

Bankruptcy Rule 1015(b). Since the Petition Date, the Debtors have operated their businesses and managed their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these Chapter 11 Cases.

E. Judicial Notice.

5. The Court takes judicial notice of (and deems admitted into evidence for purposes of Confirmation) the docket of these Chapter 11 Cases maintained by the clerk of the Court or its duly appointed agent, including all pleadings and other documents on file, all orders entered, all hearing transcripts, and all evidence and arguments made, proffered, or adduced at the hearings held before the Court during these Chapter 11 Cases. Any resolution of objections to Confirmation explained on the record at the Confirmation Hearing is hereby incorporated by reference. All unresolved objections, statements, informal objections, and reservations of rights, if any, related to the Plan or Confirmation are overruled on the merits, unless otherwise set forth in this Confirmation Order.

F. Plan Supplement.

6. The Plan Supplement complies with the Bankruptcy Code and the terms of the Plan, and the filing and notice of such documents were good and proper and in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Disclosure Statement Order, and the facts and circumstances of these Chapter 11 Cases. No other or further notice is or will be required with respect to the Plan Supplement. All documents included in the Plan Supplement are integral to, part of, and incorporated by reference into the Plan. Subject to the terms of the Plan, the Debtors reserve the right to alter, amend, update, or modify the Plan Supplement before the Effective Date.

G. Disclosure Statement Order.

7. On February 8, 2017, the Court entered the Disclosure Statement Order, which, among other things: (a) approved the Disclosure Statement as containing adequate information within the meaning of section 1125 of the Bankruptcy Code and Bankruptcy Rule 3017; (b) approved the Solicitation Procedures; (c) approved the Solicitation Packages; (d) set March 13, 2017, at 4:00 p.m. (prevailing Eastern Time), as the deadline for voting to accept or reject the Plan (the "Voting Deadline"); (e) set March 13, 2017, at 4:00 p.m. (prevailing Eastern Time), as the deadline for objecting to the Plan (the "Plan Objection Deadline"); and (f) set March 22, 2017 at 10:00 a.m. (prevailing Eastern Time) as the date and time for the Confirmation Hearing.

H. Notice.

8. The Plan, Disclosure Statement, Disclosure Statement Order, notice of the Confirmation Hearing, and an appropriate ballot for voting on the Plan with a return envelope or a notice of non-voting status (in substantially the forms approved pursuant to the Disclosure Statement Order) were transmitted and served in compliance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Disclosure Statement Order. As evidenced by the Affidavits, all parties required to be given notice of the Confirmation Hearing (including the deadline for filing and serving objections to Confirmation) have been provided due, proper, timely, and adequate notice and have had an opportunity to appear and be heard with respect thereto. No other or further notice is required.

I. Solicitation.

9. The Debtors solicited votes for acceptance and rejection of the Plan in good faith, and such solicitation complied with sections 1125 and 1126, and all other applicable sections, of the Bankruptcy Code, Bankruptcy Rules 3017, 3018, and 3019, the Disclosure Statement Order, and all other applicable rules, laws, and regulations.

J. Voting Report.

10. Prior to the Confirmation Hearing, the Debtors caused the Voting Report to be filed. The procedures used to tabulate Ballots were fair and conducted in accordance with the Disclosure Statement Order, the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, and all other applicable rules, laws, and regulations.

11. As set forth in the Plan and the Disclosure Statement, Holders of Claims in Classes 2 and 4 were eligible to vote to accept or reject the Plan in accordance with the Solicitation Procedures. Holders of Claims in Classes 1 and 3 are Unimpaired and conclusively presumed to accept the Plan and, therefore, could not vote to accept or reject the Plan. Holders of Claims or Interests in Classes 5, 6, 7, and 8 (collectively, the "Deemed Rejecting Classes") are Impaired under the Plan, are entitled to no recovery under the Plan, and are therefore deemed to have rejected the Plan.

12. As evidenced by the Voting Report, Class 2 and Class 4 voted to accept the Plan.

K. Bankruptcy Rule 3016.

13. The Plan is dated and identifies the Entities submitting it, thereby satisfying Bankruptcy Rule 3016(a). The Debtors appropriately filed the Disclosure Statement and the Plan with the Court, thereby satisfying Bankruptcy Rule 3016(b).

L. Burden of Proof.

14. The Debtors, as proponents of the Plan, have met their burden of proving the elements of sections 1129(a) and 1129(b) of the Bankruptcy Code by a preponderance of the evidence, the applicable evidentiary standard for Confirmation. Further, the Debtors have proven the elements of sections 1129(a) and 1129(b) of the Bankruptcy Code by clear and convincing evidence.

M. Compliance with the Requirements of Section 1129 of the Bankruptcy Code.

15. The Plan complies with all applicable provisions of section 1129 of the Bankruptcy Code.

a. Section 1129(a)(1)—Compliance with Applicable Provisions of the Bankruptcy Code.

16. The Plan complies with all applicable provisions of the Bankruptcy Code, including sections 1122 and 1123, as required by section 1129(a)(1) of the Bankruptcy Code.

i. Sections 1122 and 1123(a)(1)—Proper Classification.

17. The Plan satisfies the requirements of sections 1122 and 1123(a)(1) of the Bankruptcy Code. Article III of the Plan provides for the separate classification of Claims and Interests into eight Classes. Valid business, factual, and legal reasons exist for the separate classification of such Claims and Interests. The classifications reflect no improper purpose and do not unfairly discriminate between, or among, Holders of Claims and Interests. Each Class of Claims or Interests contains only Claims or Interests that are substantially similar to the other Claims or Interests within that Class.

ii. Section 1123(a)(2)—Specification of Unimpaired Classes.

18. The Plan satisfies the requirements of section 1123(a)(2) of the Bankruptcy Code. Article III.A.2 of the Plan specifies that Claims in Classes 1 and 3 are Unimpaired under the Plan within the meaning of section 1124 of the Bankruptcy Code. Additionally, Article II of the Plan specifies that Administrative Claims, Priority Tax Claims, and Professional Fee Claims will be paid in full in accordance with the terms of the Plan, although these Claims are not classified under the Plan.

iii. Section 1123(a)(3)—Specification of Treatment of Impaired Classes.

19. The Plan satisfies the requirements of section 1123(a)(3) of the Bankruptcy Code. Article III.A.2 of the Plan specifies that Claims and Interests in Classes 2, 4, 5, 6, 7, and 8 are Impaired under the Plan within the meaning of section 1124 of the Bankruptcy Code, and specifies the treatment of each Impaired Class under the Plan.

iv. Section 1123(a)(4)—No Discrimination.

20. The Plan satisfies the requirements of section 1123(a)(4) of the Bankruptcy Code. Article III.B of the Plan provides the same treatment by the Debtors for each Claim or Interest in any particular Class unless the Holder of a particular Claim or Interest has agreed to a less favorable treatment with respect to such Claim or Interest.

v. Section 1123(a)(5)—Adequate Means for Plan Implementation.

21. The Plan satisfies section 1123(a)(5) of the Bankruptcy Code. Articles IV, VI, VII, and VIII of the Plan set forth specific means for the Plan's execution and implementation, including: (a) the limited substantive consolidation of the Debtors' Estates for purposes of Confirmation and Consummation; (b) the sources of consideration for distributions under the Plan, including funds held in the Administrative and Priority Claims Reserve, the Other Secured Claims Reserve, and the GUC Reserve; (c) the designation of the Plan Administrator and the GUC Oversight Representative and the maintenance of the Post-Effective Date Debtor; (d) the means by which the Post-Effective Date Debtor will fulfill its obligations under the Plan and the Plan Administrator Expense Reserve; (e) the manner of making distributions of property under the Plan; (f) the general authority for all corporate actions necessary to effectuate the Plan; (g) the dissolution of the Debtors' existing boards of directors; (h) the dissolution of the Debtors other than Emerald WB LLC, which shall be the Post-Effective Date Debtor on and after the Effective Date, and Emerald Oil, Inc. (for purposes of reinstatement of oil and gas lease NDM

94112); (i) the exemption from certain taxes and fees to the extent provided herein; (j) the preservation of Causes of Action to the extent not released, exculpated, or enjoined under the Plan; (k) the authorization to administer the Distribution Reserve Accounts in accordance with the Plan; and (l) the authorization to implement the wind down in accordance with the Plan.

22. The substantive consolidation provisions, set forth in Article IV.A of the Plan, are essential to the implementation of the Plan. On and after the Effective Date, all assets and liabilities (including Allowed Claims) of the Debtors shall be treated as though they were merged into one Estate solely for purposes of voting, Confirmation, and distribution. The limited substantive consolidation described in the Plan shall not affect the legal and organizational structure of the Debtors or their separate corporate existences or any prepetition or postpetition guarantees, Liens, or security interests that are required to be maintained under the Bankruptcy Code, under the Plan, or, with respect to Executory Contracts or Unexpired Leases that were assumed or entered into during the Chapter 11 Cases, if any. Moreover, any alleged defaults under any applicable agreement with the Debtors, the Post-Effective Date Debtor, or their respective Affiliates arising from substantive consolidation under the Plan shall be deemed cured as of the Effective Date.

vi. Section 1123(a)(6)—Charter.

23. The Plan is a liquidating plan and does not provide for the issuance of equity or other securities by the Debtors or the Post-Effective Date Debtor. Accordingly, the requirements of section 1123(a)(6) are inapplicable in these Chapter 11 Cases.

vii. Section 1123(a)(7)—Directors, Officers, Managers, Members, and Trustees.

24. The Plan satisfies the requirements of section 1123(a)(7) of the Bankruptcy Code. Article IV.H of the Plan discharges all of the Debtors' officers, directors, members, and

managers from their duties effective as of the Effective Date without any further action. Article IV.E and Article IV.F provide for the continuation of the Post-Effective Date Debtor and the appointment of the Plan Administrator.

b. Section 1123(b)—Discretionary Contents of the Plan.

25. The Plan contains various provisions that may be construed as discretionary but not necessary for Confirmation under the Bankruptcy Code. Any such discretionary provision complies with section 1123(b) of the Bankruptcy Code and is not inconsistent with the applicable provisions of the Bankruptcy Code. Thus, the Plan satisfies section 1123(b).

i. Compromise and Settlement.

26. In accordance with section 1123(b)(3)(A) of the Bankruptcy Code and Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under the Plan, the provisions of the Plan and this Confirmation Order constitute a good faith compromise and settlement 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 Interest or any distribution to be made on account of such Allowed Claim or Interest. The entry of this Confirmation Order constitutes the Court's approval of all compromises and settlements of all such Claims, Interests, and controversies, as well as a finding by the Court that such compromises and/or settlements are in the best interests of the Debtors, their Estates, and Holders of Claims and Interests and are fair, equitable, and reasonable.

ii. Debtor Release.

27. The release, set forth in Article X.D of the Plan (the "Debtor Release"), is an essential provision of the Plan. The scope of the Debtor Release is appropriately tailored under the facts and circumstances of these Chapter 11 Cases. The Debtor Release, which includes by reference each of the related provisions and definitions contained in the Plan, is: (a) in exchange

for the good and valuable consideration provided by the Released Parties; (b) a good faith settlement and compromise of the claims released by such releases; (c) in the best interests of the Debtors and all holders of Claims and Interests; (d) fair, equitable, and reasonable; (e) given and made after due notice and opportunity for hearing; and (f) a bar to any of the Debtors or their Estates asserting any Claim or Cause of Action released pursuant to such release.

iii. Third Party Release.

28. The release, set forth in Article X.E of the Plan (the “Third-Party Release”), is an essential provision of the Plan. The scope of the Third-Party Release in the Plan is appropriately tailored under the facts and circumstances of these Chapter 11 Cases, and parties received due and adequate notice of the Third-Party Release and the opportunity to opt out of the Third-Party Release, as applicable. The Third-Party Release is: (a) consensual; (b) in exchange for the good and valuable consideration provided by the Released Parties; (c) a good faith settlement and compromise of the claims released by such releases; (d) in the best interests of the Debtors and all holders of Claims and Interests; (e) fair, equitable, and reasonable; (f) given and made after due notice and opportunity for hearing; and (g) a bar to any of the Releasing Parties asserting any Claim or Causes of Action released pursuant to such release.

29. The Third Party Release is an integral part of the Plan. Like the Debtor Release, the Third Party Release and its protections facilitated participation in both the Plan and the Debtors’ chapter 11 process generally. As such, the Third Party Release appropriately offers protection to parties who constructively participated in and contributed to the Debtors’ chapter 11 process.

iv. Exculpation.

30. The exculpation provisions set forth in Article X.F of the Plan (the “Exculpation”) are essential to the Plan. The Exculpation appropriately affords protection to certain parties who

constructively participated in and contributed to the Debtors' chapter 11 process, and is appropriately tailored to protect the Exculpated Parties from inappropriate litigation.

v. Injunction.

31. The Injunction provisions set forth in Article X.G of the Plan (the "Injunction") are essential to the Plan and are necessary to implement the Plan and to preserve and enforce the Debtor Release, the Third Party Release, and the Exculpation provisions in Article X of the Plan. Such Injunction provisions are appropriately tailored to achieve those purposes.

vi. Preservation of Claims and Causes of Action and Assignment to Post-Effective Date Debtor.

32. Article IV.L of the Plan appropriately provides for the preservation by the Debtors of certain Causes of Action in accordance with section 1123(b)(3)(B) of the Bankruptcy Code. Causes of Action not released or exculpated by the Debtors will be transferred or assigned to the Post-Effective Date Debtor, as provided by the Plan. On the Effective Date, all Avoidance Actions not listed in the Plan Supplement shall be deemed waived, relinquished, and extinguished. The provisions regarding retained Causes of Action in the Plan are appropriate and in the best interests of the Debtors, their respective Estates, and all Holders of Claims and Interests. For the avoidance of any doubt, Causes of Action released under the Plan will not transfer to the Post-Effective Date Debtor and will not constitute Post-Effective Date Debtor Assets.

c. Section 1129(a)(2)—The Debtors' Compliance with the Applicable Provisions of the Bankruptcy Code.

33. The Debtors, as proponents of the Plan, have complied with all applicable provisions of the Bankruptcy Code as required by section 1129(a)(2) of the Bankruptcy Code, including sections 1122, 1123, 1124, 1125, 1126, and 1128, and Bankruptcy Rules 3017, 3018, and 3019.

34. Votes to accept or reject the Plan were solicited by the Debtors and their agents after the Court approved the Disclosure Statement pursuant to section 1125(a) of the Bankruptcy Code and entered the Disclosure Statement Order.

35. The Debtors and their agents have solicited and tabulated votes on the Plan and have participated in the activities described in section 1125 of the Bankruptcy Code fairly, in good faith within the meaning of section 1125(e), and in a manner consistent with the applicable provisions of the Disclosure Statement Order, the Disclosure Statement, the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, and all other applicable rules, laws, and regulations, and are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code and the Exculpation provisions set forth in Article X.F of the Plan.

36. The Debtors and their agents have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code with regard to the offering, issuance, and distribution of recoveries under the Plan and, therefore, are not, and on account of such distributions will not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or distributions made thereunder, so long as such distributions are made consistent with and pursuant to the Plan.

d. Section 1129(a)(3)—Proposal of Plan in Good Faith.

37. The Plan satisfies the requirements of section 1129(a)(3) of the Bankruptcy Code. The Debtors have proposed the Plan in good faith and not by any means forbidden by law. In determining that the Plan has been proposed in good faith, the Court has examined the totality of the circumstances surrounding the filing of these Chapter 11 Cases, including the overwhelming support from Holders of Claims entitled to vote on the Plan. The Plan is the product of arm's-length negotiations by and among the Debtors, the Committee, the Lenders, the Credit Facility Agent, and certain other stakeholders. Consistent with the overriding purpose of chapter

11, these Chapter 11 Cases were filed, and the Plan was proposed, with the legitimate purpose of allowing the Debtors to maximize stakeholder value. The Debtors' good faith is evident from the facts and record of these Chapter 11 Cases, the Disclosure Statement, the Disclosure Statement Hearing, the record of the Confirmation Hearing, and all the other proceedings held in these Chapter 11 Cases and before the Court.

e. Section 1129(a)(4)—Court Approval of Certain Payments as Reasonable.

38. The procedures set forth in the Interim Compensation Order and the Plan for the Court's review and ultimate determination of the fees and expenses paid or to be paid by the Debtors or the Post-Effective Date Debtor, as applicable, in connection with these Chapter 11 Cases or in connection with the Plan and incident to these Chapter 11 Cases, satisfy the objectives of, and are in compliance with, section 1129(a)(4) of the Bankruptcy Code.

f. Section 1129(a)(5)—Directors, Officers, and Insiders.

39. Because the Plan provides for the liquidation of the Estates' assets and resignation of the Debtors' officers, directors, and managers, section 1129(a)(5) of the Bankruptcy Code does not apply. To the extent section 1129(a)(5) of the Bankruptcy Code applies to the Post-Effective Date Debtor, the Debtors have satisfied the requirements of this provision by, among other things, disclosing the identity and compensation of the Plan Administrator and the GUC Oversight Representative.

g. Section 1129(a)(6)—Approval of Rate Changes.

40. Section 1129(a)(6) of the Bankruptcy Code is inapplicable to these Chapter 11 Cases. The Plan proposes no rate change subject to the jurisdiction of any governmental regulatory commission.

h. Section 1129(a)(7)—Best Interests of Holders of Claims and Interests.

41. The Plan satisfies the requirements of section 1129(a)(7) of the Bankruptcy Code. The evidence in support of the Plan that was proffered or adduced at the Confirmation Hearing, including the Stubblefield Declaration and the facts and circumstances of these Chapter 11 Cases, establishes that Holders of Allowed Claims or Interests in every Class have either accepted the Plan or will recover as much or more value under the Plan on account of such Claim or Interest, as of the Effective Date, than the amount such Holder would receive if the Debtors were liquidated on the Effective Date under chapter 7 of the Bankruptcy Code.

i. Section 1129(a)(8)—Conclusive Presumption of Acceptance by Unimpaired Classes; Acceptance of the Plan by Each Impaired Class.

42. Because the Plan has not been accepted by the Deemed Rejecting Classes, the Debtors seek Confirmation under section 1129(b), rather than section 1129(a)(8), of the Bankruptcy Code. Thus, although the Plan does not satisfy section 1129(a)(8) with respect to the Deemed Rejecting Classes, the Plan is confirmable because the Plan does not discriminate unfairly and is fair and equitable with respect to the Deemed Rejecting Classes, and thus satisfies section 1129(b) of the Bankruptcy Code with respect to such Classes as described further below. As a result, the requirements of section 1129(b) are satisfied.

j. Section 1129(a)(9)—Treatment of Claims Entitled to Priority Pursuant to Section 507(a) of the Bankruptcy Code.

43. The treatment of Allowed Administrative Claims, Allowed Priority Tax Claims, and Allowed Professional Fee Claims under Article II of the Plan satisfies the requirements of, and complies in all respects with, section 1129(a)(9) of the Bankruptcy Code.

k. Section 1129(a)(10)—Acceptance By At Least One Impaired Class.

44. The Plan satisfies the requirements of section 1129(a)(10) of the Bankruptcy Code. As evidenced by the Voting Report, each Class eligible to vote on the Plan voted to

accept the Plan by the requisite numbers and amounts of Claims determined without including any acceptance of the Plan by any insider (as defined by the Bankruptcy Code).

l. Section 1129(a)(11)—Feasibility of the Plan.

45. The Plan satisfies the requirements of section 1129(a)(11) of the Bankruptcy Code. The evidence supporting the Plan proffered or adduced by the Debtors at or before the Confirmation Hearing, including the Stubblefield Declaration: (a) is reasonable, persuasive, credible, and accurate as of the dates such evidence was prepared, presented, and/or proffered; (b) utilizes reasonable and appropriate methodologies and assumptions; (c) has not been controverted by other evidence; (d) establishes that the Plan is feasible and Confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtors or the Post-Effective Date Debtor, except as provided for in the Plan; and (e) establishes that the Debtors or Post-Effective Date Debtor will have sufficient funds available to meet their obligations under the Plan.

m. Section 1129(a)(12)—Payment of Statutory Fees.

46. The Plan satisfies the requirements of section 1129(a)(12) of the Bankruptcy Code. Article II.D of the Plan provides for the payment of all fees payable by the Debtors under 28 U.S.C. § 1930(a).

n. Section 1129(a)(13)—Retiree Benefits.

47. The Debtors do not have any remaining obligations to pay retiree benefits (as defined in section 1114 of the Bankruptcy Code). Therefore, section 1129(a)(13) of the Bankruptcy Code is inapplicable to these Chapter 11 Cases or the Plan.

o. Sections 1129(a)(14), (15), and (16)—Non-Applicability.

48. Sections 1129(a)(14), 1129(a)(15), and 1129(a)(16) of the Bankruptcy Code do not apply to these Chapter 11 Cases. The Debtors do not owe any domestic support obligations, are not individuals, and are not nonprofit corporations.

p. Section 1129(b)—“Cram Down” Requirements.

49. The Plan satisfies the requirements of section 1129(b) of the Bankruptcy Code. First, all of the requirements of section 1129(a) of the Bankruptcy Code other than section 1129(a)(8) have been met. Second, the Plan does not discriminate unfairly and is fair and equitable with respect to the Deemed Rejecting Classes because there is no Class of equal priority receiving more favorable treatment than the Deemed Rejecting Classes and no Class that is junior to the Deemed Rejecting Classes that is receiving or retaining any property on account of their Claims or Interests. The Plan may therefore be confirmed even though not all Impaired Classes have voted to accept the Plan.

q. Section 1129(c)—Only One Plan.

50. The Plan satisfies the requirements of section 1129(c) of the Bankruptcy Code. The Plan is the only chapter 11 plan filed in these Chapter 11 Cases.

r. Section 1129(d)—Principal Purpose of the Plan.

51. The Plan satisfies the requirements of section 1129(d) of the Bankruptcy Code. The principal purpose of the Plan is not the avoidance of taxes or the avoidance of the application of Section 5 of the Securities Act, 15 U.S.C. § 77e.

N. Satisfaction of Confirmation Requirements.

52. Based upon the foregoing, the Plan satisfies the requirements for plan confirmation set forth in section 1129 of the Bankruptcy Code.

O. Conditions Precedent to the Confirmation Date.

53. Entry of this Confirmation Order shall satisfy the conditions to the Confirmation Date as set forth in Article XI.A of the Plan.

P. Likelihood of Satisfaction of Conditions Precedent to the Effective Date.

54. Each of the conditions precedent to the Effective Date, as set forth in Article XI.A of the Plan, has been or is reasonably likely to be satisfied or waived in accordance Article IX.B of the Plan.

Q. Implementation.

55. All documents and agreements necessary to implement the Plan, including those contained in the Plan Supplement, and all other relevant and necessary documents have been negotiated in good faith and at arm's-length, are in the best interests of the Debtors, and shall, upon completion of documentation and execution, be valid, binding, and enforceable documents and agreements not in conflict with any federal, state, or local law.

R. Good Faith.

56. The Debtors have been, are, and will continue to be acting in good faith if they proceed to: (a) consummate the Plan and the agreements, settlements, transactions, and transfers contemplated thereby; and (b) take the actions authorized and directed or contemplated by this Confirmation Order.

ORDER

BASED ON THE FOREGOING FINDINGS OF FACT AND CONCLUSIONS OF LAW, IT IS ORDERED, ADJUDGED, AND DECREED THAT:

A. Order.

57. The Plan, attached hereto as **Exhibit A**, is approved in its entirety and confirmed under section 1129 of the Bankruptcy Code. The terms of the Plan, including the Plan

Supplement, are incorporated by reference into and are an integral part of this Confirmation Order. The documents contained in the Plan Supplement, and any amendments, modifications, and supplements thereto, and all documents and agreements related thereto (including all exhibits and attachments thereto), and the execution, delivery, and performance thereof, are authorized and approved as finalized, executed, and delivered. The failure to include or refer to any particular article, section, or provision of the Plan, the Plan Supplement, or any related document or exhibit does not impair the effectiveness of that article, section, or provision; it being the intent of the Court that the Plan, the Plan Supplement, and any related document or exhibit are approved and confirmed in their entirety. The terms of the Plan, the Plan Supplement, all exhibits thereto, and all other relevant and necessary documents shall be effective and binding as of the Effective Date, as applicable. In the event of an inconsistency between the Plan and the Disclosure Statement, the terms of the Plan shall control in all respects. In the event of an inconsistency between the Plan and the Plan Supplement, the terms of the Plan shall control. In the event of an inconsistency between the Confirmation Order and the Plan, the Confirmation Order shall control.

B. Objections.

58. All objections and all reservations of rights pertaining to Confirmation that have not been withdrawn, waived, or settled are overruled on the merits.

C. Plan Modifications.

59. Subsequent to filing the Plan on February 8, 2017, the Debtors made certain technical modifications to the Plan (the "Plan Modifications"). The Plan Modifications do not materially adversely affect the treatment of any Claim against or Interest in any of the Debtors under the Plan. After giving effect to the Plan Modifications, the Plan continues to meet all applicable requirements of the Bankruptcy Code. The filing with the Court on March 24, 2017,

of the Plan Modifications contained in the proposed Confirmation Order and the disclosure of the Plan Modifications on the record at the Confirmation Hearing constitute due and sufficient notice thereof. Accordingly, in accordance with section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, all Holders of Claims who voted to accept the Plan or who are conclusively presumed to accept the Plan are deemed to have accepted the Plan as modified by the Plan Modifications. No Holder of a Claim shall be permitted to change its vote as a consequence of the Plan Modifications.

D. Plan Classification Controlling.

60. The terms of the Plan shall solely govern the classification of Claims and Interests for purposes of the distributions to be made thereunder. The classifications set forth on the ballots tendered to or returned by the holders of Claims in connection with voting on the Plan: (a) were set forth thereon solely for purposes of voting to accept or reject the Plan; (b) do not necessarily represent, and in no event shall be deemed to modify or otherwise affect, the actual classification of Claims and Interests under the Plan for distribution purposes; (c) may not be relied upon by any holder of a Claim or Interest as representing the actual classification of such Claim or Interest under the Plan for distribution purposes; and (d) shall not be binding on the Debtors except for voting purposes.

E. General Settlement of Claims.

61. 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, upon the Effective Date, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims, Interests, Causes of Action, and controversies resolved pursuant to the Plan. All distributions made to holders of Allowed Claims in any Class are intended to be and shall be final.

F. Effectiveness of All Actions.

62. Except as set forth in the Plan or this Confirmation Order, all actions authorized to be taken pursuant to the Plan shall be effective on, prior to, or after the Effective Date pursuant to this Confirmation Order, without further application to, or order of, the Court, or further action by the respective officers, directors, managers, members, or stockholders of the Debtors or the Post-Effective Date Debtor, as applicable, and with the effect that such actions had been taken by unanimous action of such officers, directors, managers, members, or stockholders.

G. Approval of Consents and Authorization to Take Acts Necessary to Implement Plan.

63. This Confirmation Order shall constitute all approvals and consents required, if any, by the laws, rules, and regulations of all states and any other governmental authority with respect to the implementation or consummation of the Plan and any documents, instruments, or agreements, and any amendments or modifications thereto, and any other acts and transactions referred to in or contemplated by the Plan, the Plan Supplement, the Disclosure Statement, and any documents, instruments, securities, or agreements, and any amendments or modifications thereto.

H. Plan Implementation Authorization.

64. The Debtors, the Post-Effective Date Debtor, or the Plan Administrator, as applicable, and their respective directors, officers, members, managers, agents, and attorneys, are authorized and empowered from and after the date hereof to negotiate, execute, issue, deliver, implement, file, or record any contract, instrument, release, or other agreement or document related to the Plan, as the same may be modified, amended, and supplemented (including such modifications to the Plan Administrator Agreement that are substantially consistent with the terms and provisions of such form and necessary to satisfy the conditions to the effectiveness of

the Plan), and to take any action necessary or appropriate to implement, effectuate, consummate, or further evidence the Plan in accordance with its terms, or take any or all corporate actions authorized to be taken pursuant to the Plan, whether or not specifically referred to in the Plan or any exhibit thereto, without further order of the Court. To the extent applicable, any or all such documents shall be accepted upon presentment by each of the respective state filing offices and recorded in accordance with applicable state law and shall become effective in accordance with their terms and the provisions of state law. Pursuant to section 303 of the General Corporation Law of the State of Delaware and any comparable provision of the business corporation laws of any other state, as applicable, no action of the Debtors' boards of directors or managers, or the Plan Administrator, as applicable, will be required to authorize the Debtors or the Post-Effective Date Debtor, as applicable, to enter into, execute and deliver, adopt, or amend, as the case may be, any such contract, instrument, release, or other agreement or document related to the Plan, and, following the Effective Date, each such document will be a legal, valid, and binding obligation of the Debtors, enforceable against the Debtors and the Post-Effective Date Debtor in accordance with the respective terms thereof.

I. The Post-Effective Date Debtor and the Plan Administrator.

65. From and after the Effective Date, the Post-Effective Date Debtor shall continue in existence for purposes of, among other things, (a) winding down the Debtors' businesses and affairs, (b) resolving Disputed Claims, (c) paying Allowed Priority Tax Claims, Allowed Administrative Claims (including but not limited to Professional Fee Claims), Allowed Priority Claims, Allowed Credit Facility Claims, Allowed Other Secured Claims, Allowed General Unsecured Claims held by Participating GUC Holders, and Cure Claims, (d) establishing and funding the Distribution Reserve Accounts, (e) enforcing and prosecuting claims, interests, rights, and privileges under the Post-Effective Date Debtor Causes of Action in an efficacious

manner and only to the extent the benefits of such enforcement or prosecution are reasonably believed to outweigh the costs associated therewith, (f) filing appropriate tax returns, and (f) administering the Plan in an efficacious manner. The Post-Effective Date Debtor shall be deemed to be substituted as the party-in-lieu of the Debtors in all matters, including motions, contested matters, and adversary proceedings pending in the Court, and all matters pending in any courts, tribunals, forums, or administrative proceedings outside of the Court, in each case without the need or requirement for the Plan Administrator to file motions or substitutions of parties or counsel in each such matter.

66. On the Effective Date, the authority, power, and incumbency of the persons acting as managers and officers of the Post-Effective Date Debtor shall be deemed to have resigned, and a representative of the Plan Administrator shall be appointed as the sole manager and sole officer of the Post-Effective Date Debtor and shall succeed to the powers of the Post-Effective Date Debtor's managers and officers. From and after the Effective Date, the Plan Administrator shall be the sole representative of, and shall act for, the Post-Effective Date Debtor. The Plan Administrator Agreement, substantially in the form attached as an exhibit to the Plan Supplement, and all of the provisions therein, are hereby approved by this Confirmation Order. The designation of Wade Stubblefield as the Plan Administrator is approved and the Post-Effective Date Debtor is authorized to retain Mr. Stubblefield on the terms and conditions set forth in the Plan Supplement. Notwithstanding anything in the Plan or this Confirmation Order to the contrary, to the extent there is any material inconsistency between the terms of the Plan Administrator Agreement and the terms of the Plan or this Confirmation Order, the terms of the Plan Administrator Agreement shall control. In addition, the designation of Whiteford, Taylor & Preston, LLC as the GUC Oversight Representative is approved.

J. Vesting of Post-Effective Date Debtor Assets.

67. Except as otherwise provided in the Plan, this Confirmation Order, or in any agreement, instrument, or other document incorporated into the Plan, on the Effective Date, the Post-Effective Date Debtor Assets shall vest in the Post-Effective Date Debtor for the purpose of liquidating the Estates and Consummating the Plan free and clear of all Liens, claims, and interests of Holders of Claims and Interests.

K. Exemption from Certain Taxes and Fees.

68. Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant hereto shall not be subject to any stamp tax or similar tax, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forgo the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents pursuant to such transfers of property without the payment of any such tax, recordation fee, or governmental assessment.

L. Release of Liens.

69. Except as otherwise provided in this Confirmation Order, the Plan or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released, discharged, settled, and compromised and the Holder of such Secured Claim shall be authorized and directed to release any collateral or other property of the Debtors held by such Holder and to take such actions, at the expense of the Debtors or the Post-Effective Date Debtor, as the case may be, and as may be requested by the Debtors or the Plan Administrator, as the case may be, to evidence the release

of such Lien, mortgage, deed of trust, pledge, or other security interest, including, without limitation, the execution, delivery, filing, or recording of such releases, 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 Debtors and their successors and assigns, in each case, without any further approval or order of the Bankruptcy Court and without any action or Filing being required to be made by the Debtors. In addition, the Credit Facility Agent shall execute and deliver all documents reasonably requested by the Debtors or Plan Administrator to evidence the release of such mortgages, deeds of trust, Liens, pledges, and other security interests and shall authorize the Debtors to file UCC-3 termination statements (to the extent applicable) with respect thereto.

70. On the Effective Date, all Liens on any property of any Debtors or the Post-Effective Date Debtor shall automatically terminate, all collateral subject to such Liens shall be automatically released, and all guarantees of any Debtors or the Post-Effective Date Debtor shall be automatically discharged and released; *provided* that such Liens shall attach to Cash in the applicable Distribution Reserve Accounts, as provided in the Plan or the Confirmation Order.

M. The Releases, Injunction, Exculpation, and Related Provisions Under the Plan.

71. The release, exculpation, discharge, injunction and related provisions set forth in Article X of the Plan shall be, and hereby are, approved and authorized in their entirety.

N. Injunctions and Automatic Stay.

72. Unless otherwise provided in the Plan or in this Confirmation Order, all injunctions or stays in effect in these Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Court entered as of the Confirmation Date (excluding any injunctions or stays contained in the Plan or this Confirmation Order) shall remain in full force

and effect until the closing of these Chapter 11 Cases. All injunctions or stays contained in the Plan or this Confirmation Order shall remain in full force and effect in accordance with their terms.

O. Contracts and Leases Entered Into After the Petition Date.

73. Contracts and leases entered into after the Petition Date by any Debtor, including any Executory Contracts and Unexpired Leases assumed by such Debtor, will be performed by the Post-Effective Date Debtor in the ordinary course of its business; *provided* that nothing in the foregoing shall apply to contracts and leases assigned pursuant to the Sale Transaction. Such contracts and leases (including any assumed Executory Contracts and Unexpired Leases) will survive and remain unaffected by entry of this Confirmation Order.

P. Rejection of Executory Contracts and Unexpired Leases.

74. On the Effective Date, except as otherwise provided herein, in the Plan, or in the Plan Supplement, all Executory Contracts and Unexpired Leases will be deemed rejected in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code. Entry of this Confirmation Order by the Court shall constitute approval of such rejections pursuant to sections 365 and 1123 of the Bankruptcy Code. For the avoidance of doubt, any furniture, fixtures, and equipment ("FF&E") remaining at the premises subject to a lease rejected through the Plan or otherwise during these Chapter 11 Cases shall be deemed abandoned by the Debtors as of the Effective Date.

Q. Immediate Binding Effect.

75. Notwithstanding the possible applicability of Bankruptcy Rules 3020(e), 6004(h), 7062, or otherwise, the terms and conditions of the Plan, the Plan Supplement, and this Confirmation Order shall be immediately effective and enforceable and deemed binding upon the Debtors, the Committee, the Post-Effective Date Debtor, and any and all Holders of Claims or

Interests (irrespective of whether such Claims or Interests are deemed to have accepted the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, discharges, and injunctions described in the Plan, each Entity acquiring property under the Plan, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors. Each term and provision of the Plan, and the transactions related thereto as it heretofore may have been altered or interpreted by the Court is: (a) valid and enforceable pursuant to its terms; (b) integral to the Plan and may not be deleted or modified except as provided by the Plan or this Confirmation Order; and (c) nonseverable and mutually dependent.

R. Authorization to Consummate.

76. The Debtors are authorized to consummate the Plan at any time after the entry of this Confirmation Order subject to satisfaction or waiver (by the required parties) of the conditions precedent to Consummation set forth in Article XI.A of the Plan. On the Effective Date, the Plan shall be deemed to be substantially consummated under sections 1101 and 1127(b) of the Bankruptcy Code.

S. Notices of Confirmation and Effective Date.

77. The Debtors shall serve notice of entry of this Confirmation Order, substantially in the form attached hereto as **Exhibit B** (the "Confirmation Order Notice") in accordance with Bankruptcy Rules 2002 and 3020(c), on all known Holders of Claims and Interests and the Bankruptcy Rule 2002 service list within ten Business Days after the date of entry of this Confirmation Order. As soon as reasonably practicable after the Effective Date, the Post-Effective Date Debtor shall file notice of the Effective Date and shall serve a copy of the same on the above-referenced parties. The notice of the Effective Date may be included in the Confirmation Order Notice. Notwithstanding the above, no notice of Confirmation or Consummation or service of any kind shall be required to be mailed or made upon any Entity to

whom the Debtors mailed notice of the Confirmation Hearing, but received such notice returned marked “undeliverable as addressed,” “moved, left no forwarding address,” or “forwarding order expired,” or similar reason, unless the Debtors have been informed in writing by such Entity, or are otherwise aware, of that Entity’s new address. In addition, no later than five Business Days after the Effective Date, the Post-Effective Date Debtor shall cause the Confirmation Order Notice, modified for publication, to be published on one occasion in *USA Today* (National Edition) and in the *Denver Post*. The above-referenced notices are adequate under the circumstances of these Chapter 11 Cases and no other or further notice is necessary.

T. Reports.

78. After the Effective Date, the Debtors, Post-Effective Date Debtor, and Plan Administrator will, as applicable, continue to comply with statutory reporting required under the Bankruptcy Code. The filing of the final monthly report (for the month in which the Effective Date occurs) and all subsequent quarterly reports shall be the responsibility of the Plan Administrator and the Post-Effective Date Debtor.

U. Certain Governmental Matters

79. Nothing in the Confirmation Order or the Plan discharges, releases, precludes, or enjoins: (a) any liability to any Governmental Unit that is not a Claim; (b) any Claim of a Governmental Unit arising on or after the Effective Date; (c) any police or regulatory liability to a Governmental Unit that any entity would be subject to as the post-Effective Date owner or operator of property; or (d) any liability to a Governmental Unit on the part of any Person other than the Debtors. Nor shall anything in the Confirmation Order or the Plan enjoin or otherwise bar a Governmental Unit from asserting or enforcing, outside this Court, any liability described in the preceding sentence. Nothing in the Confirmation Order or the Plan authorizes the transfer

of any licenses, permits, registrations, or other governmental authorizations and approvals without compliance with all applicable legal requirements under non-bankruptcy law governing such transfers. For the avoidance of doubt, the United States is not a Releasing Party under Article X.F of the Plan and the United States' rights to offset or recoupment, if any, are expressly preserved, as are the Debtors' and Purchaser's defenses and rights thereto.

80. Further, nothing in the Plan or the Confirmation Order shall discharge or release the Debtors' or Purchaser's obligations preserved or established under the Sale Order, including decommissioning obligations and financial assurance requirements, or preclude or enjoin the United States from performing any audit and/or compliance review as provided for in the Sale Order. Such rights shall be preserved in full as if this bankruptcy had not occurred, and the audit and/or compliance review period shall remain open for the full statute of limitations period established by the Federal Oil and Gas Royalty Simplification and Fairness Act of 1996 (30 U.S.C. Section 1701, et seq., as amended) to the extent applicable under non-bankruptcy law. The Debtors and the Purchaser will retain all defenses and/or rights, other than defenses and/or rights arising from the filing of these chapter 11 cases, to challenge any determinations relating to decommissioning obligations and audit rights provided that any such challenge, including any challenge associated with this bankruptcy proceeding, must be raised in the United States' administrative review process leading to a final agency determination by the United States.

V. McKenzie Electric.

81. Notwithstanding anything to the contrary in the Plan or this Confirmation Order, the rights of setoff or recoupment of McKenzie Electric Cooperative, Inc. (the "McKenzie Claims") are not deemed released or discharged by entry of this Confirmation Order and all such rights are being expressly preserved; *provided* that the Debtors and the Post-Effective Date

Debtor expressly reserve all rights to contest and/or object to the McKenzie Claims on grounds other than Bankruptcy protection or relief.

W. Core Claims.

82. Proof of Claim No. 270 of Core Services, Inc. ("Core") shall be hereby reduced to and treated as a Class 4 Allowed General Unsecured Claim against the consolidated Estate in the amount of \$395,502.87. Any other Claims filed by Core or scheduled by the Debtors, shall be expunged, and the Notice and Claims Agent shall be authorized and directed to remove such Claims from the Claims Register maintained in these Chapter 11 Cases without further notice to, or order of, the Court. Core's Claims have been reduced to reflect: (a) the receipt of Core of the sum of \$52,690.69 on account of Core's Secured Claims and (b) the setoff and release of all amounts owed or potentially owed (if any) by Core to the Debtors including, without limitation, all Claims that are possessed or can be asserted directly against Core by any of the Debtors, their estates, assigns, and successors, including, without limitation, any claims arising under chapter 5 of the bankruptcy code, and those amounts (if any) are deemed to have been paid by Core, thereby extinguishing those Claims. Notwithstanding anything to the contrary in the Plan, this Confirmation Order, or the Plan Supplement, nothing contained in the Plan, the Plan Supplement, or this Confirmation Order will modify, affect, alter, or change the terms of any settlement, agreement, or stipulation among Core, the Debtors or the Debtors' Estates executed between the Petition Date and the entry of this Confirmation Order.

X. Stellar Claims.

83. Proof of Claim No. 292 of Stellar Field Services, Inc. ("Stellar") shall be hereby reduced to and treated as a Class 4 Allowed General Unsecured Claim against the consolidated Estate in the amount of \$375,364.60. Any other Claims filed by Stellar or scheduled by the Debtors, including Proofs of Claim Nos. 293, 294, 295, and 296, shall be expunged, and the

Notice and Claims Agent shall be authorized and directed to remove such Claims from the Claims Register maintained in these Chapter 11 Cases without further notice to, or order of, the Court. Stellar's Claims have been reduced to reflect: (a) the receipt of Stellar of the sum of \$15,000.00 on account of Stellar's Secured Claims and (b) the setoff and release of all amounts owed or potentially owed (if any) by Stellar to the Debtors including, without limitation, all Claims that are possessed or can be asserted directly against Stellar by any of the Debtors, their estates, assigns, and successors, including, without limitation, any claims arising under chapter 5 of the bankruptcy code, and those amounts (if any) are deemed to have been paid by Stellar, thereby extinguishing those Claims. Notwithstanding anything to the contrary in the Plan, this Confirmation Order, or the Plan Supplement, nothing contained in the Plan, the Plan Supplement, or this Confirmation Order will modify, affect, alter, or change the terms of any settlement, agreement, or stipulation among Stellar, the Debtors or the Debtors' Estates executed between the Petition Date and the entry of this Confirmation Order.

Y. FTS International Claims

84. Proof of Claim No. 93 of FTS International Services LLC ("FTS International") shall be hereby reduced to and treated as a Class 4 Allowed General Unsecured Claim against the consolidated Estate in the amount of \$1,106,291.08. Any other Claims filed by FTS International or scheduled by the Debtors, shall be expunged, and the Notice and Claims Agent shall be authorized and directed to remove such Claims from the Claims Register maintained in these Chapter 11 Cases without further notice to, or order of, the Court. FTS International's Claims have been reduced to reflect the receipt of FTS International of the sum of \$100,000.00 on account of FTS International's Secured Claims. Notwithstanding anything to the contrary in the Plan, this Confirmation Order, or the Plan Supplement, nothing contained in the Plan, the Plan Supplement, or this Confirmation Order will modify, affect, alter, or change the terms of

any settlement, agreement, or stipulation among FTS International, the Debtors or the Debtors' Estates executed between the Petition Date and the entry of this Confirmation Order.

Z. D&O Policies.

85. As of the Effective Date, the D&O Policies shall be assumed by the Debtors on behalf of the applicable Debtor and assigned to the Post-Effective Date Debtor, pursuant to sections 365 and 1123 of the Bankruptcy Code, unless such insurance policy previously was rejected by the Debtors or the Debtors' Estates pursuant to a Bankruptcy Court order or is the subject of a motion to reject pending on the Effective Date, and coverage for defense and indemnity under any of the D&O Policies shall remain available to all individuals within the definition of "Insured" in any of the D&O Policies.

AA. Failure of Consummation.

86. Notwithstanding the entry of this Confirmation Order, if the Effective Date does not occur, the Plan shall be null and void in all respects. Neither the Plan, any statement or provision contained therein, nor any action taken or not taken by any Debtor with respect to the Plan, the Disclosure Statement, this Confirmation Order, or the Plan Supplement shall:

- (a) constitute a waiver or release of any claims by or Claims against or Interests in the Debtors;
- (b) prejudice in any manner the rights of the Debtors, the Debtors' Estates, any Holders, or any other Entity; or
- (c) constitute an admission, acknowledgment, offer, or undertaking by the Debtors, the Debtors' Estates, any Holders, or any other Entity in any respect.

BB. Reversal.

87. If any of the provisions of this Confirmation Order are hereafter reversed, modified, or vacated by a subsequent order of the Court or any other court, such reversal, modification, or vacatur shall not affect the validity of the acts or obligations incurred or undertaken under, or in connection with, the Plan prior to receipt of written notice of such order

by the Debtors. Notwithstanding any such reversal, modification, or vacatur of this Confirmation Order, any such act or obligations incurred or undertaken pursuant to, and in reliance on, this Confirmation Order prior to the effective date of such reversal, modification, or vacatur shall be governed in all respects by the provisions of this Confirmation Order, the Plan, all documents relating to the Plan, and any amendments or modifications to any of the foregoing.

CC. Headings.

88. Headings utilized herein are for convenience and reference only, and do not constitute a part of the Plan or this Confirmation Order for any other purpose.

DD. Effect of Conflict.

89. This Confirmation Order supersedes any Court order issued prior to the Confirmation Date that may be inconsistent with this Confirmation Order. Except as otherwise set forth in this Confirmation Order, if there is any inconsistency between the terms of the Plan and the terms of this Confirmation Order, the terms of this Confirmation Order govern and control.

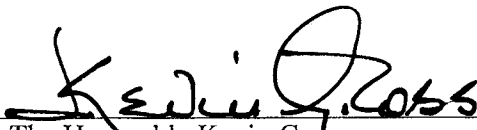
EE. Final Order.

90. This Confirmation Order is a Final Order and the period in which an appeal must be Filed will commence upon the entry hereof.

FF. Retention of Jurisdiction.

91. The Court properly retains jurisdiction over all matters arising out of, and related to, these Chapter 11 Cases, including the matters set forth in Article XIII and other applicable provisions of the Plan and section 1142 of the Bankruptcy Code.

Dated: March 24 2017
Wilmington, Delaware


The Honorable Kevin Gross
United States Bankruptcy Judge