

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF LOUISIANA
LAFAYETTE DIVISION

In re:

Gator Equipment Rentals of Iberia,
LLC, *et al.*,

Debtors.

Case No. 16-51667

Chapter 11

Jointly Administered With:

16-51668, 16-51669, and 16-51671

DISCLOSURE STATEMENT IN SUPPORT OF THE
DEBTORS' JOINT CHAPTER 11 PLAN OF REORGANIZATION

DATED MARCH 6, 2017

STEWART ROBBINS & BROWN, LLC
620 Florida Street, Suite 100
Baton Rouge, LA 70801-1741
(225) 231-9998

*Attorneys for Debtors and
Debtors-in-Possession*

Baton Rouge, Louisiana, U.S.A.
Dated: Monday, March 06, 2017

IMPORTANT

This Disclosure Statement has been prepared by Gator Equipment Rentals of Iberia, LLC (“Gator-Iberia”), Gator Equipment Rentals of Fourchon, LLC (“Gator-Fourchon”), Gator Equipment Rentals, L.L.C. (“Gator-Houma”), and Gator Crane Services, LLC (“Gator-Crane”),¹ and describes the terms and provisions of the Plan. Debtors’ Bankruptcy Cases are pending in the Bankruptcy Court under Chapter 11 of the Bankruptcy Code. A copy of the Plan is attached hereto as Exhibit “1” and should be reviewed carefully.

THIS DISCLOSURE STATEMENT, TOGETHER WITH THE PLAN, WHICH IS ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE AS IF FULLY SET FORTH HEREIN, SHOULD BE READ IN THEIR ENTIRETY. FOR THE CONVENIENCE OF CREDITORS AND HOLDERS OF EQUITY INTERESTS, THE TERMS OF THE PLAN ARE SUMMARIZED IN THIS DISCLOSURE STATEMENT, BUT THIS SUMMARY IS QUALIFIED IN ITS ENTIRETY BY THE PLAN ITSELF, WHICH IS CONTROLLING IN THE EVENT OF ANY INCONSISTENCY.

A CAPITALIZED TERM USED IN THIS DISCLOSURE STATEMENT AND NOT DEFINED HEREIN HAS THE MEANING ASCRIBED TO THAT TERM IN THE PLAN, UNLESS USED DIFFERENTLY HEREIN. ALSO, IN THE EVENT OF ANY DISCREPANCY BETWEEN A TERM EMPLOYED HEREIN AND IN THE PLAN, THE MEANING ASCRIBED TO SUCH TERM IN THE PLAN SHALL CONTROL.

Debtors urge those holders of Allowed Claims entitled to vote upon the Plan to vote in favor of the Plan.

**GATOR EQUIPMENT RENTALS,
LLC**

/s/ _____
By: _____
Its: Managing Member

**GATOR EQUIPMENT RENTALS OF
IBERIA, LLC**

/s/ _____
By: _____
Its: Managing Member

¹ Gator-Iberia, Gator-Fourchon, Gator-Houma, and Gator-Crane are collectively referred to herein as “Debtors.”

**GATOR EQUIPMENT RENTALS OF
FOURCHON, LLC**

/s/ _____
By: _____
Its: Managing Member

GATOR CRANE SERVICES, LLC

/s/ _____
By: _____
Its: Managing Member

I. SUMMARY INFORMATION ON CHAPTER 11.

This Disclosure Statement is offered in connection with solicitation of acceptances of the Plan. This Disclosure Statement is being provided in order to disclose important and necessary information to allow a reasonably informed decision by Creditors and holders of Equity Interests exercising their right to vote on, or otherwise participate in, confirming the Plan. The purpose of this summary is to answer questions that are often asked by a party receiving a disclosure statement. Unless otherwise stated, the information contained herein is as of March 6, 2017, or as of any date as indicated within the Exhibits to this Disclosure Statement or the Plan.

A. WHO ARE DEBTORS?

Gator-Iberia is a limited liability company organized under the laws of the State of Louisiana. Located in New Iberia, LA, Gator-Houma owns and operates an equipment rental company.

Gator-Fourchon is a limited liability company organized under the laws of the State of Louisiana. Located in Houma, LA, Gator-Houma owns and operates an equipment rental company.

Gator-Houma is a limited liability company organized under the laws of the State of Louisiana. Located in Houma, LA, Gator-Houma owns and operates an equipment rental company.

Gator-Crane is a limited liability company organized under the laws of the State of Louisiana. Located in Houma, LA, Gator-Crane owns and operates an equipment rental company.

B. HOW LONG HAVE DEBTORS BEEN IN CHAPTER 11?

On December 12, 2016 (the "Petition Date"), each of Debtors filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court.

C. HAS A TRUSTEE BEEN APPOINTED?

No party-in-interest has moved for the appointment of a Chapter 11 trustee, and no trustee has been appointed.

D. HAS A COMMITTEE OF UNSECURED CREDITORS BEEN APPOINTED?

No party-in-interest has requested the appointment of a committee of unsecured creditors, and no committee has been appointed.

E. WHAT ARE DEBTORS ATTEMPTING TO DO IN CHAPTER 11?

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. Upon the filing of a petition for relief under Chapter 11, Bankruptcy Code § 362 generally provides for an automatic stay of all attempts to collect claims or enforce liens that arose prior to the commencement of the Bankruptcy Case or that otherwise interfere with the debtor's property or business.

The principal objective of a Chapter 11 case is the confirmation of a plan of reorganization. A Chapter 11 plan sets forth the means for satisfying the claims of creditors and equity interests. The plan and a disclosure statement contain information necessary to allow creditors and holders of equity interests to evaluate the plan. The plan and disclosure statement are sent to creditors holders of equity interests whose claims or equity interests are impaired, who then vote to accept or reject the plan. The plan is the legal document that sets forth the means by which holders of claims and equity interests against a debtor will be treated.

Debtors determined that commencing the Bankruptcy Cases was necessary to stop a foreclosure proceeding against Debtors' property that was initiated by Regions Bank. Through the Plan discussed herein, Debtors propose to reorganize their business affairs and debt structure.

The purpose of the Plan is to create a mechanism for the reorganization of Debtors' business and the resolution of Claims in accordance with the priority scheme created by the Bankruptcy Code. Debtors believe that reorganization of their businesses pursuant to the Plan will provide greater Distributions to holders of Allowed Claims than would a liquidation of Debtors after the conversion of the case and the appointment of a Chapter 7 trustee. Debtors therefore believe that Creditors and holders of Equity Interests will realize a more favorable recovery of value than would occur under an alternative wind-down and liquidation.

F. HAS A PLAN OF REORGANIZATION BEEN PROPOSED?

Yes. The Plan has been filed and is attached hereto as Exhibit "DS-1."

G. IF THE PLAN IS THE DOCUMENT WHICH GOVERNS HOW A CLAIM WILL BE TREATED, WHY AM I RECEIVING THIS DISCLOSURE STATEMENT?

In order to confirm a plan of reorganization, the Bankruptcy Code provides that proponents solicit acceptances of a proposed plan of reorganization. Before proponents can solicit such acceptances, a bankruptcy court must approve the information to be sent to the creditors and holders of equity interests, disclosing information to allow them to make informed judgments about the plan. The purpose of this Disclosure Statement is to provide that information required by the Bankruptcy Code.

H. HAS THIS DISCLOSURE STATEMENT BEEN APPROVED BY THE BANKRUPTCY COURT?

The Bankruptcy Court approved this Disclosure Statement on _____, 2017, as containing information of a kind, and in sufficient detail, adequate to enable a hypothetical, reasonable investor typical of each Class of Creditors and Equity Interests whose acceptance is being solicited to make an informed judgment whether to vote to accept or reject the Plan.

AGAIN, THIS DISCLOSURE STATEMENT, TOGETHER WITH THE PLAN THAT IS ATTACHED HERETO, SHOULD BE READ IN THEIR ENTIRETY. FOR THE CONVENIENCE OF CREDITORS AND HOLDERS OF EQUITY INTERESTS, THE TERMS OF THE PLAN ARE SUMMARIZED IN THIS DISCLOSURE STATEMENT, BUT THIS SUMMARY IS QUALIFIED IN ITS ENTIRETY BY THE PLAN ITSELF, WHICH IS CONTROLLING IN THE EVENT OF ANY INCONSISTENCY.

I. HOW DO I DETERMINE WHICH CLASS I AM IN?

You will find in the Plan a reference to the discussion of the Classes of Creditors and Equity Interests and the treatment provided to such Classes. Article VI of this Disclosure Statement explains, among other things, what Creditors or types of Creditor Claims and Equity Interests are in each Class, the estimated size of each Class, what distributions the members of the Classes will receive if the Plan is Confirmed, and how the distributions under the Plan will be made if the Plan is confirmed. If you are unsure as to the Class in which your Claim or Equity Interest falls, you may need to consult an attorney.

J. WHY IS CONFIRMATION OF A PLAN IMPORTANT?

Confirmation of a plan of reorganization is necessary for a debtor in Chapter 11 to provide the bankruptcy court-approved treatment to its creditors and holders of equity interests under its plan. Confirmation of a plan will also bind creditors, equity interests, and the debtor, regardless of whether they have voted, voted against, or voted for the plan.

The Plan was arrived at upon the determination that reorganization of Debtors' businesses in Chapter 11 was preferable to liquidation in Chapter 7, and that the Plan was preferable even if it meant that Claimants might receive less than if all legal rights and priorities were litigated to conclusion.

K. WHAT IS NECESSARY TO CONFIRM A PLAN?

Confirmation of a plan can be premised upon, among other things, the vote in favor of the plan of two-thirds in total dollar amount and a majority in number of claims actually voting in each voting class. If the vote is insufficient, the

bankruptcy court can still confirm the plan, but only upon being provided additional proof regarding the ultimate fairness of the plan to the creditors in accordance with the Bankruptcy Code. Confirmation can only be effected by a court order.

L. AM I ENTITLED TO VOTE ON THE PLAN?

A creditor or holder of an equity interest in a debtor is not entitled to vote on a plan unless its claim or equity interest is impaired, and even if the claim or equity interest is impaired, there are certain classes under a plan that are presumed to accept or reject a plan and therefore cannot vote.

Article III below (VOTING PROCEDURES AND REQUIREMENTS) contains an explanation of voting. Under the Plan, holders of Gator Class 1-2, Houma Classes 1-3, Iberia Classes 1-3, Fourchon Classes 1-2, and Crane Classes 1-4 are Impaired, and thus they are entitled to vote.

Holders of Equity Interests in Houma Class 4, Iberia Class 3, Fourchon Class 3, and Crane Class 5 are Unimpaired, and not entitled to vote.

M. WHEN IS THE DEADLINE BY WHICH I NEED TO RETURN MY BALLOT

The deadline for returning your Ballot is _____, 2017. Article III below contains further explanation.

II. INTRODUCTION

Debtors submit this Disclosure Statement pursuant to Bankruptcy Code § 1125 in connection with the solicitation of acceptances of the Plan. This Disclosure Statement, which includes the Plan as Exhibit “DS-1,” will be transmitted to all holders of Claims against and Equity Interests in Debtors.

All persons receiving this Disclosure Statement and the Plan are urged to review fully the provisions of the Plan and all attached exhibits, in addition to reviewing this Disclosure Statement.

This Disclosure Statement is not intended to replace careful review and analysis of the Plan. Rather, it is submitted as an aid and supplement in your review of the Plan and an effort to explain the terms and implications of the Plan on file with the Bankruptcy Court. Every effort has been made to explain fully the various aspects of the Plan as it may affect all Creditors and holders of Equity Interests. If you have any questions, you may contact Debtors’ legal counsel and every effort will be made to assist you. However, please be advised that counsel for Debtors cannot provide you with legal advice, including a determination of whether you possess a Claim, the amount of any such Claim, your ability to vote on the Plan, *etc.* Please refer all legal questions to your attorney(s) or legal advisor(s).

On _____, 2017, after notice and a hearing, the Bankruptcy Court entered an order approving this Disclosure Statement as containing information of a kind and in sufficient detail, adequate to enable Creditors whose votes on the Plan are being solicited to make an informed judgment whether to accept or reject the Plan. The order also fixed _____, 2017, at the Bankruptcy Court as the date, time, and place for a hearing on Confirmation of the Plan, and fixing _____, 2017 as the last date for the filing of any objections to Confirmation of the Plan. A copy of the Bankruptcy Court order approving this Disclosure Statement will be noticed to Creditors and parties-in-interest. The Confirmation Hearing may be adjourned from time to time without further notice.

IT IS POSSIBLE THAT ANY ANNOUNCEMENT OF ADJOURNMENT OF THE DATE AND TIME MADE IN BANKRUPTCY COURT AT THE CONFIRMATION HEARING WILL BE THE ONLY NOTICE SO PROVIDED.

Creditors should read this Disclosure Statement in its entirety prior to voting on the Plan. No solicitation of votes on the Plan may be made, except pursuant to this Disclosure Statement and Bankruptcy Code § 1125. No other party has been authorized to utilize any information concerning Debtors or their businesses, other than the information contained in this Disclosure Statement, to solicit votes on the Plan. Parties-in-interest should not rely on any information relating to the Plan Proponents or their businesses other than that contained in this Disclosure Statement and the Exhibits attached hereto.

EXCEPT AS SET FORTH IN THIS DISCLOSURE STATEMENT AND THE EXHIBITS, REPRESENTATIONS CONCERNING DEBTORS, THEIR ASSETS, THE PAST OR FUTURE OPERATIONS OF DEBTORS OR THE PLAN ARE NOT AUTHORIZED, NOR ARE ANY SUCH REPRESENTATIONS TO BE RELIED UPON IN ARRIVING AT A DECISION WITH RESPECT TO THE PLAN. ANY REPRESENTATIONS MADE TO SECURE ACCEPTANCE OR REJECTION OF THE PLAN OTHER THAN AS CONTAINED IN THIS DISCLOSURE STATEMENT SHOULD BE REPORTED TO COUNSEL FOR DEBTORS.

EXCEPT AS SPECIFICALLY NOTED, THERE HAS BEEN NO INDEPENDENT AUDIT OF THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT. THE FACTUAL INFORMATION REGARDING DEBTORS, INCLUDING THE ASSETS AND LIABILITIES OF DEBTORS, HAVE BEEN DERIVED FROM NUMEROUS SOURCES, INCLUDING DEBTORS' BOOKS AND RECORDS, SCHEDULES, AND DOCUMENTS SPECIFICALLY IDENTIFIED HEREIN.

DEBTORS ALSO COMPILED THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT FROM RECORDS AVAILABLE TO IT, INCLUDING PLEADINGS AND REPORTS ON FILE WITH THE BANKRUPTCY COURT, LOAN AGREEMENTS AND BUSINESS RECORDS.

THE APPROVAL BY THE BANKRUPTCY COURT OF THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE AN ENDORSEMENT BY THE BANKRUPTCY COURT OF THE PLAN OR A GUARANTY OF THE ACCURACY AND COMPLETENESS OF THE INFORMATION CONTAINED HEREIN.

THE SECURITIES AND EXCHANGE COMMISSION HAS NEITHER APPROVED NOR DISAPPROVED THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT. THE SECURITIES AND EXCHANGE COMMISSION HAS ALSO NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN.

THIS DISCLOSURE STATEMENT MAY NOT BE RELIED UPON BY ANY PERSON OR ENTITY FOR ANY PURPOSE OTHER THAN BY HOLDERS OF CLAIMS AND EQUITY INTERESTS ENTITLED TO VOTE ON THE PLAN IN DETERMINING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN.

CERTAIN OF THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE FORWARD LOOKING PROJECTIONS AND FORECASTS BASED UPON CERTAIN ESTIMATES AND ASSUMPTIONS. THERE CAN BE NO ASSURANCE THAT SUCH STATEMENTS WILL BE REFLECTIVE OF ACTUAL OUTCOMES.

EXCEPT AS OTHERWISE NOTED HEREIN, THE INFORMATION CONTAINED HEREIN IS GENERALLY INTENDED TO DESCRIBE FACTS AND CIRCUMSTANCES ONLY AS OF THE DATE OF THIS DISCLOSURE STATEMENT, AND NEITHER THE DELIVERY OF THIS DISCLOSURE STATEMENT NOR THE CONFIRMATION OF THE PLAN WILL CREATE ANY IMPLICATION, UNDER ANY CIRCUMSTANCES, THAT THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS CORRECT AT ANY TIME AFTER THE DATE OF THIS DISCLOSURE STATEMENT OR THAT THE DEBTORS WILL BE UNDER ANY OBLIGATION TO UPDATE SUCH INFORMATION IN THE FUTURE.

III. VOTING PROCEDURES AND REQUIREMENTS

A. Ballots and Voting Deadline

A Ballot to be used for voting to accept or reject the Plan is enclosed with this Disclosure Statement and transmitted to Creditors entitled to vote. Creditors should carefully review the Ballot and the instructions thereon, and must execute the Ballot, and return it to the address indicated thereon by the deadline to enable the Ballot to be considered for voting purposes.

FOR YOUR VOTE TO BE COUNTED, YOU MUST COMPLETE THE BALLOT, INDICATE ACCEPTANCE OR REJECTION OF THE PLAN IN THE BOXES INDICATED ON THE BALLOT, AND SIGN AND RETURN THE BALLOT

TO THE ADDRESS SET FORTH ON THE PRE-ADDRESSED ENVELOPE. IF A BALLOT IS RECEIVED AFTER THE VOTING DEADLINE, IT WILL NOT BE COUNTED.

If you hold Claims in more than one Class under the Plan, you must return two (or more) completed Ballots, *i.e.*, one for each Claim. You must vote the entirety of your Claim within a single Class under the Plan to either accept or reject the Plan. Accordingly, a Ballot (or multiple Ballots with respect to multiple Claims within a single class) that partially rejects and partially accepts the Plan will not be counted.

The Ballot is for voting purposes only and does not constitute and shall not be deemed a proof of Claim or Equity Interest or an assertion of a Claim or Equity Interest.

The Bankruptcy Court has directed that, in order to be counted for voting purposes, Ballots for the acceptance or rejection of the Plan must be received not later than _____, 2017, or as subsequently notified, at the following address:

STEWART ROBBINS & BROWN, LLC
Attn: Gator Bankruptcy Claims Balloting
620 Florida Street, Suite 100
Baton Rouge, LA 70801-1741
Fax: (225) 709-9467
E-mail: kheard@stewartrobbins.com

ANY BALLOTS RECEIVED AFTER _____, 2017 WILL NOT BE COUNTED.

After careful review of this Disclosure Statement and all Exhibits attached hereto, please indicate your vote on the enclosed Ballot and return the Ballot in the enclosed self-addressed return envelope to be received by the date and time set forth above.

B. Creditors Solicited to Vote

Any Creditor of the Debtor with an Impaired Claim under the Plan is being solicited to vote, if either (i) its Claim has been scheduled by the Debtor and such Claim is not scheduled as disputed, contingent, or unliquidated, or (ii) it has filed a Proof of Claim pursuant to Bankruptcy Code § 501 on or before the last date set by the Bankruptcy Court for such filings. Any Claim as to which an objection has been filed, if such objection is still pending as of the voting deadline, is not entitled to have its vote counted, unless the Bankruptcy Court temporarily allows the Claim upon motion by such Creditor whose Claim has been objected to, in an amount which the Bankruptcy Court deems proper for the purpose of accepting or rejecting

the Plan. Such motion must be heard and determined by the Bankruptcy Court prior to the date and time established by the Bankruptcy Court to confirm the Plan. In addition, a Creditor's vote may be disregarded if the Bankruptcy Court determines that the Creditor's acceptance or rejection was not solicited or procured in good faith or in accordance with the provisions of the Bankruptcy Code.

C. Definition of Impairment

Under Bankruptcy Code § 1124, a Class of Claims or Equity Interests is Impaired under a plan of reorganization unless, with respect to each Claim or Equity Interest of such Class, the plan:

1. leaves unaltered the legal, equitable, and contractual rights to which such Claim or Equity Interest entitles the Holder of such Claim or Interest; or
2. notwithstanding any contractual provision or applicable law that entitles the holder of such Claim or Equity Interest to demand or receive accelerated payment of such Claim or Equity Interest after the occurrence of a default –
 - a. cures any such default that occurred before or after the commencement of the case under this title, other than a default of a kind specified in Bankruptcy Code § 365(b)(2);
 - b. reinstates the maturity of such Claim or Equity Interest as such maturity existed before such default;
 - c. compensates the Holder of such Claim or Equity Interest for any damages incurred as a result of any reasonable reliance by such Holder on such contractual provision or such applicable law; and
 - d. does not otherwise alter the legal, equitable, or contractual rights to which such Claim or Holder of and Equity interest entitles the Holder of such Claim or Interest.

D. Classes Impaired Under the Plan

Claims in Gator Class 1, Houma Classes 1-5, Iberia Classes 1-4, Fourchon Classes 1-4, and Crane Classes 1-4 are Impaired.

Debtors specifically reserve the right to contest (1) the Impaired or Unimpaired status of any Class under the Plan; and (2) whether any Ballots cast by such Class should be allowed to be counted for purposes of Confirmation of the Plan.

E. Vote Required for Class Acceptance

Acceptance of the Plan by a Class of Creditors will be obtained by the acceptance of the Plan by holders of two-thirds in dollar amount and a majority in number of the Claims in any such Class which actually cast Ballots for acceptance or rejection of the Plan. In other words, acceptance takes place only if two-thirds (2/3) in amount and majority in number of the Creditors in a given class who vote cast their Ballots in favor of acceptance.

F. Distributions Only to Holders of Allowed Claims

A Claim will receive a distribution under the Plan only if it is an Allowed Claim. "Allowed" under the Plan shall mean, with respect to any Claim, a Claim (i) that has been listed by Debtors in their Bankruptcy Schedules, as the same may from time to time be amended in accordance with Bankruptcy Rule 1009, other than Claims scheduled as contingent, unliquidated or disputed, or proof of which has been timely filed with the Bankruptcy Court on or prior to the Bar Date and that is not a Disputed Claim, (ii) as to which a Final Order has been entered allowing such Claim or any portion thereof or (iii) that is deemed Allowed under the Plan. Any Claim allowed solely for the purpose of voting to accept or reject the Plan pursuant to an Order of the Bankruptcy Court shall not be considered an Allowed Claim thereunder.

IV. CONFIRMATION OF THE PLAN

A. Confirmation Hearing

Bankruptcy Code § 1128(a) requires the Bankruptcy Court, after notice, to hold a hearing on Confirmation of the Plan. Bankruptcy Code § 1128(b) provides that any party-in-interest may object to Confirmation of the Plan.

By order of the Bankruptcy Court, the Confirmation Hearing has been scheduled for _____, 2017, at the United States Bankruptcy Court for the Western District of Louisiana, Lafayette Division, 214 Jefferson Street, Suite 100, Lafayette, LA 70501-7050. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice, except for an announcement made at the Confirmation Hearing or any adjournment thereof. Any objection to Confirmation must be made in writing and filed with the Bankruptcy Court with proof of service and actually received by the following parties on or before _____, 2017:

Counsel for:
Debtors

STEWART ROBBINS & BROWN, LLC
Attn: P. Douglas Stewart, Jr.
620 Florida Street, Suite 100
Baton Rouge, LA 70801-1741
Telephone: (225) 231-9998
Facsimile: (225) 709-9467
E-mail: dstewart@stewartrobbins.com

United States Trustee:

Office of the United States Trustee
Attn: Gail McCulloch
300 Fannin Street, Suite 3196
Shreveport, LA 71101
Telephone: (318) 676-3456
Facsimile: (318) 676-3212

UNLESS AN OBJECTION TO CONFIRMATION IS PROPERLY AND TIMELY SERVED AND FILED, IT WILL NOT BE CONSIDERED BY THE BANKRUPTCY COURT.

B. Requirements for Confirmation of the Plan

At the Confirmation Hearing, the Bankruptcy Court will confirm the Plan only if all of the requirements of Bankruptcy Code § 1129 are met. Among the requirements for Confirmation are that the Plan (a) is feasible, (b) is in the “best interests” of holders of Claims and Equity Interests Impaired under the Plan, and (c) is accepted by all Impaired Classes of Claims and Equity Interests or, if rejected by an Impaired Class, that the Plan “does not discriminate unfairly” and is “fair and equitable” as to such Class.

1. Feasibility

The Bankruptcy Code requires that consummation of the Plan will not likely be followed by the liquidation or the need for further financial reorganization of Debtors. In this case, the Plan provides for the reorganization and restructuring of Debtors’ debt and interests in property and distributes the proceeds so as to provide the greatest possible recovery to Creditors. Debtors believe that the Plan passes the feasibility test.

2. “Best Interests” Test

The “best interests of creditors” test requires that the Bankruptcy Court find either (a) that all members of each Impaired Class has accepted the Plan or (b) that each Holder of an Allowed Claim or Equity Interest of each Impaired Class will receive or retain under the Plan on account of such Claim or Equity Interest in property a value, as of the Effective Date, that is not less than the amount that such Holder would so receive or retain if the Debtor were liquidated under Chapter 7 of the Bankruptcy Code on such date.

To calculate what holders of Claims would receive if Debtors were hypothetically liquidated under Chapter 7 of the Bankruptcy Code, the Bankruptcy Court must first determine the dollar amount that would be realized from the liquidation (the “Chapter 7 Liquidation Fund”) of Debtors. The Chapter 7 Liquidation Fund would consist of the net proceeds in the Bankruptcy Case from

the disposition of Debtors interests in property (after satisfaction of all valid liens) augmented by the cash held by Debtors and recoveries on actions against third parties, if any. The Chapter 7 Liquidation Fund would then be reduced by the costs of the liquidation. The costs of the liquidation under Chapter 7 would include the fees and expenses of a Chapter 7 trustee, counsel and any other professionals for the trustee, selling expenses, and unpaid expenses incurred by Debtors while the Bankruptcy Cases are pending under Chapter 11 (such as fees for attorneys, financial advisors and accountants) that would be allowed in Chapter 7 proceedings, interest expense on secured debt, and claims incurred by Debtors during the pendency of the Bankruptcy Cases. These claims would be paid in full out of the Chapter 7 Liquidation Funds before the balance of the Chapter 7 Liquidation Fund, if any, would be made available to Holders of Unsecured Claims. In addition, other Claims that would arise upon conversion to a Chapter 7 case would dilute the balance of the Chapter 7 Liquidation Fund available to Holders of Claims. Moreover, additional Claims against the Estate might arise as the result of the establishment of a new bar date for the filing of Claims in a Chapter 7 case.

The present value of the distributions out of the Chapter 7 Liquidation Fund (after deduction of the amounts described above) is then compared to the present value of the property offered to each of the Classes of Claims and holders of Equity Interests under the Plan to determine if the Plan is in the best interests of each Holder of a Claim.

Debtors believe that the Plan as proposed is in the best interest of all Creditors. If Impaired Creditors did not accept the Plan and Debtors were forced to liquidate its interests in property in Chapter 7, fewer funds would be available to pay General Unsecured Claims. Holders of Administrative Expense Claims will be paid in full, and Debtors believe holders of these Claims will receive faster distribution under the Plan. After a period of time determined by the Plan or other applicable law, Secured Creditors will be paid from proceeds of the sale of their collateral or will receive their collateral free of Debtors' interests. Holders of General Unsecured Claims will receive a relatively larger Distribution than they would receive without the Plan. Finally, for all the reasons set forth herein, Debtors anticipate that all Creditors will receive a larger Distribution under the Plan than under Chapter 7 liquidation.

3. Fair and Equitable Test ("Cramdown")

If a sufficient number of Creditors and amount of Claims in the Impaired Classes vote to accept the Plan, the Debtor believes that the Bankruptcy Court will grant Confirmation and that the Plan will satisfy all of the applicable statutory requirements of Bankruptcy Code § 1129(a). Debtors may seek to confirm the Plan notwithstanding the non-acceptance of the Plan by any Impaired Class of Claims entitled to vote on the Plan. To obtain such Confirmation, it must be demonstrated to the Bankruptcy Court that the Plan "does not discriminate unfairly" and is "fair

and equitable” with respect to each dissenting Impaired Class. A plan does not discriminate unfairly if the legal rights of a dissenting Impaired Class are treated in a manner consistent with the treatment of other Classes whose legal rights are substantially similar to those of the dissenting Impaired Class and if no class receives more than it is entitled to for its Claims. Debtors believe the Plan satisfies this requirement.

The Bankruptcy Code establishes different “fair and equitable” tests for secured claims, unsecured claims, and holders of equity interests.

Secured Claims. With respect to treatment of a Secured Claim under the Plan, “fair and equitable” means either (i) the Impaired Secured Creditor retains its liens to the extent of its Allowed Claim and receives deferred cash payments at least equal to the Allowed amount of its Claims with a present value as of the Effective Date of the Plan at least equal to the value of such Creditor’s interest in the property securing its liens, (ii) property subject to the lien of the Impaired Secured Creditor is sold free and clear of that lien, with that lien attaching to the proceeds of sale, and such lien proceeds are treated in accordance with clauses (i) and (iii) hereof, or (iii) the Impaired Secured Creditor realizes the “indubitable equivalent” of its Claim under the Plan.

Unsecured Claims. With respect to treatment of an Unsecured Claim under the Plan, “fair and equitable” means either, (i) each Impaired Unsecured Creditor receives or retains 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 Plan on account of their pre-existing junior Claim or Interest.

Equity Interests. With respect to the treatment of Equity Interests under the Plan, “fair and equitable” means either (i) each Equity Interest Holder will receive or retain under the Plan property of a value equal to the greatest of the Allowed amount of any fixed liquidation preference or redemption price, if any, of such Equity Interest or the value of the Equity Interest, or (ii) the holders of Equity Interests that are junior to the dissenting Class of Equity Interests will not receive or retain any property under the Plan on account of such junior Equity Interest.

Debtors believe that the Plan can be confirmed on a non-consensual basis if the holders of any Class of Claims entitled to vote on the Plan vote to reject the Plan (provided at least one Impaired Class of Claims votes to accept the Plan), as Debtors believes that Regions Bank will vote to accept the Plan. If appropriate, Debtors will demonstrate at the Confirmation Hearing the Plan satisfies the requirements of Bankruptcy Code § 1129(b) as to any non-accepting Class.

V. GENERAL INFORMATION

A. History and Overview of Debtors’ businesses

Plan Proponents are engaged in the equipment rental business. Most of the equipment rented is used in the construction and oil and gas industries. Prior to the bankruptcy filings, the Plan Proponents enjoyed success in the industry and expanded their equipment rental offerings. The expansions necessitated additional leverage. However, as the recent turmoil in oil and gas industry led to a contraction industry-wide, Plan Proponents also suffered. Prior to the petition, Gator Houma was notified by its primary lender that it was in breach of a debt service coverage ratio covenants. Subsequently, its lender called the loan and after a period of litigation, the Plan Proponents sought to reorganize. Plan Proponents believe that the oil and gas industry is showing signs of turnaround, and anticipate that increased levels of activity within that industry will lead business to return to normal levels post-bankruptcy.

B. Events Leading to Bankruptcy

Prior to the Petition Date, Gator-Houma obtained several loans from Regions Bank. Specifically, Gator-Houma executed, in favour of Regions Bank: (i) a promissory note dated November 5, 2013 in the principal amount of \$3,621,350.71; (ii) a promissory note dated December 23, 2011 in the principal amount of \$395,874.53, and; (iii) a promissory note dated November 5, 2013 in the principal amount of \$500,000.00.

Subsequently, Regions Bank filed suit against Debtors and Non-Debtor Guarantors,² alleging a breach of the loan agreements and commercial security agreements in the United States District Court for the Eastern District of Louisiana (the “EDLA District Court”). Ultimately, the EDLA District Court granted summary judgment, subsequently amended (the “Judgment”), in favour of Regions Bank and against Debtors and Non-Debtor Guarantors. The Judgment, as amended, fixed the amount of the amount of the Regions Bank’s claim at approximately \$4,448,000, and further recognized the validity of the liens and security interests granted by Debtors to Regions Bank.

When Regions Bank began taking actions to foreclose upon Debtors’ and Non-Debtor Guarantors’ interests in property, Debtors commenced the Bankruptcy Cases.

C. Course of Chapter 11 Proceedings

1. Commencement of the Bankruptcy Case

² Non-Debtor Guarantors are Lovencie John Gambarella, Norman J. Schieffler, Jr., Misty Lynn Schieffler, Joey Don Pierce (individually and as the independent administrator for the Succession of Betty Rae Gambarella), and Shanna Guidry Pierce.

On the Petition Date, each Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code. Debtors have continued to operate their businesses as a debtors-in-possession pursuant to Bankruptcy Code §§ 1107 and 1108. The United States Trustee has not constituted a committee of unsecured creditors.

2. Retained Professionals

Debtors retained the services of Stewart Robbins & Brown, LLC (“SRB”) as their general bankruptcy counsel. Debtors applied for an order authorizing the employment of SRB. Debtors were authorized to employ SRB as their general bankruptcy counsel on an interim basis. The final Order authorizing the employment of SRB was entered on January 17, 2017.

Debtors retained the services of BlackBriar Advisors, LLC (“BlackBriar”) as their CRO. Debtors applied for an order authorizing the employment of BlackBriar. Debtors were authorized to employ BlackBriar as their CRO on an interim basis. The final Order authorizing the employment of BlackBriar was entered on January 19, 2017.

Debtors retained the services of Gordon Brothers Asset Advisors, LLC (“Gordon Brothers”) as their equipment appraisers. Debtors applied for an order authorizing the employment of Gordon Brothers. Debtors were authorized to employ Gordon Brothers as their equipment appraisers on an interim basis. The final Order authorizing the employment of Gordon Brothers was entered on January 17, 2017.

Debtors retained the services of Brian W. LaRose (“LaRose”) as their immovable property appraiser. Debtors applied for an order authorizing the employment of LaRose. Debtors were authorized to employ LaRose as their immovable property appraiser on an interim basis. The final Order authorizing the employment of LaRose was entered on January 17, 2017.

Debtors filed a motion authorizing the employment of Southeast Auction Company (“SAC”) as auctioneer and to pay a five percent (5%) auctioneer fee, with such approval being *nunc pro tunc* to the Petition Date. By order dated March 1, 2017, the Court approved the employment of SAC and its auctioneer commission.

Debtors have not retained any other professionals such as an accountant, real estate agent or broker in connection with the Bankruptcy Cases.

3. First Day Motions and Orders

“First day orders” facilitate the transition between Debtor’s Pre-Petition and Post-Petition operations by authorizing Debtors to continue certain regular business

practices that may not be specifically authorized under the Bankruptcy Code or for which the Bankruptcy Code requires prior court approval.

The initial hearing on Debtors' first day motion was scheduled for December 14, 2016. During this emergency hearing, the Bankruptcy Court granted much of the relief requested by Debtors on an interim basis. The Bankruptcy Court set a final hearing on Debtors' first day motion for January 10, 2017. At that hearing, the Bankruptcy Court granted much of the relief requested in the first day motions on a final basis.

Debtors filed a motion for joint administration. Debtors did not request substantive consolidation of the Estates. Rather, for the sake of judicial economy, Debtors sought to administer their cases under Gator-Iberia's Bankruptcy Case, case no. 16-51667. The Bankruptcy Court granted Debtor's motion for joint administration by order dated December 16, 2016.

Debtors filed a motion to continue using its cash managements system. Pursuant to this motion, Debtors requested authority to, among other things, continue using their cash management system, bank accounts and business forms after the Petition Date. The Bankruptcy Court entered a final Order authorizing the use of Debtor's cash management system on January 19, 2017.

Debtors filed a motion authorizing, but not directing, the payment of Pre-petition wages. The Bankruptcy Court granted this motion on an interim basis. The Bankruptcy Court granted Debtors' motion to pay pre-petition wages of their employee by final Order dated January 17, 2017.

Debtors moved to extend the time to file their Schedules. Generally, schedules and a statement of financial affairs are to be filed not later than the fourteenth day following the petition date. This would have made the initial deadline December 26, 2016. Debtors asked for an extension through an including January 9, 2017. The Bankruptcy Court authorized Debtors to file their Schedules not later than January 9, 2017. However, Debtors needed additional time for file their Schedules and SOFA. On January 9, 2017, Debtors requested an additional extension from January 9, 2017 to January 13, 2017. The Bankruptcy Court granted this second request. Debtors filed their Schedules timely.

Debtors also moved for the entry of an Order approving certain procedures with respect to utility companies and the provision of adequate assurance. Generally, under Bankruptcy Code § 366, utility companies are entitled to adequate assurance of future performance. The Bankruptcy Court granted interim relief and entered a final Order dated January 17, 2017.

Debtors filed a motion to pay so-called "critical vendors." By filing this motion, Debtors requested authority to pay the Pre-Petition Claims of certain vendors who provide Debtors with goods and services that are critical to the

continued operation of Debtors' businesses. The Bankruptcy Court did not grant Debtors' critical vendor motion, and it has been effectively withdrawn.

Debtors filed a motion to compensate Norman Schieffler, Joey Pierce, Michael Pontiff, Todd Fanguy, Lee Schieffler, Misty Schieffler, and Heather Schieffer as Insiders. Under Bankruptcy Code § 101(31)(B), these individuals have a close relationship with the Debtors because of their status as members of Debtors or relatives of members of Debtors. Under the Local Rules of the Bankruptcy Court, Debtors were required to seek authority to compensate these insiders. The Bankruptcy Court entered a final Order authority payment of these insiders on January 19, 2017.

Debtors moved for authority to compensate their Professionals such as SRB, LaRose, and Gordon Brothers on an interim basis. Generally, the Bankruptcy Code requires Professionals to be paid not less than every one hundred twenty days. However, to better manage their Professional Fee Claims, Debtors sought authority to compensate their Professionals on a monthly basis, with a formal application for compensation to be filed every four months. The Bankruptcy Court granted this motion on a final basis on January 6, 2017.

Debtors moved to extend the automatic stay to Lovencie John Gambarella, Joey Don Pierce, Norman Schieffler, Misty Lynn Schieffler, and Shanna Guidry Pierce because Regions Bank had commenced foreclosure proceedings their properties. Generally, the automatic stay under Bankruptcy Code § 362(a) does not extend to third-party guarantors in Chapter 11 cases. As of the date of this Disclosure Statement, the Bankruptcy Court has neither denied nor granted Debtors' motion to extend the automatic stay.

4. Proceedings After the First Day Motion and Orders

Claims Bar Date. On January 16, 2017, Debtors filed a motion to set the Claims Bar Date. The Bankruptcy Court granted this motion by Order dated January 19, 2017. The last day to file a proof of Claim or Equity Interest for non-Governmental Units was March 1, 2017, and June 12, 2017 for Governmental Units.

Debtors moved to amend and supplement the order fixing the last days to file a proof of Claim to provide the Clerk's address. Debtors felt the original order was not clear, so they moved to include the Clerk's address. This amending and supplementing order was granted on February 8, 2017.

Post-Petition Secured Debt. Debtors moved for authority to incur secured debt from MRB. Under Bankruptcy Code § 364, Debtors are required to obtain court authority to incur Post-Petition secured financing. Generally, Debtors sought to borrow \$825,000 from MRB, consisting of a \$500,000 line of credit and the refinance of a \$325,000 loan from Manitowoc Finance. Regions Bank opposed this

Post-Petition secured financing motion. Debtors have moved to withdraw this motion.

Monthly Operating Reports. Debtors have also filed monthly operating reports for the months of December 2016 and January 2017. As with the Schedules, copies of the monthly operating reports may also be obtained from the Clerk. Copies of these monthly operating reports may be obtained by written request to the Debtors' attorney, P. Douglas Stewart, Jr. at Stewart Robbins & Brown, LLC, 620 Florida Street, Suite 100, Baton Rouge, LA 70801-1741.

Pre- and Post-Petition Sales. Debtors also filed two motions relating to the Pre- and Post-Petition sale of Collateral. Specifically, prior to the Petition Date, Debtors sold several pieces of equipment through SAC. Debtors received \$57,000 from the. This property was subject to a security interest in favour of Caterpillar Financial Services Corporation ("CAT Finance"). After satisfaction of the CAT Finance debt, Debtors held \$33,986.98 in proceeds. Debtors moved to disburse the proceeds of this Pre-Petition sale to Regions Bank. The Bankruptcy Court granted this motion on March 1, 2017.

Debtors sold a compressor to Custom Abrasives, Co and a forklift by auction through SAC. They received \$13,500 from the sale to Custom Abrasives, Co. and \$26,837.50 from the sale of the forklift. This Post-Petition sale was inadvertent. The Debtors filed a motion to ratify these sales and disburse the proceeds to CAT Finance and Regions Bank. A hearing on this motion is scheduled for March 14, 2017.

Swain Lease Assumption. Gator-Iberia is the lessee of certain nonresidential immovable property located at 8416 W. Hwy 90, New Iberia, LA 70560 (the "Iberia Leased Property"). James Swain is the lessor. The term of the lease (the "Swain Lease") is May 1, 2013 through May 1, 2018. Under the Swain Lease, the monthly rent is \$7,200. As of the Petition Date, Gator-Iberia owed \$7,200 in past due rent under the Swain Lease. Post-petition, Gator-Iberia negotiated an amended and modification to the Swain Lease (the "Addendum"). Among other things, Mr. Swain agreed to reduce the monthly rent from \$7,200 to \$4,200 – a reduction of \$3,000 per month. Debtor filed a motion to assume the Swain Lease. Debtors filed a motion to assume the Swain Lease on February 27, 2017. The hearing on this assumption motion is set for March 21, 2017.

Ford Stay Relief Motion. Debtors are not the only party-in-interest to have moved for relief in the Bankruptcy Case. On January 20, 2017, Ford Motor Credit ("Ford") filed a motion for relief from the automatic stay and/or abandonment of six Ford trucks. Debtors opposed Ford's stay relief motion, arguing that Ford was adequately protected by significant equity cushions in the trucks and by insurance. The hearing on Ford's stay relief motion is scheduled for February 14, 2017 at 10:00

a.m. Central Time. Pursuant to an agreement between Ford and Debtors, the hearing on Ford's stay relief motion was continued to March 21, 2017.

D. Operations Efforts Following the Petition Date

After the Petition Date, Debtors continued to operate and manage their assets, businesses, and affairs as debtors-in-possession pursuant to Bankruptcy Code §§ 1107 and 1108.

E. Current Debt Structure

1. Regions Bank

Debtors' largest Creditor is Regions Bank. As discussed above, Regions Bank obtained the Judgment from the EDLA District Court. The Judgment fixed the amount of Regions Bank's Claim against Gator-Houma at approximately \$4,448,000. The Judgment also recognized the validity of Regions Bank's lien or security interest upon Gator-Houma's property. Moreover, the Judgment recognized the validity of certain guarantee agreement executed by Gator-Iberia, Gator-Fourchon, and Gator-Crane, along with Non-Debtor Guarantors, in favour of Regions Bank. Thus, pursuant to the Judgment, Debtors are liable *in solido* to Regions Bank. Regions Bank is the only Creditor to occupy such a position with respect to all Debtors.

2. Other Secured Debt

The Debtors have several other Secured Creditors. These Secured Creditors are the holders of Claims in Houma Class 1, Iberia Class 1 and Crane Classes 1-2.

Houma Class 1 and Crane Class 2. Holders of Claims in Houma Class 1 and Crane Class 2 are similarly situated Secured Creditors. For example, Caterpillar Financial advanced funds for the purpose of purchase the equipment used by the Debtors in the ordinary course of their businesses. Ford advanced funds to purchase six trucks. Thus, holders of Claims in Houma Class 1 and Crane Class 2 are Secured Creditors who advanced funds that allowed Debtors to purchase their inventory, equipment, and rolling stock.

Debtors estimates the aggregate amount of Claims held by Houma Class 1 and Crane Classes 1-2 claimants is approximately \$2.026 million.³

Under the Plan, Debtors propose paying holders of Claims in Houma Class 1 and Crane Class 2 the full amount of their Allowed Secured Claims over a sixty month period with interest at 5.75% Per Annum. Debtors propose paying 1st Source

³ This estimate is based upon Debtors bankruptcy schedules and is subject to change based upon proofs of Claim filed into the claims register. Debtors reserve all rights, claim, and defenses.

and Synergy Bank the full amount of their Allowed Secured Claims over seventy-two months with interest at 5.75% Per Annum.

1st Source and Synergy Bank. 1st Source is unique amongst the other Secured Creditor because 1st Source provided financing to fund Gator-Crane's operations and the Collateral securing 1st Source's Claim is Gator-Crane's accounts receivable. Given its unique position and Collateral, 1st Source has been separately classified in Crane Class 1.

Synergy Bank is also unique among other Secured Creditors because Synergy Bank is Gator-Iberia's only Secured Creditor. Synergy Bank is classified under Iberia Class 1.

Under the Plan, Debtors propose paying 1st Source and Synergy Bank the full amount of their Allowed Secured Claims over a seventy-two month period with interest at 5.75% Per Annum.

Interest to Secured Creditors. All holders of Allowed Secured Claims shall receive interest at 5.75% Per Annum. This discount rate is the current prime rate of 3.75% Per Annum plus 2.0% to account for any risk. Debtors submit that 5.75% is consistent with discount rates approved by the Bankruptcy Court in other Chapter 11 reorganizations.

3. Unsecured Debt

During the ordinary course of their businesses, Debtors incurred Unsecured debt. This is trade Unsecured trade debt. For example, Debtors purchased fuel, oil, and services from Miguez Fuel, LLC on credit. These Creditors are holders of Allowed General Unsecured Claims, and are classified in Houma Class 2, Iberia Class 2, Fourchon Class 1, and Crane Class 3.

Debtors estimate the aggregate amount of *all* Allowed General Unsecured Claims against all Debtors is approximately \$1,188,900.⁴

Iberia Class 2, Fourchon Class 1, and Crane Class 3. Holders of General Unsecured Claims in Iberia Class 2, Fourchon Class 1, and Crane Class 3 shall receive one hundred percent (100%) of their Allowed Claims. Each Holder of Allowed Claims in Iberia Class 2, Fourchon Class 1, and Crane Class 3 shall be paid in equal quarterly installments beginning on the fifteenth (15th) day of the calendar quarter after the Gator Class 1 Claim of Regions Bank has been paid in full and continuing on the fifteenth (15th) of each succeeding calendar quarter thereafter for nineteen (19) calendar quarters until such holder has received an amount equal to

⁴ This estimate is based upon Debtors bankruptcy schedules and is subject to change based upon proofs of Claim filed into the claims register. Debtors reserve all rights, claim, and defenses.

one hundred percent (100%) percent of such Claim. Debtors estimate that the aggregate amount of Allowed Iberia Class 2, Fourchon Class 1, and Crane Class 3 Claims is \$309,917.66.

Houma Class 2. Holders of General Unsecured Claims against Gator-Houma (Houma Class 2), however, will receive eleven and one-half percent (11.5%) of their Allowed Claims. Each Holder of an Allowed Houma General Unsecured Claims shall be paid in equal quarterly installments beginning on the fifteenth (15th) day of the calendar quarter after the Gator Class 1 Claim of Regions Bank has been paid in full and continuing on the fifteenth of each succeeding calendar quarter thereafter for nineteen (19) calendar quarters until such holder has received an amount equal to eleven and one-half percent (11.5%) of such Claim. Under Debtors' liquidation analysis, holders of Allowed Houma General Unsecured Claims would not receive any distribution on account of their Claims in a hypothetical Chapter 7 case.

Convenience Classes. There are some Unsecured Creditors whose Allowed Claims are \$500.00 or less. As such, Debtors have created convenience Classes for these Creditors. These Creditors are classified in Houma Class 3, Iberia Class 3, Fourchon Class 2, and Crane Class 4. Holders of Allowed Claims in the amount of \$500.00 or less shall receive the full amount of their Allowed Claims within ninety (90) days of the Effective Date.

In addition, holders of Claims in Houma Class 2, Iberia Class 2, Fourchon Class 1, and Crane Class 3 may make elect to be treated under Houma Class 3, Iberia Class 3, Fourchon Class 2, and Crane Class 4. Creditors who make such an election shall receive \$500.00 within 90 days of the Effective Date.

4. Tax Debts

As of the Petition Date, Debtors had incurred, but had not paid, the Claims of certain Governmental Units for Taxes. These Tax Claims are owed to such Governmental Units as the IRS and LDR for sales, use, lease, and employment related Taxes. Other local Governmental Units include the Lafourche Parish School Board.

The Bankruptcy Code generally prohibits payment of Tax Claims except pursuant to a court order or under a plan of reorganization. Debtors did not file a "first day motion" for authorization to pay Pre-Petition Tax Claims.

Claims for Pre-Petition Taxes are Priority Tax Claims under Bankruptcy Code § 507(a)(8). Any penalty or fine relating to an Allowed Priority Tax Claim is not consider a Priority Claim, and will be treated as a General Unsecured Claim in the appropriate Class.

Debtors estimate the amount of Allowed Priority Tax Claims is approximately \$337,000.

Allowed Priority Tax Claims are not separately classified under the Plan. Instead, Debtors will make payments to holders of Allowed Priority Tax Claims in a manner consistent with Bankruptcy Code § 1129(a)(9)(C), which permits Debtors to pay holders of Allowed priority Tax Claims in regular installments on or before December 12, 2021.

5. Intercompany Claims

During the ordinary course of their operations, Debtors occasionally borrowed from and loaned each other money. These Intercompany Claims are classified as Gator Class 2 Claims. A list of Intercompany Claims is attached to the Plan as Exhibit "P-8."

Debtors estimate the amount of Allowed Intercompany Claims is \$_____.

On the Effective Date, all Intercompany Claims shall be subordinated in payment to all other non-equity claim classes. Upon payment in full of the treatment accorded each and all non-equity claim class under this plan, then such Intercompany Claims shall be paid by each debtor in full, whether by set off or cash payments over a period of five years from the date such cash payments begin.

ARTICLE VI – SUMMARY OF THE PLAN TERMS CONCERNING CLASSIFICATION AND TREATMENT OF CLAIMS, ACCEPTANCE OR REJECTION OF PLAN, DISTRIBUTIONS, AND DISPUTED CLAIMS

A. Unclassified Claims

As provided in Bankruptcy Code § 1123(a), Administrative Expense Claims and Unsecured Priority Claims are not classified for purposes of voting on, or receiving distributions under, the Plan. Holders of Administrative Expense Claims and Unsecured Priority Claims are not entitled to vote on the Plan but, rather, are treated separately under Bankruptcy Code § 1129(a).

1. Administrative Expense Claims

(a) Time for Filing Administrative Expense Claims

Except as otherwise provided in the Plan or the Confirmation Order, requests for Allowance of Administrative Expense Claims, including, but not limited to, Professional Compensation Claims, for services rendered or work performed prior to the Confirmation Date must be filed and served on all parties entitled to notice

thereof no later than the Administrative Expense Claim Bar Date. Holders of Administrative Expense Claims that do not file such requests by the Administrative Expense Claim Bar Date shall be forever barred from asserting such Administrative Expense Claims against Debtors, Reorganized Debtors, Debtors' Estates, Property of Debtors' Estates, or property of the Reorganized Debtors.

(b) Allowance of Administrative Expense Claims

An Administrative Expense Claim with respect to which notice has been properly filed and served shall become an Allowed Administrative Expense Claim if no objection is filed on or prior to the Claim Objection Deadline. If an objection is timely filed, the Administrative Expense Claim shall become an Allowed Administrative Expense Claim only to the extent Allowed by Final Order or as such Claim is settled, compromised, or otherwise resolved by Debtors or Reorganized Debtors.

(c) Payment of Allowed Administrative Expense Claims

Except to the extent any Entity entitled to payment of any Allowed Administrative Expense Claim agrees to a different treatment, all Allowed Claims specified in Bankruptcy Code § 507(a)(2), including, but not limited to, Allowed Professional Compensation Claims, shall be paid by Debtors or Reorganized Debtors in full in Cash in an amount equal to such Allowed Administrative Expense Claims on the later of (i) the Effective Date or (ii) as soon as practicable after such Administrative Expense Claim becomes payable pursuant to (a) any agreement between Debtors or Reorganized Debtors, as applicable, and the holder of such Administrative Expense Claim or (b) by Final Order. Distributions to holders of Allowed Administrative Expense Claims shall come from Property of the Estates.

Allowed Administrative Expense Claims representing liabilities incurred in the ordinary course of business by Debtors before the Effective Date, except, (i) Professional Compensation Claims, (ii) outside the ordinary course of business borrowing, and (iii) the amount necessary to provide Cure Amounts for the assumption of Executory Contracts, shall be paid in the ordinary course of business in accordance with the terms and subject to the conditions of any agreements governing, instruments evidencing or other documents relating to such transactions, as the Claims accrue, and only such expenses incurred in the operation of the ordinary course of the business of the debtors, Post-Petition, shall be assumed by Debtors as ordinary course of business obligations, to be paid post-Confirmation as these Claims come due. Persons doing business with Debtors Post-Petition and prior to the Effective Date, whose Administrative Expense Claims represent Claims arising in the ordinary course of business Post-Petition shall not be required to file a request for payment as otherwise required herein.

All Administrative Expense Claims incurred prior to the Effective Date are subject to review and approval by the Bankruptcy Court.

(d) Estimated Administrative Expense Claims

Total Administrative Expense Claims through Confirmation have not been estimated. Currently, however, SRB is owed approximately \$120,000 and BlackBriar is owed approximately \$77,000.

All pre-Effective Date Professional Compensation Claims are subject to review and approval by the Bankruptcy Court.

2. Priority Claims

(a) Priority Tax Claims

Each holder of an Allowed Priority Tax Claim shall receive Distributions in a manner consistent with Bankruptcy Code § 1129(a)(9)(C). Specifically, to the extent any Allowed Priority Tax Claims are not paid by the Debtors prior to the Effective Date, and thus remain unpaid as of the Effective Date, all payments to Holders of such Allowed Priority Tax Claims shall be made by the Reorganized Debtors in a manner consistent with Bankruptcy Code § 1129(a)(9)(C). All such payments after the Effective Date shall be made by the Reorganized Debtors on a quarterly basis in equal quarterly installments necessary to retire the balance of the Allowed Priority Tax Claim, plus interest at the statutory rate applicable to such Allowed Priority Tax Claim on or before December 12, 2021.

However, holders of an Allowed Priority Tax Claims shall not be entitled to receive any payment on account of any penalty arising with respect to or in connection with the Allowed Priority Tax Claim. Any such Claim or demand for any such penalty shall be subject to treatment in Houma Class 3, Iberia Class 2, Fourchon Class 2, or Crane Class 2, as applicable, relating to General Unsecured Claims. The holder of an Allowed Priority Tax Claim shall not assess or attempt to collect such penalty from Debtors, Reorganized Debtors, Property of the Estates, or property of Reorganized Debtors other than as a holder of a General Unsecured Claim.

Holders of Allowed Priority Tax Claims are covered by Bankruptcy Code § 1129(a)(9) and therefore will not be solicited and shall not vote on the Plan.

Currently, the estimated amount of Allowed Priority Tax Claims is \$337,000. This could increase because the Claims Bar Date for Governmental Units is June 12, 2017. The following table is a summary of Priority Tax Claims.⁵

<u>Debtor</u>	<u>Amount</u>
Gator-Houma	\$138,000
Gator-Iberia	\$71,000
Gator-Fourchon	\$947
Gator-Crane	\$17,000

(b) Priority Non-Tax Claims

Debtors estimate that the total amount of Allowed Priority Non-Tax Claims will be \$0.00. This is because Debtors’ employees, who would have been entitled to a Priority Non-Tax Claim pursuant to Bankruptcy Code § 507(a)(5), were paid pursuant to the Bankruptcy Court’s Order authorizing the Priority Non-Tax Claims of Debtors’ employees.

4. Statutory Fees and Court Costs

Court costs and fees payable by Debtors under 28 U.S.C. § 1930 will be paid in full in Cash on the Effective Date or as soon as practicable thereafter or as required under the Office of the United States Trustee’s quarterly payment guidelines. After the Effective Date, Reorganized Debtors shall continue to pay quarterly fees to the United States Trustee and file quarterly reports with the United States Trustee until the Bankruptcy Case is closed, dismissed or converted. This requirement is subject to any amendments to 28 U.S.C. § 1930(a)(6) that Congress makes retroactively applicable to confirmed Chapter 11 cases.

B. Classified Claims

1. Gator Class 1 – Regions Bank Secured Claim

Classification. Gator Class 1 consists of the Allowed Secured Claim of Regions Bank.

⁵ This table is simply a summary for information purposes *ONLY*, and is not intended to fix or otherwise consent to the amount of a Priority Tax Claim. Debtors reserve all rights, claims, and defenses with respect to alleged Priority Tax Claims. Debtors reserve the right to object to any proofs of Claim relating to purported Priority Tax Claims. These are estimates based upon Debtors bankruptcy schedules and are subject to change based upon proofs of Claim filed into the claims register. Debtors reserve all rights, claim, and defenses.

Treatment. Regions Bank's Secured Claim shall be fixed and Allowed in the amount of \$4,446,988.62, plus attorneys' fees and costs to the extent approved by the Bankruptcy Court pursuant to Bankruptcy Code § 506(b).

Regions Bank shall retain all of its security interests or liens in any and all property of Gator-Houma and Gator-Iberia and as well as their Estates in the same rank, priority, and extent as existed Pre-Petition or pursuant to any Cash Collateral Order, and also to the extent that such liens or security interests cover Post-Petition acquired property, such liens or security interests shall continue in full force and effect on such Post-Petition acquired property in the same rank and priority as existed at the time of Confirmation.

Furthermore, subject to the provisions of the Plan, to the extent necessary to preserve its rights to collect expeditiously upon default of the Plan, the Judgment shall remain effective post-Confirmation.

The Regions Bank Secured Claim shall accrue interest at the rate of five and three-quarter percent (5.75%) Per Annum until paid in full. The Regions Bank Secured Claim shall be paid in equal monthly installments of \$55,000.00, beginning May 1, 2017 and continuing thereafter on the first (1st) day of each succeeding month until October 1, 2018. The full balance of the Regions Bank Secured Claim, including accrued interest, shall be fully due and owing on November 1, 2018. In addition, in accordance with Section 6.1 of the Plan, Debtors shall pay, turnover, or transmit any proceeds from the sale of any Collateral upon which Regions Bank has a lien or security interest as soon as is practicable after receipt of such proceeds. Any proceeds so transmitted shall be applied first to reduce accrued interest, then to the principal balance of the Regions Bank Secured Claim.

If Debtors or Reorganized Debtors are unable to retire the balance of the Regions Bank Secured Claim on or before September 1, 2018, Reorganized Debtors shall engage a broker, investment banker, or auctioneer, acceptable to Regions Bank, for the purpose of marketing Reorganized Debtors as a going-concern, with a sale, at auction, to occur on or as soon as commercially practicable after November 2, 2018. If Reorganized Debtors retire the full then remaining balance of Regions Bank Secured Claim on or before November 1, 2018, such auction shall be cancelled.

Pursuant to the Judgment, Regions Bank is also the holder of Unsecured deficiency Claims against Debtors which would ordinarily be classified in Houma Class 2, Iberia Class 1, Fourchon Class 1, and Crane Class 3 as Allowed General Unsecured Claims. The Plan treats Regions Bank as if its Claim is fully Secured. However, in the event Reorganized Debtors are liquidated at auction as provided for in Section 3.1(e) of the Plan, then Regions Bank's Claim shall not be treated as fully Secured in accordance with Section 6.1(f) of the Plan.

Voting. Gator Class 1 is Impaired. Regions Bank, as the holder of the Regions Bank Secured Claim, shall be entitled to vote on the Plan with respect to its Gator Class 1 Claim.

2. Gator Class 2 – Inter Company Claims

Classification. Gator Class 2 consists of all Intercompany Claims.

Treatment. On the Effective Date, all Intercompany Claims subordinated in payment to all other non-equity claim classes. Upon payment in full of the treatment accorded each and all non-equity claim class under this plan, then such Intercompany Claims shall be paid by each debtor in full, whether by set off or cash payments over a period of five years from the date such cash payments begin.

Voting. Gator Class 2 is Impaired. Holders of Intercompany Claims shall be entitled to vote with respect to their Gator Class 2 Claim. However, for the purposes of calculating acceptance of the Plan, acceptance of the Plan by a holder of a Gator Class 2 Claim shall not be counted for purposes of Bankruptcy Code § 1129(a)(10).

3. Houma Class 1 and Crane Class 2 – Allowed Secured Claims

Classification. Houma Class 1 and Crane Class 2 consist of Allowed Houma Secured Claims and Allowed Crane Secured Claims.

Treatment. Holders of Allowed Houma Secured Claims and Allowed Crane Secured Claims shall be treated as fully Secured and shall receive an amount equal to the amount of such Allowed Secured Claim, plus interest accruing at the rate of 5.75% per annum. Each holder of an Allowed Houma Secured Claim or Allowed Crane Secured Claim shall be paid the full amount of such Claim over seventy-two (72) months. Such payments shall be made in equal monthly installments, beginning June 15, 2018 and continuing thereafter on the fifteenth (15th) of each succeeding month for seventy-one (71) additional months. Holders of Allowed Houma Secured Claims and Allowed Crane Secured Claims shall retain all of their security interests or liens in any property of Debtors in the same rank, priority, and extent as existed Pre-Petition.

Voting. Holders of Houma Class 1 and Crane Class 2 Claims are Impaired, and shall be entitled to vote to accept or reject the Plan.

4. Iberia Class 1 – Allowed Synergy Bank Secured Claim

Classification. Iberia Class 1 consists of Allowed Synergy Bank Secured Claim.

Treatment. The Synergy Bank Secured Claim shall be fixed and Allowed in the amount of \$456,247.66, plus attorneys' fees and costs to the extent approved by the Bankruptcy Court pursuant to Bankruptcy Code § 506(b).

Synergy Bank shall receive an amount equal to the amount of the Allowed Synergy Bank Secured Claim, plus interest accruing at the rate of 5.75% Per Annum. Synergy Bank shall be paid the full amount of the Allowed Synergy Bank Secured Claim over seventy-two (72) months. Such payments shall be made in equal monthly installments, beginning June 15, 2018 and continuing thereafter on the fifteenth (15th) of each succeeding month for seventy-one (71) additional months. Synergy Bank shall retain all of its security interests or liens in any property of Gator-Iberia in the same rank, priority, and extent as existed Pre-Petition.

Voting. Iberia Class 1 is Impaired, and shall be entitled to vote to accept or reject the Plan.

5. Crane Class 1 – Allowed 1st Source Secured Claim

Classification. Crane Class 1 consist of Allowed 1st Source Secured Claim.

Treatment. 1st Source shall receive an amount equal to the amount of the Allowed 1st Source Secured Claim, plus interest accruing at the rate of five and three-quarters percent (5.75%) per annum. 1st Source shall be paid the full amount of the Allowed 1st Source Secured Claim over seventy-two (72) months. Such payments shall be made in equal monthly installments, beginning June 15, 2018 and continuing thereafter on the fifteenth (15th) of each succeeding month for seventy-one (71) additional months. 1st Source shall retain all of its security interests or liens in any property of Gator-Houma in the same rank, priority, and extent as existed Pre-Petition or pursuant to any Cash Collateral Order.

Voting. Crane Class 1 Claims is Impaired, and shall be entitled to vote to accept or reject the Plan.

6. Iberia Class 2, Fourchon Class 1, and Crane Class 3 – Allowed General Unsecured Claims

Classification. Iberia Class 2, Fourchon Class 1, and Crane Class 3 consist of Allowed Iberia General Unsecured Claims, Allowed Fourchon General Unsecured Claims, and Allowed Crane General Unsecured Claims.

Treatment. Holders of Allowed Iberia General Unsecured Claims, Allowed Fourchon General Unsecured Claims, and Allowed Crane General Unsecured Claims shall receive in full and final satisfaction of such Claim an amount equal to one hundred percent (100%) of such Claim. Each Holder of an Allowed Iberia General Unsecured Claim, Allowed Fourchon General Unsecured Claim, and Allowed Crane General Unsecured Claim shall be paid in equal quarterly

installments beginning on the fifteenth (15th) day of the calendar quarter after the Gator Class 1 Claim of Regions Bank has been paid in full and continuing on the fifteenth of each succeeding calendar quarter thereafter for nineteen (19) calendar quarters until such holder has received an amount equal to one hundred percent (100%) of such Claim.

Each holder of an Allowed Iberia General Unsecured Claim, Allowed Fourchon General Unsecured Claim, and Allowed Crane General Unsecured Claim may elect to have their Claim reduced to a maximum amount of \$500.00 and thereafter be treated in accordance with Iberia Class 3, Fourchon Class 2, or Crane Class 4, as applicable.

Voting. Iberia Class 2, Fourchon Class 2, and Crane Class 2 are Impaired, and holders of Allowed Houma General Unsecured Claims, Allowed Iberia General Unsecured Claims, Allowed Fourchon General Unsecured Claims, and Allowed Crane General Unsecured Claims shall be entitled to vote on the Plan.

7. Houma Class 2 – Allowed General Unsecured Claims

Classification. Houma Class 2 consists of Allowed Houma General Unsecured Claims.

Treatment. Holders of Allowed Houma General Unsecured Claims shall receive in full and final satisfaction of such Claim an amount equal to eleven and one-half percent (11.5%) of such Claim. Each Holder of an Allowed Houma General Unsecured Claim shall be paid in equal quarterly installments beginning on the fifteenth (15th) day of the calendar quarter after the Gator Class 1 Claim of Regions Bank has been paid in full and continuing on the fifteenth of each succeeding calendar quarter thereafter for nineteen (19) calendar quarters until such holder has received an amount equal to eleven and one-half percent (11.5%) of such Claim.

Each holder of an Allowed Houma General Unsecured Claim may elect to have their Claim reduced to a maximum amount of \$500.00 and thereafter be treated in accordance with Houma Class 3.

Voting. Houma Class 2 is Impaired, and shall be entitled to vote on the Plan.

8. Houma Class 3, Iberia Class 3, Fourchon Class 2, and Crane Class 4 – Allowed Convenience Claims

Classification. Houma Class 3, Iberia Class 3, Fourchon Class 2, and Crane Class 4 consist of Allowed Houma Convenience Claims, Allowed Iberia Convenience Claims, Allowed Fourchon Convenience Claims, and Allowed Crane Convenience Claims.

Treatment. Holders of an Allowed Houma Convenience Claim, Allowed Iberia Convenience Claims, Allowed Fourchon Convenience Claim, and Allowed Crane Convenience Claim shall be paid in Cash in an amount equal to the amount of such Claim on or before ninety (90) days after the Effective Date of the Plan.

Holders of an Allowed Houma General Unsecured Claim, Allowed Iberia General Unsecured Claim, Allowed Fourchon General Unsecured Claim, and Allowed Crane General Unsecured Claim who have elected to have their Claims treated as a Houma Class 4 Claim shall receive \$500.00 in cash on or before ninety (90) days after the Effective Date of the Plan.

Voting. Houma Class 3, Iberia Class 3, Fourchon Class 2, and Crane Class 4 are Impaired, and shall be entitled to vote on the Plan.

7. Iberia Class 4, Fourchon Class 3, and Crane Class 5 – Equity Interests

Classification. Iberia Class 4, Fourchon Class 3, and Crane Class 5 consist of Allowed Iberia Equity Interests, Allowed Fourchon Equity Interests, and Allowed Crane Equity Interests.

Treatment. Holders of Allowed Iberia Equity Interests, Allowed Fourchon Equity Interests, and Allowed Crane Equity Interests shall retain their equity interests in Debtors.

Voting. Iberia Class 5, Fourchon Class 5, and Crane Class 5 are Unimpaired. Holders of Allowed Iberia Equity Interests, Allowed Fourchon Equity Interests, and Allowed Crane Equity Interests shall be entitled to vote on the Plan.

8. Houma Class 4 – Equity Interests

Classification. Houma Class 4 consists of Allowed Houma Equity Interests.

Treatment. In consideration for the new value contributions of Norman Scheffler, Jr., Lovencie John Gambarella, and Joey D. Pierce, as well as the waiver of any subordinated Secured or Unsecured Claims, holders of Allowed Houma Equity Interests shall retain their Equity Interests in Gator-Houma.

Voting. Houma Class 4 is Unimpaired, and holders of Allowed Equity Interests shall not be entitled to vote on the Plan.

C. Treatment Satisfies Allowed Claims

The treatment in the Plan is in full and complete satisfaction of the legal, contractual and equitable rights that each Entity holding an Allowed Claim or Interest may have in or against Debtors or their interests in property. This

treatment supersedes and replaces any agreements or rights those Entities have in or against Debtors or their interests in property. All distributions under the Plan will be tendered to the Person holding the Allowed Claim in accordance with the terms of the Plan. **EXCEPT AS SPECIFICALLY SET FORTH IN THE PLAN, NO DISTRIBUTIONS WILL BE MADE ON ACCOUNT OF AND NO RIGHTS WILL BE RETAINED BY THE HOLDER OF (I) ANY CLAIM THAT IS NOT AN ALLOWED CLAIM OR (II) ANY INTEREST THAT IS NOT AN ALLOWED INTEREST.**

D. Requests for attorneys' fees and costs pursuant to Bankruptcy Code § 506(b).

Holders of Gator Class 1, Houma Class 1, Iberia Class 1, and Crane Class 1-2 Allowed Secured Claims may file a request with the Bankruptcy Court for attorneys' fees and costs pursuant Bankruptcy Code § 506(b). Such requests shall be filed with the Bankruptcy Code not later than the fourteenth (14th) day following the Confirmation Date. If a request is not timely made, then such Claim for attorneys' fees and costs shall be forever barred, discharged, and released as a Claim against Debtors, Reorganized Debtors, property of the Estates, property of Debtors, and property of Reorganized Debtors.

VII. PROCEDURES FOR RESOLUTION OF DISPUTED, CONTINGENT AND UNLIQUIDATED CLAIMS OR EQUITY INTERESTS

A. Prosecution of Objections to Claims

Debtors or Reorganized Debtors shall have the exclusive authority on or before the Claims Objection Bar Date to file objections, settle, compromise, withdraw or litigate to judgment objections to Claims or Equity Interests. Hearings on any such objections shall be fixed for hearing at least thirty (30) days after the filing of the objections or at such other time as may be fixed by the Bankruptcy Court. Debtors or Reorganized Debtors shall litigate to judgment, settle, or withdraw objections to Disputed Claims, and with regard to objections pending as of Confirmation, Debtors shall be entitled to litigate to judgment, settle, or withdraw objections to Disputed Claims without the necessity of notice or hearing. From and after the Effective Date, Reorganized Debtors may settle or compromise any Disputed Claim without approval of the Bankruptcy Court. Debtors and Reorganized Debtors also reserve the right to resolve any Disputed Claims outside the Bankruptcy Court under applicable governing law.

B. Estimation of Claims

Debtors or Reorganized Debtors may, at any time, request that the Bankruptcy Court estimate any disputed, contingent or unliquidated Claim pursuant to Bankruptcy Code § 502(c) regardless of whether Debtors have previously objected to such Claim or whether the Bankruptcy Court has ruled on

any such objection, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court estimates any disputed, contingent, or unliquidated Claim, that estimated amount will constitute either the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on such Claim, Debtors may elect to pursue any supplemental proceedings to object to any ultimate payment on such Claim. All of the aforementioned Claims and objection, estimation, and resolution procedures are cumulative and not necessarily exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

C. Allowance of Claims

Except as to Claims Allowed by the Plan, or as otherwise expressly provided herein or in any order by the Bankruptcy Court prior to the Effective Date (including the Confirmation Order), no Claim shall be deemed Allowed, unless and until such Claim is deemed Allowed under the Bankruptcy Code or the Bankruptcy Court enters a Final Order in the Bankruptcy Case allowing such Claim.

Except as to Claims Allowed by the Plan, or any order entered by the Bankruptcy Court prior to the Effective Date (including the Confirmation Order), Debtors after Confirmation will have and retain any and all rights and defenses Debtors had with respect to any Claim as of the Order for Relief.

D. Controversy Concerning Impairment

If a controversy arises as to whether any Claims or Equity Interests, or any Class of Claims or Equity Interests, are Impaired under the Plan, the Bankruptcy Court shall, after notice and a hearing, determine such controversy before the Confirmation Date.

ARTICLE VIII – EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Any Executory Contracts not specifically assumed as provided for in the Plan, or within assumption proceedings pending as of the Confirmation Hearing shall be deemed rejected by Confirmation as of the Confirmation Date.

All Claims arising from the rejection of Executory Contracts must be evidenced by properly filed proofs of Claim. Such proofs of Claim must be filed by the applicable Claims Bar Date. Any Claims not filed on or before the such date shall be forever barred and prohibited from assertion against Debtors, Reorganized Debtors, the Estates, Property of the Estates, and property of Reorganized Debtors. Unless otherwise ordered by the Bankruptcy Court, all Claims arising from

rejection of Executory Contracts shall be General Unsecured Claims and treated as Houma Class 2, Iberia Class 2, Fourchon Class 1, and Crane Class 3 Claims, as applicable.

The Confirmation Order shall constitute an Order authorizing the assignment of any Assumed Executory Contract from Debtors to Reorganized Debtors effective upon the later of (a) the Effective Date or (b) the date of the entry of a Final Order within any assumption proceeding pending as of the Confirmation Hearing. The Confirmation Order shall also constitute an Order and findings of the Bankruptcy Court concluding that all conditions and requirements for assignment of any Assumed Executory Contract have been satisfied or waived unless an objection thereto has been filed prior to the deadline to filing an objection to confirmation of the Plan.

A list of Assumed Executory Contracts along with Cure Amounts is attached to the Plan as Exhibit "P-5." Any Executory Contract not listed in Exhibit "P-5" to the Plan shall be deemed rejected.

ARTICLE X – MEANS OF IMPLEMENTATION OF THE PLAN

A. Sale of Collateral.

Debtors and certain Non-Debtor Guarantors have agreed to sell certain movable and immovable property upon which Regions Bank possesses a security interest, with all proceeds of sale, net of expenses and commissions, transmitted to Regions for application to the balance of the Gator Class 1 Claim.

On or before Confirmation, Debtors will have begun or will begin marketing the Underutilized Property. As Debtors sell the Underutilized Property,⁶ the proceeds from such sales, net of any commissions, shall be transmitted to lienholders in order of priority as to the specific Underutilized Property sold, for application to the balance of such lienholder's Allowed Secured Claim, with the balance of the proceeds transmitted to Regions Bank as global lienholder on all assets of Debtors, with such remaining proceeds applied to the Gator Class 1 Claim. If specific Underutilized Property is not subject to a lien or security interest superior in priority to that of Regions Bank, then the balance of the proceeds of sale, net of commissions, shall be transmitted directly to Regions. If any Underutilized Property is not sold on or before April 1, 2017, then Regions Bank may direct Debtors to place such property for auction with an auction firm approved by Regions Bank with such auction to take place on May 1, 2017 or at the earliest commercially reasonable date and time thereafter, with all proceeds from such auction, net of auction fees, transmitted to the holder of any superior lien or security interest, then to Regions Bank. If property subject to a lien or security interest superior to that of

⁶ A list of the Underutilized Property is attached to the Plan as Exhibit "P-3."

Regions Bank is placed for auction, the minimum bid must equal an amount necessary to pay, in full, such superior lien or security interest.

On or before Confirmation, Debtors will have begun or will begin marketing the Apache Road Property.⁷ Debtors will market the Apache Road Property with Proprie'te' Shoppe as listing agent and such agreement shall continue in force until September 1, 2017. If, on or before September 1, 2017, Debtors have not closed on the sale of the Apache Road Property, then on that date or at any time thereafter, Regions Bank may direct Debtors to list the Apache Road Property for auction with an auction firm approved by Regions Bank, with a sale to take place as soon as is commercially reasonable. All proceeds net of commissions and closing costs shall be transmitted to Regions and applied to the Gator Class 1 Claim. Regions Bank shall release its lien on the Apache Road Property for any sale at or in excess of \$_____.

On or before Confirmation, Debtors will have begun or will begin marketing the Tunnel Road Property.⁸ Debtors will market Tunnel Road Property through December 31, 2017. If, on or before December 31, 2017, Debtors have not closed on the sale of Tunnel Road Property, then on that date or at any time thereafter, Regions Bank may direct Debtors to list Tunnel Road Property for auction with an auction firm approved by Regions Bank, with a sale to take place as soon as is commercially reasonable. All proceeds net of commissions and closing costs shall be transmitted to Regions Bank and applied to the Gator Class 1 Claim. Regions Bank shall release its lien on Tunnel Road Property for any sale at or in excess of \$_____.

To further effectuate the Plan, certain Insiders of Debtors, namely Norman Scheiffler and Joey Pierce, have agreed to place certain immovable property owned by each individual for sale. Specifically, residential immovable property located at Aubrey Dr., Houma, LA and residential immovable property located at Choctaw Dr., Houma, LA. On or before Confirmation, Messrs. Scheiffler and Pierce will have begun or will begin marketing such properties via a listing agreement with Proprie'te Shoppe and such listing agreement shall continue in force until September 1, 2017. If, on or before September 1, 2017, either Messrs. Schieffler or Mr. Pierce have not closed on a sale of such property, then on that date or at any time thereafter, Regions Bank may direct Messrs. Scheiffler or Mr. Pierce, as applicable, to list such immovable property for auction with an auction firm approved by Regions Bank, with a sale to take place as soon as is commercially reasonable. All proceeds net of commissions, closing costs, and superior liens, shall be transmitted to Regions Bank and applied to the Gator Class 1 Claim. Regions Bank shall release its lien on the Aubrey Dr., Houma, LA property for any sale at or

⁷ A legal description of the Apache Road Property is contained in Exhibit "P-1" to the Plan.

⁸ A legal description of the Tunnel Road Property is contained in Exhibit "P-2" to the Plan.

in excess of \$_____. Regions Bank shall release its lien on the Choctaw Dr. property for any sale at or in excess of \$_____.

Pursuant to the Judgment, Regions Bank is also the holder of Unsecured deficiency Claims against Debtors which would ordinarily be classified in Houma Class 2, Iberia Class 1, Fourchon Class 1, and Crane Class 3 as Allowed General Unsecured Claims.

The Plan treats Regions Bank and other Secured claimants as if their Claims are fully Secured. However, in the event Reorganized Debtors are liquidated at auction as provided for in Section 3.1(e) of the Plan, then:

- All Secured Claims shall not be treated as fully Secured:
- The Unsecured portion of an Allowed Claim shall be treated as a Claim in Houma Class 2, Iberia Class 1, Fourchon Class 1, or Crane Class 3, as the case may be; and
- The proceeds of such auction shall be distributed as follows:
 - *First*, the proceeds from such auction sale, net of any commissions, shall be transmitted to lienholders in order of priority as to the specific property sold, for application to the balance of such lienholder's Allowed Secured Claim;
 - *Second*, holders of General Unsecured Claims in Classes Houma Class 2, Iberia Class 2, Fourchon Class 1, and Crane Class 3 shall receive a Pro Rata Share of the proceeds remaining after payments to holders of Allowed Secured Claims in the preceding first category; and
 - *Third*, holders of Equity Interests shall receive a Pro Rata Share of any proceeds remaining after payments to holders of Allowed General Unsecured Claims in the preceding second category.

Any obligations expressed in this section may be enforced by the Bankruptcy Court post-confirmation.

B. Funding for Disbursements

1. Effective Date Payments

Funds needed to make Cash payments on the Effective Date under the Plan shall come from the Cash on hand.

2. Post-Effective Date Distributions

All payments after the Effective Date shall be made by Reorganized Debtors from Cash generated from operations or through the sale of Collateral. At their discretion, Reorganized Debtors reserve the right to sell additional property not specifically identified herein as such may later be identified to reduce or pay in full the balance of an Allowed Secured Claim. Reorganized Debtors also reserve the right to obtain third-party financing after the Effective Date (and without Bankruptcy Court approval) to satisfy any outstanding Allowed Claims, or any portion thereof, due under the Plan.

3. Disbursing Agent

All disbursements post-Effective Date shall be made by Reorganized Debtors, with the exception of proceeds from the sale of property owned by Messrs. Scheiffler and Pierce as identified in Section 6.1(e) of the Plan.

4. Surrender of Instruments

Not later than the twenty-eighth (28th) day following the Effective Date, each holder of a promissory note evidencing a Claim which is not an Allowed Claim shall surrender such note to Debtors or Reorganized Debtors and such note shall be canceled, or shall establish the unavailability of such note.

5. Cancellation of Instruments

Unless otherwise provided herein, after the Effective Date, all notes or instruments reflecting Claims against Debtors, or security interests, liens or encumbrances upon the Property of the Estates which are recorded in the public records of any appropriate governmental authority shall be cancelled on such public records at the request of Debtors or Reorganized Debtors by the holder of such Claim, security interest, lien or encumbrance. In the event the holder fails to comply with such request, the Bankruptcy Court shall reserve jurisdiction to enter orders directing such holder to cancel such recordation or recorded instrument, or may authorize the applicable governmental authority to accept a cancellation request made by Debtors or Reorganized Debtors and thereby cancel such recordation or recorded instrument on its public records.

6. Prepayment

EXCEPT AS OTHERWISE PROVIDED IN THE PLAN OR THE CONFIRMATION ORDER, DEBTORS OR REORGANIZED DEBTORS SHALL HAVE THE RIGHT TO PREPAY, WITHOUT PENALTY, ALL OR ANY PORTION OF AN ALLOWED CLAIM OR CLASS OF ALLOWED CLAIMS AT ANY TIME.

D. Management and Continued Existence of Reorganized Debtors

1. Continuation of Equity Interests

On the Effective Date, all Allowed Equity Interests in Debtors shall be continued and shall become Equity Interests, in the same proportion as existed prior to the Bankruptcy Case, in Reorganized Debtors.

2. Management of Reorganized Debtors

a. Reorganized Debtors' Managers.

On and after the Effective Date, Norman Scheiffler and Joey Pierce shall continue as managers of Reorganized Debtors.

b. Compensation of Reorganized Debtors' Managers.

Messrs. Scheiffler and Mr. Pierce shall receive salaried compensation at the rate approved by the Bankruptcy Court by Order dated January 19, 2017 [P-143], and may not be increased, until such time as all Allowed Claims in Classes Gator Class 1-2, Houma Classes 1-3, Iberia Classes 1-3, Fourchon Classes 1-2, and Crane Classes 1-4 have been paid pursuant to the Plan.

3. Continued existence

a. Reorganized Debtors

Reorganized Debtors shall exist on and after the Effective Date as a juridical entities, with all the powers of a Louisiana limited liability companies under applicable law, without prejudice to any right to terminate such existence (whether by merger or otherwise) under applicable law on or after the Effective Date. As of the Effective Date, Reorganized Debtors may operate their businesses free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan and Confirmation Order.

The Confirmation Order will provide that Reorganized Debtors will be responsible for the timely payment of all statutory fees under 28 U.S.C. § 1930 relating to the Chapter 11 Cases. However, Debtors or Reorganized Debtors reserve the right to request the Chapter 11 Cases be administratively closed after the Effective Date.

b. Approvals

On the Effective Date, all matters provided for under the Plan that would otherwise require approval of Debtors or Reorganized Debtors, or their respective members or managers, including the adoption and effectiveness of the restated articles of organization or a restated operating agreements, and the election or appointment of managers of Reorganized Debtors shall be deemed to have occurred and shall be in effect from and after the Effective Date without any requirement of further action by Reorganized Debtors or their respective members or managers.

E. Vesting and Transfer of Interests in Property

Property of the Estates, together with any property of Debtors that is not Property of the Estates and that is not specifically disposed of pursuant to the Plan, shall revert in Debtors on the Confirmation Date. All such property shall become property of Reorganized Debtors on the Effective Date, free and clear of any and all liens, claims and interests except as provided under the Plan.

Effective on the Confirmation Date, Debtors, and, after the Effective Date, Reorganized Debtors, may operate their businesses and may use, acquire, and dispose of property free of any restrictions of the Bankruptcy Code, the Bankruptcy Rules, and the Bankruptcy Court.

G. Causes of Action and Avoidance Actions

Except to the extent such Avoidance Action are deemed waived under the Plan, as of the Effective Date, pursuant to Bankruptcy Code § 1123(b)(3), any and all Causes of Action shall be property of Reorganized Debtors, and shall vest in Reorganized Debtors as the Bankruptcy Court approved representative of the Estates under Bankruptcy Code § 1123(b)(3). Reorganized Debtors shall be deemed, without further action of the Bankruptcy Court, to be the judicial substitute as the parties-in-interest with Bankruptcy Court approved standing in the Bankruptcy Cases, under the Plan, or in any judicial proceeding or appeal to which Debtors are a party, or in which Reorganized Debtors shall become a party, and shall have the standing as provided in the Plan, to pursue any and all Causes of Action retained under the Plan.

A list of retained Causes of Action is attached hereto as Exhibit "P-4."

XI. PROVISIONS GOVERNING DISTRIBUTIONS

A. Completion of Distributions

If any Distribution or any other act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date.

B. Name and Address of Holder

For purposes of all Distributions, Reorganized Debtors shall be entitled to rely on the name and address of the Holder of each Allowed Claim or Equity Interest as shown any timely filed Proof of Claim and, if no such Proof of Claim is filed, as shown on the Schedules, except to the extent that Debtors or Reorganized Debtors, as applicable, first receive adequate written notice of a transfer or change of address, properly executed by the Holder or its authorized agent.

C. Means of Cash Payment

Cash payments made pursuant to the Plan shall be U.S. funds, by check drawn on a domestic bank, or by wire transfer from a domestic bank, which Reorganized Debtors deem appropriate.

D. Delivery of Distributions

Distributions to Holders of Allowed Claims shall be made to the addresses set forth in the Proof of Claim filed by such Holders (or the last known address of such Holder if no Proof of Claim is filed, or if Debtors or Reorganized Debtors, as applicable, have been notified, in writing, of a change of address). If any Holder's Distribution is returned as undeliverable, no further Distributions to such Holder shall be made unless and until Reorganized Debtors are notified, in writing, of such Holder's then current address, at which time Distributions shall be made to such Holder without interest.

E. Right of Offset

Pursuant to Bankruptcy Code § 553 or applicable non-bankruptcy law, Reorganized Debtors may setoff against any Allowed Claim or Equity Interest and the Distributions to be made pursuant hereto on account of such Claim or Equity Interest (before any Distribution is made on account of such Claim or Equity Interest), the claims, equity interests, rights, and causes of action of any nature that Debtors or Reorganized Debtors, as applicable, may hold against the Holder of such Allowed Claim or Equity Interest; *provided, however*, that neither the failure to effect such a setoff nor the Allowance of any Claim or Equity Interest hereunder shall constitute a waiver or release by Debtors or Reorganized Debtors, as applicable, of any such claims, equity interests, rights, and causes of action that Debtors or Reorganized Debtors, as applicable, may possess against such Holder, except as specifically provided herein. No Entity shall retain the right of offset, set off, recoupment, or any other right, Claim, Lien, or Secured Claim as against Debtors or Reorganized Debtors, as applicable, under Bankruptcy Code § 553 or otherwise unless such Entity is the Holder of a Claim that has been timely filed under Bankruptcy Code § 502 and such Claim is an Allowed Claim.

XII. SUMMARY OF PLAN TERMS CONCERNING CONDITIONS PRECEDENT TO EFFECTIVENESS OF PLAN, EFFECT OF CONFIRMATION OF PLAN, AND EFFECTIVE DATE

A. The Effective Date

The Effective Date shall be the first Business Day that is at least one (1) full Business Day after the Confirmation Order becomes a Final Order and all the conditions precedent to the Effective Date described below have been satisfied or waived.

B. Conditions Precedent to Effective Date

The following are conditions precedent to the occurrence of the Effective Date, each of which must be (a) satisfied or (b) waived in accordance with Article IX of the Plan.

1. Confirmation Order

The Confirmation Order, in form and substance acceptable to Debtors, as the same may have been modified in accordance herewith, must have become a Final Order and must, among other things, provide that, except as expressly provided in the Plan, Debtors are discharged effective upon the Effective Date from any “debt” (as that term is defined in Bankruptcy Code § 101(12)), and Debtors’ liability in respect thereof is extinguished completely, whether reduced to judgment or not, liquidated or unliquidated, contingent or non-contingent, asserted or unasserted, fixed or unfixed, matured or unmatured, disputed or undisputed, legal or equitable, or known or unknown, or that arose from any agreement of Debtors that has either been assumed or rejected in the Bankruptcy Case or pursuant to the Plan, or obligation of Debtors incurred before the Effective Date, or from any conduct of Debtors prior to the Effective Date, or that otherwise arose before the Effective Date, including all interest, if any, on any such debts, whether such interest accrued before or after the Petition Date.

2. Authorizations

Debtors shall have received all authorizations, consents, regulatory approvals, rulings, letters, no-action letters, opinions or documents, if any, that are determined by Debtors to be necessary to implement the Plan.

3. Execution of Plan Supplement Documents

Debtors shall have received all executed Plan Supplements, which shall be held in trust by Debtors pending the Effective Date.

4. Payment of Allowed Administrative Expense Claims

Debtors shall pay all Allowed Administrative Expense Claims prior to the Effective Date, unless a differing arrangement is agreed to by the Holder of such Allowed Administrative Expense Claim.

C. Waiver of Conditions

The conditions precedent to the Effective Date may be waived or modified by an act of Debtors pursuant to a writing signed by Debtors and approved by the Bankruptcy Court.

D. Effects of Confirmation

1. Revesting of Assets

Property of Debtors' Estates shall vest in Reorganized Debtors on the Effective Date, free and clear of all Liens, Claims and Interests of any Liens and Claims and Interests held by Holders of Claims and Equity Interests, except as provided in the Plan.

2. Findings by the Bankruptcy Court

In addition to the findings set forth in Bankruptcy Code § 1129(a), the Bankruptcy Court shall make such findings of fact and conclusions of law that are reasonable and necessary to effectuate the provisions of the Plan. Such findings and conclusions may include:

a. Any Equity Interests, which may be issued under the Plan, is/are exempt from registration under the Securities Act of 1933 pursuant to Bankruptcy Code § 1145, except to the extent that Holders of such Equity Interests are "underwriters," as that term is defined in Bankruptcy Code § 1145.

b. Debtors and Reorganized Debtors are authorized and directed to take all actions necessary or appropriate to enter into, implement and consummate the contracts, instruments, releases, leases, indentures and other agreements or documents created in connection with the Plan.

c. Any claim, right, cause, or cause of action of Debtors or Reorganized Debtors, or any Holder of any Claim, that is waived or deemed waived pursuant to the Plan or pursuant to this Disclosure Statement, shall have been waived and released upon the Effective Date, subject to the reservations or right and avoidance power set forth in the Plan.

d. Cause exists to abrogate the stay of the effect of the Confirmation Order in accordance with Bankruptcy Rule 3020(e).

e. Debtors proposed the Plan in good faith.

3. Approval of Plan Supplement

Confirmation shall constitute approval of any Plan Supplement and such transactions as are provided by the exhibits comprising such Plan Supplement.

XI. DISCHARGE, RELEASE, INJUNCTION, AND RELATED PROVISIONS

A. Discharge of the Debtors

DEBTORS AND REORGANIZED DEBTORS SHALL BE ENTITLED TO A DISCHARGE TO THE FULLEST EXTENT PROVIDED PURSUANT TO BANKRUPTCY CODE § 1141.

B. Automatic Stay

The automatic stay of Bankruptcy Code § 362 shall continue in effect until the Effective Date.

C. Injunction

THERE SHALL BE AN INJUNCTION TO THE FULL EXTENT ALLOWED UNDER BANKRUPTCY CODE §§ 1141 AND 524 OF THE BANKRUPTCY CODE, AND ALL HOLDERS OF CLAIMS AND EQUITY INTERESTS SHALL BE ENJOINED FROM PURSUING ANY ACTION ON ACCOUNT OF OR RELATED TO ANY CLAIM OR EQUITY INTEREST THROUGH ANY CONDUCT OR PROCEEDING WHATSOEVER, WITH RESPECT TO DISCHARGED, RELEASED, ENJOINED OR EXCULPATED CLAIMS, AND AS AGAINST ANY PERSON SUBJECT TO OR DERIVING RIGHTS FROM THE DISCHARGE OR ANY RELEASE ARISING UNDER THE PLAN, AGAINST DEBTORS OR REORGANIZED DEBTORS.

D. Exculpation

From and after the Effective Date, the Exculpated Parties shall neither have nor incur any liability to, or be subject to any right of action by, any and all Holders of Claims or Equity Interests, or any other parties-in-interest, or any of their respective employees, representatives, financial advisors, attorneys, or agents acting in such capacity, or affiliates, or any of their successors or assigns, for any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, formulating, negotiating or implementing the Plan, this Disclosure Statement, or any of the transactions contemplated under the Plan, the solicitation of acceptances of the Plan, the pursuit of confirmation of the Plan, the confirmation of the Plan, the consummation of the Plan, the administration of the Plan, the property to be distributed under the Plan, or any other act taken or omitted to be taken in connection with or in contemplation of the Chapter 11 Cases; *provided, however*, that this section shall not apply to: (i) obligations under, and the contracts, instruments, releases, agreements, and documents delivered under the Plan pursuant to an order of the Court; and (ii) any claims or causes of action arising out of willful misconduct or gross negligence as determined by a Final Order. Any of the Exculpated Parties shall be entitled to rely, in all respects, upon the advice of counsel with respect to their duties and responsibilities under the Plan.

E. Limited Injunction against Non-Debtor Guarantors

EXCEPT AS OTHERWISE SPECIFICALLY STATED HEREIN, FOR SO LONG AS DEBTORS OR REORGANIZED DEBTORS, AS APPLICABLE, ARE IN COMPLIANCE AND NOT IN DEFAULT OF THE OBLIGATIONS EXPRESSED IN THE PLAN, AS MAY BE AMENDED OR MODIFIED, THE HOLDER OF AN ALLOWED CLAIM SHALL BE BARRED AND ENJOINED FROM PURSUING ANY CONDUCT, ACTION OR PROCEEDING AGAINST ANY CO-OBLIGOR OR GUARANTOR OF SUCH ALLOWED CLAIM TO RECOVER FOR ITS BENEFIT ON ACCOUNT OF ANY OBLIGATION OR GUARANTEE OF SUCH ALLOWED CLAIM. THE INJUNCTION PROVIDED HEREIN IS LIMITED TO ONLY SUCH TIME AS DEBTORS OR REORGANIZED DEBTORS, AS APPLICABLE, ARE CURRENT ON ANY PAYMENTS OR OBLIGATIONS TO BE MADE UNDER THE PLAN, AND SHALL TERMINATE IMMEDIATELY UPON DEFAULT BY DEBTORS OR REORGANIZED DEBTORS OF ANY OBLIGATION OR PAYMENT REQUIRED TO BE MADE TO SUCH HOLDER IF NOT TIMELY MADE IN ACCORDANCE WITH THE PROVISIONS OF THE PLAN.

F. Retention of Jurisdiction

Under 28 U.S.C. §§ 157(b) and 1334, and Bankruptcy Code §§ 105(a) and 1142, and notwithstanding entry of the Confirmation Order and occurrence of the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, and related to, the Bankruptcy Cases and the Plan to the fullest extent permitted by law, including, among other things, jurisdiction to:

a. Allow, disallow, determine, liquidate, classify, estimate, or establish the priority or secured or unsecured status of any Claim or Equity Interest, including the resolution of any request for payment of any Administrative Expense Claim and the resolution of any objections to the allowance or priority of Claims or Equity Interests;

b. Hear and determine all Fee Claims; *provided, however*, that from and after the Effective Date, the payment of the fees and expenses of the retained Professionals of Reorganized Debtors shall be made in the ordinary course of business and shall not be subject to the approval of the Bankruptcy Court;

c. Effectuate performance of and payments under the provisions of the Plan;

d. Hear and determine any and all adversary proceedings, motions, applications, and contested or litigated matters arising out of, under, or related to, the Bankruptcy Cases;

e. Enter such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan or Confirmation Order and all contracts, instruments, releases, and other agreements or documents created in connection with the Plan or the Confirmation Order;

f. Hear and determine disputes arising in connection with the interpretation, implementation, consummation, or enforcement of the Plan or the Confirmation Order, including disputes arising under agreements, documents, or instruments executed in connection with the Plan or the Confirmation Order;

g. Consider any modifications of the Plan, cure any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including the Confirmation Order;

h. Issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any entity with implementation, consummation, or enforcement of the Plan or the Confirmation Order;

i. Enter and implement such orders as may be necessary or appropriate if the Confirmation Order is for any reason reversed, stayed, revoked, modified, or vacated;

j. Hear and determine any matters arising in connection with or relating to the Plan, this Disclosure Statement, the Confirmation Order, or any contract, instrument, release, or other agreement or document created in connection with the Plan, this Disclosure Statement, or the Confirmation Order;

k. Enforce all orders, judgments, injunctions, releases, exculpations, indemnifications and rulings entered in connection with the Bankruptcy Case;

l. Recover all assets of Debtors and Property of Debtors' Estates, wherever located;

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

n. Hear and determine all disputes involving the existence, nature, or scope of Debtors' discharge;

o. Hear and determine such other matters as may be provided in the Confirmation Order or as may be authorized under, or not inconsistent with, provisions of the Bankruptcy Code; and

p. Enter a final decree closing the Bankruptcy Cases.

I. Immediate Binding Effect and Modification of Plan

Notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan and the Confirmation Order shall be immediately effective and enforceable and deemed

binding upon the Debtors and any and all Holders of Claims against or Equity Interests in Debtors (regardless of whether such Claims or Equity Interests are deemed to have accepted or rejected the Plan), all entities that are parties to or are subject to the settlements, compromises, releases, and injunctions described in the Plan, each entity acquiring property under the Plan or the Confirmation Order, and any and all non-Debtors parties to Executory Contracts with Debtors. All Claims and debts shall be fixed, adjusted or compromised, as applicable, pursuant to the Plan regardless of whether any Holder of a Claim or debt has voted on the Plan.

Subject to the limitations contained in the Plan, Debtors reserve the right to modify the Plan as to immaterial terms and seek Confirmation consistent with the Bankruptcy Code and, as appropriate, not resolicit votes on such modified Plan. Subject to certain restrictions and requirements set forth in Bankruptcy Code § 1127 and Bankruptcy Rule 3019 and those restrictions on modifications set forth in the Plan, Debtors expressly reserve their rights to immaterially alter, amend, or modify immaterially the Plan one or more times after Confirmation and, to the extent necessary, may initiate proceedings in the Bankruptcy Court to so alter, amend, or modify the Plan, or remedy any defect or omission, or reconcile any inconsistencies in the Plan, this Disclosure Statement, or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of the Plan.

Entry of a Confirmation Order shall mean that all modifications or amendments to the Plan occurring after the solicitation thereof and prior to the Confirmation Date are approved pursuant to Bankruptcy Code § 1127(a) and do not require additional disclosure or resolicitation under Bankruptcy Rule 3019.

J. Revocation or Withdrawal

Debtors reserve the right to revoke or withdraw the Plan prior to the Confirmation Date or Substantial Consummation of the Plan and to file subsequent plans. If the Debtors revoke or withdraw the Plan, or if Confirmation or consummation does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of any Claim or Equity Interest or Class of Claims or Equity Interests), assumption and assignment or rejection of Executory Contracts effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void and (3) nothing contained in the Plan shall: (a) constitute a waiver or release of any Claims or Equity Interests; (b) prejudice in any manner the rights of Debtors or any other Entity; or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by Debtors or any other entity.

K. Successors and Assigns

The rights, benefits, and obligations of any Person named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor, or assign of such Person.

L. Reservation of Rights

Except as expressly set forth herein, the Plan shall have no force or effect unless the Bankruptcy Court shall enter the Confirmation Order. None of the filing of the Plan, any statement or provision contained herein, or the taking of any action by Debtors with respect to the Plan shall be or shall be deemed to be an admission or waiver of any rights of Debtors with respect to the Holders of Claims or Equity Interests prior to the Effective Date.

M. Governing Law

Except to the extent that the Bankruptcy Code or Bankruptcy Rules are applicable, and subject to the provisions of any contract, instrument, release, indenture or other agreement or document entered into in connection with the Plan, the rights and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of Louisiana, without giving effect to the principles of conflict of laws thereof.

XII. LIQUIDATION ANALYSIS

Debtors have not conducted a liquidation analysis with respect to Gator-Iberia, Gator-Fourchon, and Gator-Crane because the Plan proposed to pay all Allowed Creditors in full.

Debtors have conducted a liquidation analysis for Gator-Houma, a copy of which is attached hereto as Exhibit "DS-2." Under this liquidation analysis, Unsecured Secured Creditors would receive no distributions.

XIII. MATERIAL UNCERTAINTIES

HOLDERS OF CLAIMS AGAINST DEBTORS SHOULD READ AND CONSIDER CAREFULLY THE FACTORS SET FORTH BELOW, AS WELL AS OTHER INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT AND THE DOCUMENTS DELIVERED TOGETHER HERewith OR INCORPORATED BY REFERENCE HEREIN, PRIOR TO VOTING TO ACCEPT OR REJECT THE PLAN.

The risk factors are relevant to the projected liquidation value of Debtors and the ability of Reorganized Debtors to provide the treatment afforded under the Plan to the Allowed Claim Holders.

XIV. CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

A. Introduction

THE FOLLOWING DISCUSSION IS A SUMMARY OF CERTAIN OF THE SIGNIFICANT FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN TO DEBTORS, AND TO HOLDERS OF CLAIMS AND EQUITY INTERESTS AND IS BASED ON THE INTERNAL REVENUE CODE, TREASURY REGULATIONS PROMULGATED AND PROPOSED THEREUNDER, JUDICIAL DECISIONS AND PUBLISHED ADMINISTRATIVE RULES AND PRONOUNCEMENTS OF THE IRS AS IN EFFECT ON THE DATE HEREOF. CHANGES IN SUCH RULES OR NEW INTERPRETATIONS THEREOF COULD SIGNIFICANTLY AFFECT THE TAX CONSEQUENCES DESCRIBED BELOW. NO RULINGS HAVE BEEN REQUESTED FROM THE IRS. MOREOVER, NO LEGAL OPINIONS HAVE BEEN REQUESTED FROM COUNSEL WITH RESPECT TO ANY OF THE TAX ASPECTS OF THE PLAN.

THE FEDERAL, STATE, LOCAL AND OTHER TAX CONSEQUENCES OF THE PLAN TO THE HOLDERS OF CLAIMS AND EQUITY INTERESTS MAY VARY BASED UPON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER. IN ADDITION, THIS DISCUSSION DOES NOT COVER ALL ASPECTS OF FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO DEBTORS OR THE HOLDERS OF ALLOWED CLAIMS OR EQUITY INTERESTS (SUCH AS HOLDERS WHO DO NOT ACQUIRE THEIR CLAIM ON ORIGINAL ISSUE), NOR DOES THE DISCUSSION DEAL WITH TAX ISSUES PECULIAR TO CERTAIN TYPES OF TAXPAYERS (SUCH AS DEALERS IN SECURITIES, S-CORPORATIONS, LIFE INSURANCE COMPANIES, FINANCIAL INSTITUTIONS, TAX-EXEMPT ORGANIZATIONS AND FOREIGN TAXPAYERS). NO ASPECT OF FOREIGN, STATE, LOCAL OR ESTATE AND GIFT TAXATION IS ADDRESSED.

THE FOLLOWING SUMMARY IS, THEREFORE, NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER OF A CLAIM OR EQUITY INTEREST. HOLDERS OF CLAIMS OR EQUITY INTERESTS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS FOR THE FEDERAL, STATE, LOCAL AND OTHER TAX CONSEQUENCES PECULIAR TO THEM UNDER THE PLAN. DEBTORS ASSUME NO RESPONSIBILITY FOR THE TAX EFFECT THAT CONFIRMATION AND RECEIPT OF ANY DISTRIBUTION UNDER THE PLAN MAY HAVE ON ANY GIVEN CREDITOR OR OTHER PARTY IN INTEREST.

DEBTORS ARE NOT AWARE OF ANY ADVERSE TAX CONSEQUENCES TO DEBTORS' ESTATES.

B. IRS Circular 230 Disclosure

THIS DISCLOSURE STATEMENT IS WRITTEN TO SUPPORT THE PROMOTION OR THE MARKETING OF TRANSACTIONS DISCUSSED HEREIN. TO ENSURE COMPLIANCE WITH REQUIREMENTS IMPOSED BY THE IRS, THE DEBTORS ARE INFORMING YOU THAT THIS DISCLOSURE STATEMENT IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING TAX-RELATED PENALTIES THAT MAY BE IMPOSED ON SUCH TAXPAYER UNDER THE TAX CODE. TAXPAYERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

C. Consequences to Holders of Claims

1. Realization and Recognition of Gain or Loss in General

The federal income tax consequences of the implementation of the Plan to a Holder of a Claim will depend, among other things, upon the origin of the Holder's Claim, when the Holder's Claim becomes an Allowed Claim, when the Holder receives payment in respect of such Claim, whether the Holder reports income using the accrual or cash method of accounting, whether the Holder has taken a bad debt deduction or worthless security deduction with respect to such Claim, and whether the Holder's Claim constitutes a "security" for federal income tax purposes.

Generally, a Holder of an Allowed Claim will realize gain or loss on the exchange under the Plan of its Allowed Claim for stock and other property (such as Cash and new debt instruments), in an amount equal to the difference between (i) the sum of the amount of any Cash and the issue price of any debt instrument, (other than any consideration attributable to a Claim for accrued but unpaid interest), and (ii) the adjusted basis of the Allowed Claim exchanged therefor (other than basis attributable to accrued but unpaid interest previously included in the Holder's taxable income). The treatment of accrued, but unpaid interest and amounts allocable thereto varies depending on the nature of the Holder's Claim and is discussed below.

Whether or not such realized gain or loss will be recognized, *i.e.*, taken into account, for federal income tax purposes will depend in part upon whether such exchange qualifies as a recapitalization or other "reorganization" as defined in the Tax Code, which may in turn depend upon whether the Claim exchanged is classified as a "security" for federal income tax purposes. The term "security" is not defined in the Tax Code or in the Treasury Regulations. One of the most significant factors considered in determining whether a particular debt instrument is a security is the original term thereof. In general, the longer the term of an instrument, the greater the likelihood that it will be considered a security. As a general rule, a debt instrument having an original term of ten (10) years or more will be classified as a security, and a debt instrument having an original term of

fewer than five years will not. Debt instruments having a term of at least five (5) years but less than ten (10) years are likely to be treated as securities, but may not be, depending upon their resemblance to ordinary promissory notes, whether they are publicly traded, whether the instruments are secured, the financial condition of the debtor at the time the debt instruments are issued, and other factors. Each Holder of an Allowed Claim should consult his or her own tax advisor to determine whether his or her Allowed Claim constitutes a security for federal income tax purposes.

2. Accrued Interest

Each Holder of an Allowed Claim is urged to consult its tax advisor regarding the allocation of consideration and deductibility of unpaid interest for tax purposes.

3. Withholding

All Distributions to Holders of Claims under the Plan are subject to any applicable withholding. Under 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 taxpayer identification number (“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 not subject to backup withholding. Backup withholding is not an additional tax but merely an advance payment, which may be refunded to the extent it results in an overpayment of tax. Certain persons are exempt from backup withholding, including, in certain circumstances, corporations and financial institutions.

D. Consequences to Debtors

In general, the discharge of a debt obligation by a debtor for an amount less than the adjusted issue price (generally, the amount received upon incurring the obligation plus the amount of any previously amortized original issue discount and less the amount of any previously amortized bond issue premium) gives rise to cancellation of indebtedness (“COD”) income which must be included in a debtor’s income for federal income tax purposes, unless, in accordance with Internal Revenue Code § 108(e)(2), payment of the liability would have given rise to a deduction. As Debtors are taxed as partnerships, tax consequences may be experienced at the owner level. There may be discharge of debt under the Plan that could flow through to the Equity Interests, personally. To the extent the Holders of Equity Interests have “suspended” losses that have not been utilized through offset against income the discharge of debt “income” will apply to reduce such suspended losses in conformity with the tax code. It is thought that

compromise of disputed Claims, where there is a good faith basis upon which to dispute the existence or amount of the Claims would not generate debt forgiveness. Holders of Equity Interests are cautioned that they should contact their tax advisers to obtain advice concerning the possibility of adverse tax consequences of Confirmation.

Debtors are not aware of any adverse tax consequences to Debtors' Estates.

XV. CONCLUSION

Debtors urge Creditors solicited by this Disclosure Statement to vote to accept the Plan and to evidence such acceptance by returning the Ballots so that they are received by _____, 2017.

XVI. RECOMMENDATION OF THE DEBTORS

Debtors believe that the Plan satisfies all of the statutory requirements of Chapter 11 of the Bankruptcy Code and should be confirmed, even in the event that a particular Class of Claims or Equity Interests does not vote to accept the Plan. Additionally, Debtors believe that the Plan is fair and equitable to all Creditors, does not discriminate unfairly against any Class of Claims, and has been proposed in good faith. Debtors therefore urge that all Creditors and Equity Interest holders vote their Ballots to accept the Plan.