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

AMENDED DISCLOSURE STATEMENT FOR JOINT PLAN OF REORGANIZATION OF COCHON PROPERTIES, LLC AND MORRISON WELL SERVICES, LLC PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

THIS IS NOT A SOLICITATION OF AN ACCEPTANCE OR REJECTION OF THE PLAN UNDER BANKRUPTCY CODE SECTION 1125 AND WITHIN THE MEANING OF BANKRUPTCY CODE SECTION 1126. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT. THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT TO DATE. THIS DISCLOSURE STATEMENT IS NOT AN OFFER TO SELL ANY SECURITIES AND IS NOT SOLICITING AN OFFER TO BUY ANY SECURITIES.[1]

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ATTORNEYS FOR THE DEBTORS

Dated: [_____], 2017

[THIS IS A SOLICITATION OF VOTES TO ACCEPT OR REJECT THE AMENDED JOINT PLAN OF REORGANIZATION OF COCHON PROPERTIES, LLC AND MORRISON WELL SERVICES, LLC PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE. COCHON PROPERTIES, LLC AND MORRISON WELL SERVICES, LLC HAVE FILED FOR RELIEF UNDER CHAPTER 11 OF THE BANKRUPTCY CODE, AND THIS DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT.]

[1] This paragraph will be removed upon Bankruptcy Court approval of the Disclosure Statement.

DISCLAIMER

THE INFORMATION IN THIS DISCLOSURE STATEMENT IS PROVIDED SOLELY BY COCHON PROPERTIES, LLC AND MORRISON WELL SERVICES, LLC TO HOLDERS OF CLAIMS OR EQUITY INTERESTS FOR PURPOSES OF SOLICITING VOTES TO ACCEPT OR REJECT THE AMENDED JOINT PLAN OF REORGANIZATION OF COCHON PROPERTIES, LLC AND MORRISON WELL SERVICES, LLC PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE. NOTHING IN THIS DISCLOSURE STATEMENT IS PROVIDED BY ANY OF THE PLAN PROPONENTS OTHER THAN THE DEBTORS.

Subject to the foregoing, and following extensive arms' length negotiations among the Debtors and the Note Holders, the Plan is supported by the Debtors and the Note Holders as Plan Proponents, and the Plan Proponents will recommend approval thereof by all Holders of Claims or Equity Interests.

IMPORTANT INFORMATION FOR YOU TO READ

THE DEADLINE TO VOTE ON THE AMENDED JOINT PLAN OF REORGANIZATION OF COCHON PROPERTIES, LLC AND MORRISON WELL SERVICES, LLC PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE IS [ ], 2017 AT 5:00 P.M. CENTRAL STANDARD TIME.

FOR YOUR VOTE TO BE COUNTED, YOUR BALLOT MUST BE ACTUALLY RECEIVED BY THE VOTING AND CLAIMS AGENT BEFORE THE VOTING DEADLINE AS DESCRIBED HEREIN. HOLDERS OF NOTE CLAIMS, BONDING CLAIMS, COCHON UNSECURED TRADE CLAIMS, MWS UNSECURED TRADE CLAIMS, AND GENERAL UNSECURED CLAIMS SHOULD REFER TO THE BALLOTS ENCLOSED FOR INSTRUCTIONS ON HOW TO VOTE ON THE PLAN. PLEASE NOTE THAT THE DESCRIPTION OF THE PLAN PROVIDED THROUGHOUT THIS DISCLOSURE STATEMENT IS ONLY A SUMMARY PROVIDED FOR CONVENIENCE. IN THE CASE OF ANY INCONSISTENCY BETWEEN THE SUMMARY OF THE PLAN IN THIS DISCLOSURE STATEMENT AND THE PLAN, THE PLAN WILL GOVERN.[2]

Cochon and MWS hereby solicit from Holders of Note Claims, Bonding Claims, Cochon Unsecured Trade Claims, MWS Unsecured Trade Claims, and General Unsecured Claims votes to accept or reject the Plan under chapter 11 of the Bankruptcy Code. A copy of the Plan is attached hereto as **Exhibit A**.

The information contained in this disclosure statement including the Exhibits annexed hereto (collectively, the "**Disclosure Statement**") is included herein for purposes of soliciting acceptances of the Amended Joint Plan of Reorganization of Cochon Properties, LLC and Morrison Well Services, LLC Pursuant to Chapter 11 of the Bankruptcy Code (the "**Plan**") and may not be relied upon for any purpose other than to determine how to vote on the Plan. No person is authorized by Cochon and MWS in connection with the Plan or the solicitation of acceptances of the Plan to give any information or to make any representation regarding this Disclosure Statement or the Plan other than as contained in this Disclosure Statement and the Exhibits annexed hereto, incorporated by reference or referred to herein, and if given or made, such information or representation may not be relied upon as having been authorized by Cochon and MWS.

The Disclosure Statement will not be construed to be advice on the tax, securities, financial, business, or other legal effects of the Plan as to Holders of Claims against, or Equity Interests in, Cochon and MWS after the Effective Date (and each of their successors) ("**Reorganized Cochon**" and "**Reorganized MWS**"), or any other person. Each Holder should consult with its own legal, business, financial, and tax advisors with respect to any matters concerning this Disclosure Statement, the solicitation of votes to accept the Plan, the Plan, and the transactions contemplated hereby and thereby.

Cochon and MWS urge the Holders of Claims in the Voting Classes to (1) read the entire Disclosure Statement and Plan carefully; (2) consider all of the information in this Disclosure Statement, including, importantly, the risk factors described in Article XI of this Disclosure Statement; and (3) consult with your own advisors with respect to reviewing this Disclosure Statement, the Plan, and all documents that are

[2] Capitalized terms used but not otherwise defined in this Disclosure Statement will have the meanings set forth in the Plan.

attached to the Plan and Disclosure Statement before deciding whether to vote to accept or reject the Plan. Plan summaries and statements made in this Disclosure Statement are qualified in their entirety by reference to the Plan and the Exhibits annexed to the Plan and this Disclosure Statement. Please be advised, however, that the statements contained in this Disclosure Statement are made as of the date hereof unless another time is specified herein, and Holders of Claims reviewing this Disclosure Statement should not infer at the time of such review that there has not been any change in the information set forth herein since the date hereof unless so specified. *In the event of any conflict between the descriptions set forth in this Disclosure Statement and the terms of the Plan, the terms of the Plan will govern.*

See the Risk Factors in Article XI of the Disclosure Statement for certain risks that you should carefully consider.

The financial information contained in or incorporated by reference into this Disclosure Statement has not been audited, except as specifically indicated otherwise. Cochon's and MWS's management, in consultation with their advisors, has prepared the Financial Projections (as defined below) attached hereto as **Exhibit B** and described in this Disclosure Statement. Cochon's and MWS's management did not prepare the projections in accordance with Generally Accepted Accounting Principles ("**GAAP**") or International Financial Reporting Standards ("**IFRS**") or to comply with the rules and regulations of the SEC or any foreign regulatory authority. The Financial Projections, while presented with numerical specificity, necessarily were based on a variety of estimates and assumptions that are inherently uncertain and may be beyond the control of Cochon's and MWS's management. Important factors that may affect actual results and cause the Financial Projections not to be achieved include, but are not limited to, risks and uncertainties relating to Cochon's and MWS's businesses (including their ability to achieve strategic goals, objectives, and targets over applicable periods), industry performance, the regulatory environment, general business and economic conditions and other factors. Cochon and MWS caution that no representations can be made as to the accuracy of the Financial Projections or to Cochon's and MWS's ultimate performance compared to the information contained in the forecasts or that the forecasted results will be achieved. Therefore, the Financial Projections may not be relied upon as a guarantee or other assurance that the actual results will occur.

SPECIAL NOTICE REGARDING FEDERAL AND STATE SECURITIES LAWS

As of the date of distribution, neither this Disclosure Statement nor the Plan has been filed with the United States Securities and Exchange Commission (the "SEC") or any state authority. The Plan has not been approved or disapproved by the SEC or any state securities commission and neither the SEC nor any state securities commission has passed upon the accuracy or adequacy of this Disclosure Statement or the merits of the Plan. Any representation to the contrary is a criminal offense.

This Disclosure Statement has been prepared pursuant to section 1125 of the Bankruptcy Code and Bankruptcy Rule 3016(b). The securities to be issued under the Plan on or after the Effective Date will not have been the subject of a registration statement filed with the SEC under the United States Securities Act of 1933, as amended ("Securities Act"), or any securities regulatory authority of any state under any state securities laws ("Blue Sky Laws").

Cochon and MWS are relying on the exemption from the Securities Act, and equivalent state law registration requirements, provided by section 1145(a) of the Bankruptcy Code or section 4(a)(2) of the Securities Act, and any similar securities regulatory authority of any state under any Blue Sky Law, to exempt from registration under the Securities Act and Blue Sky Laws the offer and sale of new securities under the Plan.

Neither the Solicitation nor this Disclosure Statement constitutes an offer to sell or the solicitation of an offer to buy securities in any state or jurisdiction in which such offer or solicitation is not authorized.

See the Risk Factors in Article XI of the Disclosure Statement for certain risks that you should carefully consider.

This Disclosure Statement contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements consist of any statement other than a recitation of historical fact and can be identified by the use of forward-looking terminology such as "may," "will,"

"should," "could," "intend," "consider," "expect," "plan," "anticipate," "believe," "predict," "estimate," or "continue" or the negative thereof or other variations thereon or comparable terminology. You are cautioned that all forward-looking statements involve risks and uncertainties that could cause actual events or results to differ materially from those referred to in such forward-looking statements. Important factors that could cause or contribute to such differences include those in Article XI: "Certain Risk Factors to be Considered," generally and in particular "Additional Factors to be Considered." The Liquidation Analysis set forth in Exhibit C, distribution projections, and other information contained herein and annexed hereto are estimates only, and the timing and amount of actual Distributions to Holders of Allowed Claims and Allowed Equity Interests may be affected by many factors that cannot be predicted. Any analyses, estimates, or recovery projections may or may not turn out to be accurate.

QUESTIONS AND ADDITIONAL INFORMATION

If you would like to obtain copies of this Disclosure Statement, the Plan, or any of the documents attached hereto or referenced herein, or if you have questions about the solicitation and voting process or these Cases generally, please contact Donlin, Recano & Company, Inc. (the "Voting and Claims Agent" or "Donlin Recano"), by (i) calling (212) 771-1128, or (ii) visiting https://www.donlinrecano.com/Clients/rooster/Static/CaseInformation.

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COCHON AND MWS HEREBY ADOPT AND INCORPORATE EACH EXHIBIT ANNEXED TO THIS DISCLOSURE STATEMENT BY REFERENCE AS THOUGH FULLY SET FORTH HEREIN.

I. INTRODUCTION AND EXECUTIVE SUMMARY

Cochon Properties, LLC, a Louisiana limited liability company ("**Cochon**") and Morrison Well Services, LLC, a Delaware limited liability company ("**MWS**"), who are chapter 11 debtors and debtors in possession (each of Cochon and MWS a "**Debtor**," and collectively, the "**Debtors**") in Case Nos. 17-50706 and 17-50710, respectively (the "**Cases**"), submit this Disclosure Statement pursuant to section 1126 of title 11 of the United States Code (the "**Bankruptcy Code**") for use in the solicitation of votes on the Amended Joint Plan of Reorganization of Cochon Properties, LLC and Morrison Well Services, LLC Pursuant to Chapter 11 of the Bankruptcy Code (the "**Plan**"). A copy of the Plan is annexed as **Exhibit A** to this Disclosure Statement.

Cochon is an oil and natural gas company engaged in the exploration, development, and production of oil and natural gas on properties located in the outer continental shelf ("**OCS**") of the Gulf of Mexico that are leased from the United States of America and regulated by the U.S. Department of Interior. Cochon is the designated operator and the owner of a 100% working interest in one oil and gas lease located at Vermilion Block 67 (OCS-G-00560), and Cochon is still recognized as the qualified operator of one other oil and gas lease that is expired but has remaining infrastructure that must be removed. MWS provides downhole oil and gas well intervention services, the majority of which includes well plugging and abandonment services ("**P&A**") in the shallow waters of the Gulf of Mexico with 16 rigless complementary sets of P&A equipment, or "spreads."

The purpose of this Disclosure Statement is to provide information of a kind, and in sufficient detail, to enable creditors of Cochon and MWS that are entitled to vote on the Plan to make informed decisions on whether to vote to accept or reject the Plan. This Disclosure Statement sets forth certain information regarding Cochon's and MWS's prepetition operating and financial history, Cochon's and MWS's need to seek chapter 11 protection, significant events that have and are expected to occur during the Cases, and Cochon's and MWS's anticipated organization, operations, and liquidity upon successful emergence from chapter 11 protection.

The Plan and this Disclosure Statement are the result of extensive and vigorous negotiations among Cochon and MWS and certain of their key creditor constituencies. The culmination of such negotiations was the Plan, which sets forth the material terms and conditions of the restructuring described herein (the "**Restructuring**"). As described in more detail below, the Plan substantially deleverages Cochon's and MWS's balance sheets by converting the Note Claims into 100% of the equity in Reorganized Cochon and Reorganized MWS.

The key components of the Plan are as follows:

- Except to the extent that a Holder of an Allowed Other Priority Claim agrees in writing to less favorable treatment, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Other Priority Claim, each Holder of an Allowed Other Priority Claim will receive either: (a) Cash equal to the full Allowed amount of such Allowed Other Priority Claim or (b) such other treatment as may be agreed to by such Holder and the Administrative Agent at the direction of the Requisite Note Holders;

- Except to the extent that a Holder of an Allowed Other Secured Claim agrees in writing to less favorable treatment, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Other Secured Claim, each Holder of an Allowed Other Secured Claim will receive, at the Administrative Agent's election (at the direction of the Requisite Note Holders), either: (a) Cash equal to the full Allowed amount of such Holder's Allowed Other Secured Claim, (b) Reinstatement of such Holder's Allowed Other Secured Claim, (c) the return or abandonment of the Collateral securing such Holder's Allowed Other Secured Claim to such Holder, or (d) such other treatment as may be agreed to by such Holder and the Administrative Agent at the direction of the Requisite Note Holders;

- On the Effective Date, the Note Claims will be deemed Allowed Claims in an amount not less than $54,943,000 comprised of an amount of not less than $53,138,000 in principal under the Notes and the Note Purchase Agreement as of the Petition Date, plus accrued and unpaid interest, fees, costs, and expenses in an amount of not less than $1,805,000 accrued under the Notes and the Note Purchase Agreement as of the Petition Date. The Note Claims will not be subject to any avoidance, reduction, setoff, offset, recharacterization, subordination (whether contractual or otherwise) counterclaim, cross-claim, defense, disallowance, impairment, objection, or challenges under any applicable law or regulation by any Person. The Holders of the Note Claims will receive on the Effective Date (i) their Pro Rata share of the

Exit Facility, and (ii) Pro Rata with their recovery on account of the DIP Claims and the Adequate Protection Claims, their Pro Rata share of one hundred percent (100%) of the New Equity of the Reorganized Debtors; provided, however, that the Holders of the Note Claims will retain all of their Claims, Liens, and security interests against the Rooster Entities pursuant to Section 4.16 of the Plan. Additionally, all Liens and security interests on and in property of the Debtors securing the Claims and obligations arising under the Notes and the Note Purchase Agreement as of the Petition Date are unaltered by the Plan and shall continue to secure the indebtedness and obligations arising under the Exit Facility Documents;

- If a Holder of a Bonding Claim votes to accept the Plan, such Holder's Cochon Bonds will remain in effect in accordance with Section 4.17 of the Plan, the premiums on such Cochon Bonds will be paid in the ordinary course of business, and such Holder will receive its Pro Rata share of a Cash payment of $25,000 in full and final satisfaction of its Bonding Claims. If a Holder of a Bonding Claim votes to reject the Plan, (i) such Holder's Cochon Bonds will be replaced in the ordinary course of business after the Effective Date, (ii) any indemnity agreement with such issuers of Cochon Bonds will be rejected, and (iii) such Holder will receive a Cash payment in the amount such Holder would receive in a chapter 7 liquidation, as determined by a finding by the Bankruptcy Court in full and final satisfaction of its Bonding Claims;

- On the Effective Date, except to the extent a Holder of an Allowed Cochon Unsecured Trade Claim agrees in writing to less favorable treatment, in full and final satisfaction, settlement, and release of, and in exchange for each Allowed Cochon Unsecured Trade Claim, each Holder of an Allowed Cochon Unsecured Trade Claim will receive a Cash payment in the full Allowed amount of such Claim from the Cochon Unsecured Trade Claims Fund; provided, however, that if the Allowed aggregate amount of Cochon Unsecured Trade Claims exceeds the Cochon Unsecured Trade Claims Fund, then such Holders will share Pro Rata in the Cochon Unsecured Trade Claims Fund;

- On the Effective Date, except to the extent a Holder of an Allowed MWS Unsecured Trade Claim agrees in writing to less favorable treatment, in full and final satisfaction, settlement, and release of, and in exchange for each Allowed MWS Unsecured Trade Claim, each Holder of an Allowed MWS Unsecured Trade Claim will receive a Cash payment in the full Allowed amount of such Claim from the MWS Unsecured Trade Claims Fund; provided, however, that if the Allowed aggregate amount of MWS Unsecured Trade Claims exceeds the MWS Unsecured Trade Claims Fund, then such Holders will share Pro Rata in the MWS Unsecured Trade Claims Fund;

- On the Effective Date, except to the extent a Holder of an Allowed General Unsecured Claim agrees in writing to less favorable treatment, in full and final satisfaction, settlement, and release of, and in exchange for each Allowed General Unsecured Claim, each Holder of an Allowed General Unsecured Claim (other than Note Claims, the Bonding Claims, Cochon Unsecured Trade Claims, and MWS Unsecured Trade Claims) will receive its Pro Rata share of $25,000;

- Each Allowed Debtor Intercompany Claim will be, at the option of the Administrative Agent at the direction of the Requisite Note Holders, either (i) reinstated or (ii) cancelled and released without any distribution on account of such Claims, in each case (i) and (ii) in a tax and business efficient manner acceptable to the Administrative Agent at the direction of the Requisite Note Holders.

- Each Holder of Section 510(b) Claims, if any, will have its Claims cancelled, released, and extinguished as of the Effective Date, and such Claims will be of no further force or effect, and Holders of Section 510(b) Claims will not receive any distribution on account of such Section 510(b) Claims; and

- Existing Equity in Cochon and MWS will be cancelled and extinguished without further notice to, approval of, or action by any Entity, and each Holder of Existing Equity in Cochon or MWS will receive no recovery on account of such Existing Equity.

Cochon and MWS believe that the Restructuring contemplated by the Plan is in the best interests of all of their stakeholders because it (i) achieves a substantial deleveraging of Cochon's and MWS's balance sheets through consensus with the Holders of the Note Claims, and (ii) eliminates potential deterioration of value—and disruptions

to operations—that could otherwise result from protracted and contentious bankruptcy cases. In sum, the Plan embodies a settlement with the Holders of the Note Claims as part of an expeditious Restructuring. This avoids potential litigation that could decrease value for all of Cochon's and MWS's stakeholders and delay (and possibly derail) the Restructuring process.

Except as otherwise specifically provided in the Plan or the Confirmation Order, on and after the Effective Date, in consideration of the Distributions under the Plan and other releases, agreements, or documents executed and delivered in connection with the Plan, Holders of Claims (i) who accept or are deemed to accept the Plan or (ii) who are entitled to vote on the Plan but who do not indicate that they opt out of this release on their ballot, for themselves and on behalf of their respective successors and assigns, will be deemed to have consented to the Plan for all purposes and the Restructuring embodied in the Plan and will be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever, released and discharged each Released Party from any and all claims, interests, obligations, rights, suits, damages, losses, costs and expenses, actions, causes of action, remedies, and liabilities of any kind or character whatsoever, including any derivative claims asserted or assertable on behalf of Cochon, MWS, Reorganized Cochon, Reorganized MWS, or their Estates, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, suspected or unsuspected, matured or unmatured, fixed or contingent, existing or hereafter arising, in law, equity or otherwise, that such Entity or Person ever had, now has or hereafter can, will, or may have, or otherwise would have been legally entitled to assert (whether individually or collectively or directly or derivatively), against any Released Party arising from or relating to, directly or indirectly, in whole or in part, Cochon and MWS, Cochon's and MWS's Restructuring, the operation of or administration of Cochon's and MWS's business and assets, the Cases, the purchase, sale or rescission of the purchase or sale of any security of Cochon and MWS, the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan, the business or contractual arrangements among any two or more of any Debtor, any Reorganized Debtor, or any other Released Party (and the acts or omissions of any other Released Party in connection therewith), the Note Purchase Agreement, the restructuring of Claims and Equity Interests prior to or in the Cases, the negotiation, formulation, or preparation of the Plan, the Disclosure Statement, the other Restructuring Documents or related agreements, instruments, or other documents, or any other act or omission, transaction, agreement, event, or other occurrence, including the management and operation of Cochon and MWS, taking place on or before the Effective Date. Notwithstanding the foregoing, nothing in Section 12.09 of the Plan will release any Released Party or other Entity or Person from (A) its respective rights and obligations under the Plan, the Restructuring Documents, or the Confirmation Order, or (B) liability for (I) any act or omission by such Released Party or other Entity or Person Included within this Release that is found by a court of competent jurisdiction in a final, non-appealable judgment to constitute fraud, willful misconduct, or gross negligence, or (II) any obligation for borrowed money owed by a Released Party to the Debtors, the Reorganized Debtors, or their respective affiliates or Estates.

FOR A COMPLETE UNDERSTANDING OF THE PLAN, YOU SHOULD READ THIS DISCLOSURE STATEMENT, THE PLAN, AND THE EXHIBITS THERETO IN THEIR ENTIRETY. IF ANY INCONSISTENCY EXISTS BETWEEN THE PLAN AND THIS DISCLOSURE STATEMENT, THE TERMS OF THE PLAN ARE CONTROLLING. ALL EXHIBITS TO THIS DISCLOSURE STATEMENT ARE INCORPORATED INTO AND ARE A PART OF THIS DISCLOSURE STATEMENT AS IF SET FORTH IN FULL HEREIN.

Each Holder of a Claim entitled to vote on the Plan should read this Disclosure Statement, the Plan, and the instructions accompanying the Ballots in their entirety before voting on the Plan. These documents contain, among other things, important information concerning the classification of Claims for voting purposes and the tabulation of votes. The statements contained in this Disclosure Statement are made only as of the date hereof unless otherwise specified, and there can be no assurance that the statements contained herein will be correct at any time hereafter.

All creditors should also carefully read Article XI of this Disclosure Statement—"Certain Risk Factors to be Considered"—before voting to accept or reject the Plan.

COCHON AND MWS BELIEVE THAT IMPLEMENTATION OF THE PLAN IS IN THE BEST INTERESTS OF COCHON AND MWS, THEIR ESTATES, AND THEIR STAKEHOLDERS. FOR ALL OF THE

REASONS DESCRIBED IN THIS DISCLOSURE STATEMENT, COCHON AND MWS URGE YOU TO RETURN YOUR BALLOT ACCEPTING THE PLAN BY THE VOTING DEADLINE (I.E., THE DATE BY WHICH YOUR BALLOT MUST BE **ACTUALLY RECEIVED**), WHICH IS [**_____], 2017 AT 5:00 P.M. (CENTRAL STANDARD TIME)**.

II. SUMMARY OF THE CLASSIFICATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS UNDER THE PLAN

The Plan establishes a comprehensive classification of Claims and Equity Interests.[3] The following table summarizes the classification and treatment of Claims and Equity Interests against Cochon and MWS under the Plan and the estimated Distributions to be received by the Holders of Allowed Claims under the Plan thereunder. Amounts assumed for purposes of projected recoveries are estimates only; actual recoveries received under the Plan may differ materially from the projected recoveries.

The summaries in this table are qualified in their entirety by the description of the treatment of such Claims in Article III of the Plan.

Class	Claim or Interest	Treatment of Allowed Claims	Voting Rights	Projected Plan Recovery	Liquidation Recovery
1	Other Priority Claims	Except to the extent that a Holder of an Allowed Other Priority Claim agrees in writing to less favorable treatment, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Other Priority Claim, each Holder of an Allowed Other Priority Claim will receive either: (a) Cash equal to the full Allowed amount of such Allowed Other Priority Claim or (b) such other treatment as may be agreed to by such Holder and the Administrative Agent at the direction of the Requisite Note Holders.	Unimpaired / Deemed to Accept	100%	0%
2	Other Secured Claims	Except to the extent that a Holder of an Allowed Other Secured Claim agrees in writing to less favorable treatment, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Other Secured Claim, each Holder of an Allowed Other Secured Claim will receive, at the Administrative Agent's election (at the direction of the Requisite Note Holders), either: (a) Cash equal to the full Allowed amount of such Holder's Allowed Other Secured Claim, (b) Reinstatement of such Holder's Allowed Other Secured Claim, (c) the return or abandonment of the Collateral securing such Holder's Allowed Other Secured Claim to such Holder, or (d) such other treatment as may be agreed to by such Holder and the Administrative Agent at the direction of the Requisite Note Holders.	Unimpaired / Deemed to Accept	100%	100%

[3] In accordance with section 1123(a)(1) of the Bankruptcy Code, the Plan does not classify Administrative Claims, Priority Tax Claims, U.S. Trustee Fees, and Professional Fee Claims.

Class	Claim or Interest	Treatment of Allowed Claims	Voting Rights	Projected Plan Recovery	Liquidation Recovery
3	Note Claims	On the Effective Date, the Note Claims will be deemed Allowed Claims in an amount not less than $54,943,000 comprised of an amount of not less than $53,138,000 in principal under the Notes and the Note Purchase Agreement as of the Petition Date, plus accrued and unpaid interest, fees, costs, and expenses in an amount of not less than $1,805,000 accrued under the Notes and the Note Purchase Agreement as of the Petition Date. The Note Claims will not be subject to any avoidance, reduction, setoff, offset, recharacterization, subordination (whether contractual or otherwise) counterclaim, cross-claim, defense, disallowance, impairment, objection, or challenges under any applicable law or regulation by any Person. The Holders of the Note Claims will receive on the Effective Date (i) their Pro Rata share of the Exit Facility, and (ii) Pro Rata with their recovery on account of the DIP Claims and the Adequate Protection Claims, their Pro Rata share of one hundred percent (100%) of the New Equity of the Reorganized Debtors; provided, however, that the Holders of the Note Claims will retain all of their Claims, Liens, and security interests against the Rooster Entities pursuant to Section 4.16 of the Plan. Additionally, all Liens and security interests on and in property of the Debtors securing the Claims and obligations arising under the Notes and the Note Purchase Agreement as of the Petition Date are unaltered by the Plan and will continue to secure the indebtedness and obligations arising under the Exit Facility Documents.	Impaired / Entitled to Vote	To be determined at the Confirmation Hearing to the extent relevant.	35-72%
4	Bonding Claims	If a Holder of a Bonding Claim votes to accept the Plan, such Holder's Cochon Bonds will remain in effect in accordance with Section 4.17 of the Plan, the premiums on such Cochon Bonds will be paid in the ordinary course of business, and such Holder will receive its Pro Rata share of a Cash payment of $25,000 in full and final satisfaction of its Bonding Claims. If a Holder of a Bonding Claim votes to reject the Plan, (i) such Holder's Cochon Bonds will be replaced in the ordinary course of business after the Effective Date, (ii) any indemnity agreement with such issuers of Cochon Bonds will be rejected, and (iii) such Holder will receive a Cash payment in the amount such Holder would receive in a chapter 7 liquidation, as determined by a finding by the Bankruptcy Court in full and final satisfaction of its Bonding Claims.	Impaired / Entitled to Vote	Less than 0.50%	0%

Class	Claim or Interest	Treatment of Allowed Claims	Voting Rights	Projected Plan Recovery	Liquidation Recovery
5	Cochon Unsecured Trade Claims	On the Effective Date, except to the extent a Holder of an Allowed Cochon Unsecured Trade Claim agrees in writing to less favorable treatment, in full and final satisfaction, settlement, and release of, and in exchange for each Allowed Cochon Unsecured Trade Claim, each Holder of an Allowed Cochon Unsecured Trade Claim will receive a Cash payment in the full Allowed amount of such Claim from the Cochon Unsecured Trade Claims Fund; provided, however, that if the Allowed aggregate amount of Cochon Unsecured Trade Claims exceeds the Cochon Unsecured Trade Claims Fund, then such Holders will share Pro Rata in the Cochon Unsecured Trade Claims Fund.	Impaired / Entitled to Vote	100%	0%
6	MWS Unsecured Trade Claims	On the Effective Date, except to the extent a Holder of an Allowed MWS Unsecured Trade Claim agrees in writing to less favorable treatment, in full and final satisfaction, settlement, and release of, and in exchange for each Allowed MWS Unsecured Trade Claim, each Holder of an Allowed MWS Unsecured Trade Claim will receive a Cash payment in the full Allowed amount of such Claim from the MWS Unsecured Trade Claims Fund; provided, however, that if the Allowed aggregate amount of MWS Unsecured Trade Claims exceeds the MWS Unsecured Trade Claims Fund, then such Holders will share Pro Rata in the MWS Unsecured Trade Claims Fund.	Impaired / Entitled to Vote	100%	0%
7	General Unsecured Claims	On the Effective Date, except to the extent a Holder of an Allowed General Unsecured Claim agrees in writing to less favorable treatment, in full and final satisfaction, settlement, and release of, and in exchange for each Allowed General Unsecured Claim, each Holder of an Allowed General Unsecured Claim (other than Note Claims, the Bonding Claims, Cochon Unsecured Trade Claims, and MWS Unsecured Trade Claims) will receive its Pro Rata share of $25,000.	Impaired / Entitled to Vote	0.6%	0%
8	Debtor Intercompany Claims	Each Allowed Class 8 Claim will be, at the option of the Administrative Agent at the direction of the Requisite Note Holders, either: (A) reinstated; or (B) cancelled and released without any distribution on account of such Claims, in each case (A) and (B) in a tax and business efficient manner acceptable to the Administrative Agent at the direction of the Requisite Note Holders.	Unimpaired / Impaired Deemed to Accept / Reject	100% / 0%	0%

Class	Claim or Interest	Treatment of Allowed Claims	Voting Rights	Projected Plan Recovery	Liquidation Recovery
9	Section 510(b) Claims	Class 9 Claims, if any, will be cancelled, released, and extinguished as of the Effective Date, and will be of no further force or effect, and Holders of Section 510(b) Claims will not receive any distribution on account of such Section 510(b) Claims.	Impaired / Deemed to Reject	0%	0%
10	Existing Equity	Existing Equity in Cochon and MWS will be cancelled and extinguished without further notice to, approval of, or action by any Entity, and each Holder of Existing Equity in Cochon or MWS will receive no recovery on account of such Existing Equity.	Impaired / Deemed to Reject	0%	0%

III. VOTING PROCEDURES AND REQUIREMENTS

A. Classes Entitled to Vote on the Plan.

The following Classes are entitled to vote to accept or reject the Plan (collectively, the "**Voting Classes**"):

Class	Claim or Interest	Status
3	Note Claims	Impaired
4	Bonding Indebtedness	Impaired
5	Cochon Unsecured Trade Claims	Impaired
6	MWS Unsecured Trade Claims	Impaired
7	General Unsecured Claims	Impaired

If your Claim or Equity Interest is not one of the Voting Classes, you are not entitled to vote. If your Claim is in one of the Voting Classes, you should read your ballot and carefully follow the instructions included in the ballot. Please use only the ballot that accompanies the Disclosure Statement or the ballot that Cochon and MWS, or the Voting and Claims Agent on behalf of Cochon and MWS, otherwise provided to you.[4]

B. Votes Required for Acceptance by a Class.

Under the Bankruptcy Code, acceptance of a plan of reorganization by a class of claims or interests is determined by calculating the amount and, if a class of claims, the number, of claims and interests voting to accept, as a percentage of the allowed claims or interests, as applicable, that have voted. Acceptance by a class of claims requires an affirmative vote of (i) at least two-thirds in dollar amount of the total allowed claims that have voted and (ii) more than one-half in number of the total allowed claims that have voted. Your vote on the Plan is important. The Bankruptcy Code requires as a condition to confirmation of a plan of reorganization that each class that is impaired and entitled to vote under a plan votes to accept such plan, unless the plan is being confirmed under the "cram down" provisions of section 1129(b) of the Bankruptcy Code.

C. Certain Factors To Be Considered Prior to Voting.

There are a variety of factors that all Holders of Claims entitled to vote on the Plan should consider prior to voting to accept or reject the Plan. These factors may impact recoveries under the Plan and include:

- unless otherwise specifically indicated, the financial information contained in the Disclosure Statement has not been audited and is based on an analysis of data available at the time of the preparation of the Plan and the Disclosure Statement;

[4] Holders of Allowed Claims in the Voting Classes are entitled to vote to accept or reject the Plan. Any votes cast by Holders of Claims in the Voting Classes that are not Allowed will not be counted.

- although Cochon and MWS believe that the Plan complies with all applicable provisions of the Bankruptcy Code, Cochon and MWS can neither assure such compliance nor that the Bankruptcy Court will confirm the Plan;

- Confirmation may be requested without the acceptance of all Impaired Classes in accordance with section 1129(b) of the Bankruptcy Code; and

- any delays of either Confirmation or Consummation could result in, among other things, increased Administrative Claims and Professional Fee Claims.

While these factors could affect distributions available to Holders of Allowed Claims under the Plan, the occurrence or impact of such factors will not necessarily affect the validity of the vote of a holder of Claims in the Voting Classes or necessarily require a re-solicitation of the votes of such holder of Claims in the Voting Classes.

For a discussion of certain risk factors, please refer to ARTICLE XI, entitled "Certain Risk Factors to Be Considered," of this Disclosure Statement.

D. Classes Not Entitled To Vote on the Plan.

Under the Bankruptcy Code, Holders of claims and interests are not entitled to vote if their contractual rights are unimpaired by the proposed plan or if they will receive no property under the proposed plan on account of their claims or interests, as applicable, or are otherwise deemed to reject the Plan. Accordingly, the following Classes of Claims and Equity Interests are not entitled to vote to accept or reject the Plan:

Class	Claim or Interest	Status	Voting Rights
1	Other Priority Claims	Unimpaired	Deemed to Accept
2	Other Secured Claims	Unimpaired	Deemed to Accept
8	Debtor Intercompany Claims	Unimpaired/Impaired	Deemed to Accept/Reject
9	Section 510(b) Claims	Impaired	Deemed to Reject
10	Existing Equity	Impaired	Deemed to Reject

E. Cramdown.

Section 1129(b) of the Bankruptcy Code permits confirmation of a plan of reorganization notwithstanding the non-acceptance of the plan by one or more impaired classes of claims or equity interests, so long as at least one impaired class of claims or interests votes to accept a proposed plan. Under that section, a plan may be confirmed by a bankruptcy court if it does not "discriminate unfairly" and is "fair and equitable" with respect to each non-accepting class.

F. Allowed Claims.

Only administrative expenses, claims, and equity interests that are "allowed" may receive distributions under a chapter 11 plan. An "allowed" administrative expense, claim, or equity interest means that a debtor agrees, or in the event of a dispute, that the Bankruptcy Court determines by Final Order, that the administrative expense, claim, or equity interest, including the amount thereof, is in fact a valid obligation of, or equity interest in, a debtor ("**Allowed**").

G. Impairment Generally.

Under section 1124 of the Bankruptcy Code, a class of claims or equity interests is "impaired" unless, with respect to each claim or interest of such class, the plan of reorganization (i) does not alter the legal, equitable or contractual rights of the holders of such claims or interests or (ii) irrespective of the holders' right to receive accelerated payment of such claims or interests after the occurrence of a default, cures all defaults (other than those arising from, among other things, the debtor's insolvency or the commencement of a bankruptcy case), reinstates the maturity of the claims or interests in the class, compensates the holders of such claims or interests for any damages incurred as a result of their reasonable reliance upon any acceleration rights and does not otherwise alter their legal, equitable, or contractual rights.

Only holders of allowed claims or equity interests in impaired classes of claims or equity interests that receive or retain property under a proposed plan of reorganization, but are not otherwise deemed to reject the plan, are entitled to vote on such a plan. Holders of unimpaired claims or equity interests are deemed to accept the plan under section 1126(f) of the Bankruptcy Code and are not entitled to vote. Holders of claims or equity interests that do not receive or retain any property on account of such claims or equity interests are deemed to reject the plan under section 1126(g) of the Bankruptcy Code and are not entitled to vote.

H. Solicitation and Voting Process.

Each Holder of Allowed Claims in the Voting Classes as of [_____], 2017 (the "**Voting Record Date**") is entitled to vote to accept or reject the Plan and will receive the Solicitation Package in accordance with the solicitation procedures. Except as otherwise set forth herein, the Voting Record Date and all of the solicitation and voting procedures will apply to all Holders of Claims or Equity Interests and other parties-in-interest.

The following summarizes the procedures for voting to accept or reject the Plan. Holders of Claims in the Voting Classes are encouraged to review the relevant provisions of the Bankruptcy Code and Bankruptcy Rules and/or to consult their own attorneys.

I. The "Solicitation Package."

The following materials are provided to each Holder of Claims in the Voting Classes that is entitled to vote on the Plan:

- A CD-ROM containing the Disclosure Statement as approved by the Court, with a copy of the Plan and related exhibits attached thereto, and the Confirmation Procedures Order (without exhibits);
- The Court-approved Confirmation Hearing Notice;
- For each of the Voting Classes, one or more appropriate Ballot, together with the voting instructions, information regarding the return of the Ballots and a pre-addressed reply envelope; and
- Any other material ordered or approved by the Court.

The Solicitation Package received by the members of the Non-Voting Classes will be identical to the Solicitation Package received by the members of the Voting Classes, except that each Holder of a Claim or an Equity Interest in the Non-Voting Classes will receive, in lieu of a Ballot, a Notification of Non-Voting Status.

If you (a) did not receive a Solicitation Package or Ballot and believe you are entitled to one; (b) received a damaged Ballot; (c) lost your Ballot; (d) believe something is missing from your Solicitation Package; (e) wish to receive additional Solicitation Packages; (f) have any questions concerning this Disclosure Statement, the Plan, or the procedures for voting on the Plan, or the Solicitation Package you received; or (g) wish to obtain a paper copy of the Plan, this Disclosure Statement or any exhibits to such documents, please send a written request via U.S. mail to Donlin Recano, Cochon's and MWS's Voting and Claims Agent, at **Donlin, Recano & Company, Inc., Attn: Voting Department, P.O. Box 199043, Blythebourne Station, Brooklyn, NY 11219**, or by calling **(212) 771-1128**.

Before the deadline to object to Confirmation of the Plan, the Plan Proponents intend to file the Plan Supplement. If the Plan Supplement is updated or otherwise modified, such modified or updated documents will be made available on Cochon's and MWS's restructuring website: www.donlinrecano.com/Clients/rooster/Static/CaseInformation. Cochon and MWS will not distribute paper or CD-ROM copies of the Plan Supplement; however, parties may obtain a copy of the Plan Supplement by visiting Cochon's and MWS's restructuring website, www.donlinrecano.com/Clients/rooster/Static/CaseInformation; and/or by calling (212) 771-1128.

J. Voting Deadlines.

To be counted, your completed and executed Ballot(s) must be actually received by the Voting and Claims Agent on or before:

- [_____], 2017 at 5:00 p.m. (Central Standard Time) for Holders of Voting Class Claims entitled to vote on the Plan. This is the "**Voting Deadline**." If you do not return your Ballot prior to the Voting Deadline, your vote will not be counted.

K. Voting Instructions.

If you are a Holder of Claims in the Voting Classes, a Ballot is enclosed for the purpose of voting on the Plan.

Except as provided below, Holders of Claims who desire to vote are required to vote all of their Claims within a Class either to accept or reject the Plan and may not split their votes. Any Ballot received that does not indicate either an acceptance or rejection of the Plan or that indicates both acceptance and rejection of the Plan will not be counted. Any Ballot received that is not signed or that contains insufficient information to permit the identification of the Holder will be an invalid Ballot and will not be counted.

Please sign and complete a separate Ballot with respect to each Claim, and return your Ballot(s) in accordance with the instructions provided, so that your Ballot is received by the Voting and Claims Agent by the Voting Deadline. Ballots reflecting your vote should be returned to the Voting and Claims Agent, by hand delivery, overnight courier, or first class mail to:

If by First Class Mail:	**If by Hand Delivery or Overnight Mail:**
Donlin, Recano & Company, Inc. **Re: Cochon Properties, LLC and Morrison Well Services, LLC** Attn: Voting Department PO Box 192016 Blythebourne Station Brooklyn, NY 11219	Donlin, Recano & Company, Inc. **Re: Cochon Properties, LLC and Morrison Well Services, LLC** Attn: Voting Department 6201 15th Ave Brooklyn, NY 11219

Only Ballots with an original signature will be counted. Email, facsimile, or other electronic submission of Ballots is not permitted, unless the Holder submitting such Ballot receives the consent of Cochon and MWS or the Court orders otherwise. Only Ballots received by the Voting and Claims Agent by the Voting Deadline will be counted.

If delivery of a Ballot is by mail, it is recommended that voters use an air courier with guaranteed next day delivery or registered mail, properly insured, with return receipt requested. In all cases, sufficient time should be allowed to ensure timely delivery. The method of such delivery is at the election and risk of the voter.

A Ballot may be withdrawn by delivering a written notice of withdrawal to the Voting and Claims Agent, so that the Voting and Claims Agent receives the notice before the Voting Deadline. In order to be valid, a notice of withdrawal must (a) be signed by the party who signed the Ballot to be revoked, and (b) be received by the Voting and Claims Agent before the Voting Deadline. Parties-in-interest retain their rights to contest the validity of any withdrawals of Ballots.

Any creditor who has timely submitted a properly completed Ballot to the Voting and Claims Agent may change its vote by delivering to the Voting and Claims Agent a properly executed completed replacement Ballot, so as to be received on or before the Voting Deadline. If more than one timely, properly completed Ballot is received with respect to the same Claim and no order of the Bankruptcy Court allowing the creditor to change its vote has been entered before the Voting Deadline, the Ballot that will be counted for purposes of determining whether sufficient acceptances required to confirm the Plan have been received will be the timely, properly-completed Ballot determined by the Voting and Claims Agent to have been received last.

EACH BALLOT ADVISES HOLDERS OF CLAIMS THAT, IF THEY DO NOT ELECT TO OPT OUT OF THE RELEASE PROVISIONS CONTAINED IN SECTION 12.09 OF THE PLAN, THEY WILL BE DEEMED

TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND FOREVER RELEASED AND DISCHARGED ALL CLAIMS AND CAUSES OF ACTION AGAINST THE RELEASED PARTIES IN ACCORDANCE WITH THE PLAN. ACCORDINGLY, IF YOU DO NOT ELECT TO OPT OUT OF THE RELEASE PROVISIONS CONTAINED IN SECTION 12.09 OF THE PLAN, YOU WILL BE DEEMED TO HAVE GRANTED THE RELEASES CONTEMPLATED BY SUCH RELEASE PROVISIONS.

L. The Confirmation Hearing.

The Bankruptcy Court has scheduled a hearing to consider confirmation of the Plan (the "**Confirmation Hearing**"), at the United States Bankruptcy Court for the Western District of Louisiana, Lafayette Division (the "**Bankruptcy Court**"), 214 Jefferson Street, Suite 100, Lafayette, LA 70501-7050 on [_____], 2017 at [XX:00 a.m.] (Central time). At the Confirmation Hearing, the Plan Proponents will request confirmation of the Plan, as it may be modified from time to time.

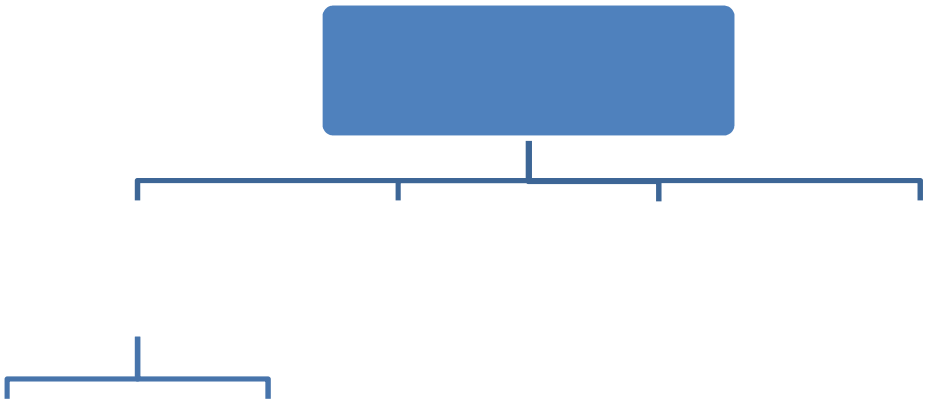
IV. COMPANY BACKGROUND

See the Risk Factors in Article XI of the Disclosure Statement for certain risks that you should carefully consider.

A. The Debtors' Business Operations

The Debtors' Corporate Structure

Rooster Energy Ltd. ("**Rooster Canada**"), a British Columbia, Canada corporation whose stock is publicly traded on the TSX Venture Exchange, is the parent company of Rooster Energy, L.L.C., Rooster Petroleum, LLC, Rooster Oil & Gas, LLC, and Probe Resources US Ltd. (collectively with Rooster Canada, the "**Rooster Entities**"), as well as Cochon and MWS. Rooster Canada conducts business through its wholly owned subsidiaries, namely, Rooster Energy, L.L.C., Rooster Petroleum, LLC, Rooster Oil & Gas, LLC, Probe Resources US Ltd., Cochon and MWS (collectively with Rooster Canada, the "**Note Obligors**"). The corporate organization structure of the Note Obligors is set forth below:



All of the Debtors maintain a principal place of business at 16285 Park Ten Place, Suite 120, Houston, Texas 77084; the Debtors' lease for the location has expired.

Historical Background

Rooster Canada was incorporated in British Columbia in 1988. On April 30, 2012, Rooster Canada completed the acquisition of all of the membership interests in Rooster Energy L.L.C., and by extension acquired control over Rooster Petroleum, LLC and Rooster Oil & Gas, LLC. The transaction was treated as a reverse acquisition of Rooster Canada by Rooster Energy. On November 17, 2014, Rooster Canada completed the acquisitions of all of the membership interests of Cochon and MWS. In connection with the acquisition of Cochon and MWS, Rooster Canada entered into a Transition Services Agreement (the "**TSA**") with the prior owner of MWS, Morrison Energy Group, LLC, whereby Morrison Energy Group, LLC agreed to provide certain services to MWS, including continued use of MWS's primary operations facility located in Houma, Louisiana, as well as certain accounting and other "back office" services.

Business of Cochon and MWS

Cochon is the designated operator and the owner of a 100% working interest in one oil and gas lease located at Vermilion Block 67 (OCS-G-00560). Cochon is still recognized as the qualified operator of one other oil and gas lease that is expired but has remaining infrastructure that must be removed. Cochon does not have any employees. Prior to the commencement of the bankruptcy cases, affiliated debtor Rooster Petroleum, LLC assisted Cochon in the operation of its business through an informal contract operating agreement. However, after approximately July 1, 2017, Rooster Petroleum, LLC laid off its remaining employees, with the exception of two employees which were transferred to MWS. This action was necessitated by a variety of reasons, including lack of funds and the possibility that Rooster Petroleum, LLC would liquidate instead of reorganize. As a result, MWS now provides to Cochon the services that Rooster Petroleum, LLC previously provided it.

MWS provides oil and gas well intervention services the majority of which consists of well P&A services in the shallow waters of the Gulf of Mexico with 16 rigless complementary sets of P&A equipment, or "spreads." A spread generally consists of a pump powered by a diesel engine, wireline units, cement blenders, tanks and assorted tools. MWS's customers include many of the largest operators of wells in the Gulf of Mexico. As of the Petition Date, MWS employed 12 salaried employees and 64 hourly employees. Currently, MWS employs 45 salaried employees and 54 hourly employees. The hourly employees of MWS perform its core well P&A services. As noted above, Cochon lacks employees and therefore relies on MWS for workforce support.

The Debtors historically have kept consolidated financial statements; however, Cochon and MWS have reviewed their records for purposes of this Disclosure Statement and segmented their financial information from that of the other Debtors.

For the year ending on December 31, 2016, Cochon had total revenue of approximately $17.7 million against expenses of approximately $9.0 million, for net operating income of approximately $8.8 million. This amount was down approximately $10.1 million from the year ending on December 31, 2015, where total revenue was approximately $30.1 million and expenses were approximately $11.3 million. During the 5-month prepetition period of 2017, Cochon had total revenue of approximately $3.7 million against expenses of approximately $1.5 million, for net operating income of approximately $2.2 million.

For the year ending on December 31, 2016, MWS had total revenue of approximately $14.0 million against expenses of approximately $16.1 million, for net operating loss of approximately $2.1 million. This amount was down approximately $1.5 million from the year ending on December 31, 2015, where total revenue was approximately $27.9 million and expenses were approximately $28.5 million. During the 5-month prepetition period of 2017, MWS had total revenue of approximately $6.4 million against expenses of approximately $8.0 million, for net operating loss of approximately $1.6 million.

Cochon and MWS have filed monthly operating reports with the Bankruptcy Court with respect to their post-petition operations. The total revenues, expenses, and EBITDA from these reports are summarized below:

COCHON MORS				
Month	**Docket Number**	**Revenue**	**Cost of Goods & Expenses**	**EBITDA**
June 2017	350	$382,489	($65,179)	$317,310

July 2017	439	$418,980	($342,868)	$76,112
August 2017	505	$507,534	($291,448)	$216,086
September 2017	546	$256,001	($275,933)	($19,933)

MWS MORS				
Month	**Docket Number**	**Revenue**	**Cost of Goods & Expenses**	**EBITDA**
June 2017	351	$1,687,652	($1,770,611)	($82,959)
July 2017	440	$2,890,859	($2,598,076)	$292,783
August 2017	504	$2,540,568	($2,515,310)	$25,285
September 2017	547	$1,922,138	($1,880,036)	$42,103

Corporate Governance

As noted above, both Cochon and MWS are wholly-owned subsidiaries of Rooster Canada. As of the Petition Date, the common stock of Rooster Canada traded on the TSX Venture Exchange under the ticker symbol "COQ". Rooster Canada has a five-member board of directors; as of the Petition Date, the following were the members of the board: Robert P. Murphy, Chester F. Morrison, Jr., J. Munro Sutherland, Gary M. Halverson, and Leroy F. Guidry, Jr.

The officers of Rooster Canada manage Cochon and MWS. Below is a list of prepetition and post-petition officers of Rooster Canada and their relevant positions with Cochon and MWS:

Name	Position(s)	Dates Served
Robert P. Murphy	CEO & President, Rooster Energy Ltd. CEO, President & Manager, Cochon Properties, LLC CEO, President & Manager, Morrison Well Services, LLC	02/01/2011-04/30/2017 11/17/2014-04/30/2017 11/17/2014-04/30/2017
Kenneth F. Tamplain, Jr.	CEO, Rooster Energy Ltd. CEO & Manager, Cochon Properties, LLC CEO & Manager, Morrison Well Services, LLC	04/30/2017-present
Kenneth F. Tamplain, Jr.	Sr. VP, Secretary, & General Counsel, Rooster Energy Ltd. VP-Land & Legal, Secretary, Cochon Properties, LLC VP-Legal, Secretary, Morrison Well Services, LLC	11/17/2014-04/30/2017
Tod Darcey	Sr. VP-Operations, Rooster Energy Ltd. VP-Operations, Cochon Properties, LLC	11/17/2014-7/1/2017
Brett P. Blanchard	VP-Well Services, Morrison Well Services, LLC	11/17/2014-present
Gary L. Nuschler, Jr.	Chief Financial Officer, Rooster Energy Ltd. Chief Financial Officer, Cochon Properties, LLC Chief Financial Officer, Morrison Well Services, LLC	9/1/2015-4/30/2017
Leroy F. Guidry, Jr.	Chief Financial Officer, Rooster Energy Ltd. Chief Financial Officer, Cochon Properties, LLC Chief Financial Officer, Morrison Well Services, LLC	04/30/2017-6/2/2017

Mr. Murphy and Mr. Nuschler resigned from their positions on April 30, 2017; however, Mr. Nuschler agreed to remain in a consultative capacity to assist with the bankruptcy cases. Mr. Guidry served in an uncompensated capacity and resigned on June 2, 2017. Mr. Darcey was laid off on July 1, 2017 due to lack of funds.

Material Assets

As noted above, Cochon is the designated operator and the owner of a 100% working interest in one oil and gas lease located at Vermilion Block 67 (OCS-G-00560). Cochon valued this interest as of the Petition Date at approximately $19 million; currently, as a result of depletion due to ongoing production, Cochon values this asset at approximately $18.3 million. Cochon also holds a note receivable from Chester F. Morrison, Jr., in the approximate

amount of $4.4 million. Mr. Morrison is a member of the board of directors and the largest shareholder of Rooster Canada. As of the Petition Date, Cochon held receivables created in the ordinary course of its business of approximately $1.67 million. These receivables have largely been collected and used in the operations of Cochon's business; currently Cochon holds approximately $1,416,000 of receivables.

As noted above, MWS employs 16 rigless complementary sets of P&A equipment, or "spreads," in its services. As of the Petition Date, MWS valued its equipment, in the aggregate, at a book value of approximately $4.5 million. MWS believes the actual market value of the equipment is approximately $4 million, and has not depreciated significantly during the course of the bankruptcy cases.

MWS also has significant receivables that are generated as a result of its P&A work. Much of this work is done in tandem with Cochon and the Eugene Island 18 contract describe in subsection C below. As of the Petition Date, MWS had receivables of $19,360,562.31; however, of that amount, $5,095,756.15 was attributable to an intercompany receivable owed by Rooster Petroleum, LLC, and $11,215,758.26 was attributable to an intercompany receivable owed by Cochon. Thus, as of the Petition Date, only $3,049,047.90 was attributable to third party sources. Since the Petition Date, MWS has been able to increase that amount to $6,972,320, primarily as a result of work on the Eugene Island 18 contract.

B. Cochon's and MWS's Pre-Petition Capital Structure.

Note Claims

Prior to the commencement of the Cases, Rooster Canada issued senior secured notes under the Note Purchase Agreement, dated as of November 17, 2014 and amended and restated as of June 25, 2015 (as subsequently amended, restated, or otherwise modified from time to time, the "**Note Purchase Agreement**") in the amount of $45.0 million due on February 14, 2016 to certain purchasers of such secured notes (such purchasers the "**Note Holders**," and such notes the "**Notes**") and Angelo, Gordon Energy Servicer, LLC, as administrative agent and collateral agent (in such capacities, the "**Administrative Agent**"). On June 25, 2015, the Note Purchase Agreement was amended and restated to extend the term to June 25, 2018 and issue new Notes in the amount of $60 million. A portion of the proceeds were used to repay existing Notes in the principal amount of $45 million. The Notes were issued pursuant to and in accordance with (i) the Note Purchase Agreement, (ii) the Guarantee and Collateral Agreement dated as of November 17, 2014, the Deed of Trust, Multiple Indebtedness Mortgage, Line of Credit Mortgage, Fixture Filing, Assignment of As-Extracted Collateral, Security Agreement and Financing Statement dated as of November 17, 2014, (iii) the Pledge Agreement dated as of November 17, 2014, and (iv) other documents and instruments creating and evidencing indebtedness of the Note Obligors to the Administrative Agent and the Note Holders and granting collateral security by the Note Obligors to the Administrative Agent for the benefit of the Note Holders (collectively, as heretofore amended, restated, or otherwise modified from time to time, the "**Prepetition Note Documents**"). Cochon, MWS, and each of the Rooster Entities are jointly and severally liable as guarantors and obligors under the Prepetition Note Documents.

Pursuant to the Prepetition Note Documents, the Note Obligors granted the Administrative Agent, for the benefit of the Note Holders, a first priority security interest in and lien on substantially all of their assets and property, including real property, personal property, cash, accounts, proceeds and intangible contract rights as more fully described in the Prepetition Note Documents (collectively, the "**Collateral**").

On March 14, 2016, the Note Obligors entered into the First Amendment and Waiver to the Note Purchase Agreement (the "**First Amendment**"), effective December 31, 2015. Pursuant to the First Amendment, all of the financial and performance covenants of the Note Purchase Agreement and scheduled loan amortization were waived for the fiscal quarters ending March 31, 2016 and June 30, 2016. In exchange for the waiver, Rooster Canada paid a waiver fee in the amount of $493,333 on March 14, 2016. The Notes bear interest at a rate equal to Libor + 11.5% per annum with interest payments due monthly; the minimum interest rate is 13.0% per annum. Additionally, from and after March 14, 2016 until June 30, 2016, an 8.0% interest is paid in kind ("**PIK Interest**"). All PIK Interest is capitalized and compounded by increasing the outstanding principal amount of the Notes. The Note Obligors' general and administrative costs are not allowed to exceed stipulated limits for the fiscal quarter ending March 31, 2016, and each fiscal quarter thereafter. Pursuant to the First Amendment, the Note Obligors were to comply with the terms of a budget approved by the Note Holders (the "**Prepetition Approved Budget**").

On July 14, 2016, the Note Obligors entered into the Second Amendment and Waiver to the Note Purchase Agreement (the "**Second Amendment**"), effective June 30, 2016. The Second Amendment waived (i) all defaults under the Prepetition Approved Budget as stipulated in the First Amendment, (ii) the minimum EBITDAX and leverage ratio covenants of the Note Purchase Agreement for the fiscal quarter ending September 30, 2016, and (iii) the asset coverage ratio covenant for the fiscal quarter ending December 31, 2016. The scheduled loan amortization was replaced with a requirement for principal repayments summing to no less than $7,532,000 for the six months ending December 31, 2016. The Notes continued to bear interest at a rate equal to Libor + 11.5% per annum (minimum of 13.0%) with interest payments due monthly. The Notes also continued to bear additional PIK interest until December 31, 2016 at a rate of 8.0%. The Note Obligors failed to pay the principal repayment required on December 31, 2016.

On February 3, 2017, the Note Obligors and the Administrative Agent entered into a Limited Forbearance and Reservation of Rights Agreement (the "**Forbearance Agreement**"), whereby the Administrative Agent agreed to forbear from exercising certain rights and remedies under the Note Purchase Agreement. The Forbearance Agreement terminated on March 3, 2017.

The Note Obligors entered into a Third Amendment and Waiver to the Note Purchase Agreement (the "**Third Amendment**") with the Administrative Agent on March 10, 2017. On March 24, 2017, the Note Obligors entered into a non-binding term sheet setting forth the general terms of a potential acceptable restructuring of the Note Purchase Agreement. However, the Note Obligors and the Administrative Agent were unable to implement the term sheet through a comprehensive restructuring agreement.

As of the date hereof, the outstanding principal balance of the Note Claims is approximately $53.1 million. The outstanding amount due on the Note Claims additionally includes accrued interest, fees, costs, and expenses.

Bonding Indebtedness

Cochon has contingent and unliquidated indebtedness owed to U.S. Specialty Insurance Company as issuer of surety bonds related to Cochon's oil and gas properties in an approximate amount of $3,050,000.00. Specifically, U.S. Specialty Insurance Company issued the following surety bonds to Cochon: (a) BOO7276, a performance bond in the amount of $1,250,000.00, (b) BOO8092, a lease specific bond in the amount of $500,000, (c) BOO8093, a lease specific bond in the amount of $500,000, (d) BOO8094, a lease specific bond in the amount of $500,000, and (e) BOO8095, an area pipeline ROW bond in the amount of $300,000. Additionally, Cochon has guaranteed certain contingent and unliquidated indebtedness of Rooster Oil & Gas, LLC to U.S. Specialty Insurance Company in the amount of approximately $8.025 million. Cochon also has contingent and unliquidated indebtedness owed to Travelers Insurance Company as issuer of surety bonds related to Cochon's oil and gas properties in an approximate amount of $18,655,000.00. Specifically, Travelers Insurance Company issued the following surety bonds to Cochon: (x) 105812474, a supplemental bond in the amount of $2,070,000.00, (y) 105812475, a supplemental bond in the amount of $11,305,000.00, and (z) 105812476, a supplemental bond in the amount of $5,280,000.00.

Other Secured Debt

In the ordinary course of business, Cochon and MWS routinely transact business with a number of third-party contractors and vendors who may be able to assert privileges or liens against Cochon and MWS and their property (such as equipment and, in certain circumstances, mineral interests and leases) if Cochon and MWS fail to pay for goods delivered or services rendered. These parties perform various oil field services, including manufacturing and repairing equipment and component parts, necessary for Cochon's and MWS's oil field activities.

Trade Debt

In the ordinary course of business, Cochon and MWS incur trade debt with numerous vendors in connection with products and services that support their oil and gas exploration, development, production and decommissioning activities. As of the Petition Date, the Debtors' unsecured third party trade debt is approximately $1.8 million in the aggregate on account of prepetition goods and services provided to the Debtors. This amount excludes approximately $4.2 million owed to Chet Morrison Contractors, LLC ("**CMC**"), a non-debtor entity owned indirectly and controlled by Morrison.

Equity Interests

As of the Petition Date, 100% of the membership interests in Cochon and MWS were owned by Rooster Canada.

C. Significant Pre-Petition Contracts and Leases.

As of the Petition Date, Cochon was party to the following executory contracts with Kinetica Energy Express, LLC, all of which relate to the operation of Cochon's well located at Vermilion Block 67 (OCS-G-00560):

- Agreement dated June 4, 2015, for condensate transportation, separation and dehydration;
- Agreement dated June 2, 2015, for transportation services; and
- Agreement dated June 4, 2015, for pipeline condensate.

As of the Petition Date, Cochon was party to the following executory contracts with Nexen Petroleum and its affiliates; the contracts remain executory because Cochon retains an obligation to perform decommissioning work at the purchased assets and Nexen retains an obligation to pay for such decommissioning work.

- Purchase and Sale Agreement for Vermilion 67 Field between Nexen Petroleum Offshore U.S.A. Inc. and Nexen Petroleum U.S.A. Inc. as sellers and Cochon as buyer, with a limited joinder by Chet Morrison Contractors, LLC, dated June 1, 2013 and as such joinder was subsequently assigned to Morrison Well Services, LLC; and
- Purchase and Sale Agreement for Eugene Island Block 18 Field between Nexen Petroleum U.S.A. Inc., as seller, and Cochon as buyer, with a limited joinder by Chet Morrison Contractors, LLC, dated April 1, 2012 and as such joinder was subsequently assigned to Morrison Well Services, LLC.

As of the Petition Date, MWS did not have any material executory contracts or unexpired leases. MWS is a third party beneficiary of the TSA. Among other services, Morrison Energy Group, LLC is obligated to provide, or cause its affiliates to provide, certain services to MWS, including the right to use certain facilities located in Houma, Louisiana and Houston, Texas from which MWS conducts business. Cochon and MWS hope to negotiate replacement agreements with Chester F. Morrison, Jr. and certain affiliates (the "**Morrison Group**") such that the TSA will no longer be necessary to support MWS's operations; however, to the extent those negotiations are not effective, Cochon and MWS, in conjunction with Rooster Canada, may decide to assume (and possibly assign) the TSA in accordance with the terms of the Plan regarding executory contracts.

D. Pre-Petition Litigation.

As of the Petition Date, Cochon was not party to any litigation, and Cochon is not aware of any causes of action that it may pursue against others.

As of the Petition Date, MWS was involved in a collection action entitled Morrison Well Services, LLC, plaintiff, v. Prime 8 Offshore, LLC, defendant, pending in the Harris County Court at Law No. 2, Cause No. 1062802. MWS obtained a money judgment in its favor on March 9, 2017 and is currently engaged in further proceedings to collect that judgment.

As of the Petition Date, all litigation outside of the Bankruptcy Court has been stayed pursuant to section 362 of the Bankruptcy Code. Cochon and MWS do not believe that the ultimate liability, if any, resulting from any pending litigation will have a material adverse effect on their businesses. However, Cochon and MWS cannot predict with certainty the outcome or effect of any of the litigation matters specifically described above or of any other pending litigation. There can be no assurance that Cochon's and MWS's beliefs or expectations as to the outcome or effect of any lawsuit or other litigation matter will prove correct, and the eventual outcome of these matters could materially differ from management's current estimates.

V. EVENTS LEADING TO THE COMMENCEMENT OF THE CASES

A. Crude Oil and Natural Gas Exploration and Production Market.

As a result of the general decline in oil and gas prices, as well as the typical production trajectory of Gulf of Mexico wells, approximately one year prior to the Petition Date the Note Obligors began to experience significant cash shortfalls in their oil and gas production. In other words, the Note Obligors was not producing sufficient revenues from the production of oil and gas at their wells in the Gulf of Mexico to cover the operating expenses for those wells.

Compounding those problems is the notoriously seasonal nature of MWS's business. MWS generates significant revenues in the summer and fall, when weather conditions are typically favorable, and less revenue during the winter and spring, when weather conditions become more volatile.

B. Prepetition Restructuring Initiatives.

In December 2016, faced with a heavy debt burden and declining revenues, the Note Obligors hired financial and legal advisors to evaluate a wide range of options to improve their financial position in the event of a prolonged market downturn. The Note Obligors engaged Baker, Donelson, Bearman, Caldwell & Berkowitz, P.C. ("**Baker Donelson**") as legal restructuring counsel and Opportune LLP ("**Opportune**") as a consultant. The Note Obligors engaged in numerous discussions with the Administrative Agent and the Note Holders to determine available options to enhance liquidity, including new financing and deleveraging measures and considered both out-of-court as well as bankruptcy court focused alternatives.

The Note Obligors entered into negotiations with the Administrative Agent and the Note Holders regarding a potential transaction that would allow Cochon and MWS to substantially reduce their debt burden and secure additional liquidity to help Cochon and MWS navigate the current downcycle. After months of discussions and negotiations, the Note Obligors ultimately decided to forego an out-of-court workout, opting instead to file these Cases. After significant negotiations, the Debtors propose the Plan which has the consent of the Note Holders.

VI. THE CASES

Cochon and MWS filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code on June 2, 2017 (the "**Petition Date**").

The filing of the petitions commenced the Cases. Since that time, all actions and proceedings against Cochon and MWS and all acts to obtain property from Cochon and MWS have been stayed under section 362 of the Bankruptcy Code. Cochon and MWS continue to operate their businesses and manage their property as debtors in possession under sections 1107(a) and 1108 of the Bankruptcy Code.

To facilitate the Cases and to minimize disruption to their operations, Cochon and MWS filed motions seeking from the Bankruptcy Court, among other relief, the relief detailed below. These requests included, but are not limited to, orders permitting Cochon and MWS to pay employee obligations and maintain its cash management system consistent with Cochon's and MWS's customary practices, for the purpose of satisfying or paying Cochon's and MWS's ordinary course operating expenses. Such relief assisted in the administration of the Cases.

Cochon and MWS believe that the transactions contemplated by the Plan will deleverage their balance sheets, improve go-forward liquidity, and position Cochon and MWS for flexibility and future growth in the industry.

A. First Day Motions.

On the Petition Date, Cochon and MWS filed motions requesting that the Court enter orders authorizing them to continue operating their businesses in the ordinary course (the "**First Day Motions**"). These First Day Motions were designed to facilitate a smooth transition into chapter 11 and ease the strain on Cochon's and MWS's businesses as a consequence of the filing of the Cases. On June 9, 2017, the Bankruptcy Court entered orders approving the following First Day Motions on a final basis:

- *Order Granting Debtors' Emergency Motion for Entry of an Order Directing Joint Administration of Their Cases* [Docket No. 61];
- *Order Establishing Notice Procedures and Limiting Notice for Certain Procedures* [Docket No. 74].

On the same day, the Bankruptcy Court entered orders approving certain other First Day Motions on an interim basis.

On June 19, 2017, the Bankruptcy Court entered an order approving the following First Day Motion on a final basis:

- *Order Extending the Time Within Which the Debtors Must File Their Bankruptcy Schedules and Statements* [Docket No. 137].

On June 23, 2017, the Bankruptcy Court entered orders approving the following First Day Motions on a final basis:

- *Final Order Authorizing the Debtors to (I) Maintain and Use Existing Bank Accounts, Cash Management System, and Business Forms, (II) Honor Certain Prepetition Obligations Related Thereto, and (III) Continue to Perform Ordinary Course Intercompany Transactions* [Docket No. 189];
- *Final Order Authorizing the Debtors to Pay Certain Prepetition Taxes and Make Payments Under Insurance Premium Finance Agreements* [Docket No. 190];
- *Final Order Authorizing the Debtors (I) to Pay Prepetition Amounts Due, and (II) to Perform Post-Petition Obligations Under Prepetition Hedging Agreement* [Docket No. 191];
- *Final Order Authorizing the Debtors to Pay, in the Ordinary Course of Business, (I) Royalty Payments, (II) Working Interest Disbursements, and (III) Certain Other Lease Obligations* [Docket No. 192];
- *Final Order Authorizing the Debtors to Pay Prepetition Wages, Salaries, Vacation Pay, Reimbursable Employee Expenses and Employee Benefit Contributions* [Docket No. 193];
- *Final Order Authorizing the Debtors to Pay Compensation Commensurate with Pre-Petition Payments to Specified Officers* [Docket No. 194].

B. <u>Retention of Professionals.</u>

Cochon and MWS filed applications to retain various professionals to assist them in the Cases. On July 17, 2017, the Bankruptcy Court entered the *Order Authorizing the Retention and Employment of Opportune LLP as Restructuring Advisor for the Debtors and Debtors In Possession, Effective Nunc Pro Tunc to the Petition Date* [Docket No. 301]. Opportune LLP was employed under the foregoing order from the Petition Date through July 11, 2017. Opportune LLP has already filed and obtained approval for a final application for compensation in the amount of $19,895.00 by order entered September 20, 2017 [Docket No. 476]. The amount was paid out of a retainer held by Opportune LLP, with the balance being returned to the Debtors.

On August 3, 2017, the Bankruptcy Court entered the following final orders retaining professionals:

- *Final Order Granting Application for Employment and Retention of Edward H. "Hank" Arnold, III and the Law Firm of Baker, Donelson, Bearman, Caldwell, & Berkowitz, PC as Counsel for the Debtors Effective Nunc Pro Tunc to the Petition Date* [Docket No. 359]; and
- *Final Order Granting Application to Appoint Donlin, Recano & Company, Inc. As Noticing and Solicitation Agent for the Debtors Effective Nunc Pro Tunc to the Petition Date* [Docket No. 360].

C. Appointment of Official Committee.

On June 22, 2017, the U.S. Trustee filed the *Notice of Appointment of Unsecured Creditors' Committee* [Docket No. 180], notifying parties in interest that the U.S. Trustee had appointed a statutory committee of unsecured creditors (the "**Committee**") in the Cases. The Committee is currently composed of the following members: (a) Jimmie "Beau" Martin; and (b) K&K Marine LLC. The Committee is represented by Heller Draper Patrick Horn & Dabney, LLC.

D. Cash Collateral & DIP Loan.

On June 9, 2017, the Bankruptcy Court entered an *Interim Order (I) Authorizing Post-Petition Use of Cash Collateral, (II) Granting Adequate Protection to the Prepetition Secured Parties, (III) Modifying the Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* [Docket No. 68] (the "**Interim Cash Collateral Order**"). The Interim Cash Collateral Order authorized Cochon and MWS to use cash collateral for disbursements set forth in the Budget (as defined in the Interim Cash Collateral Order).

On June 23, 2017, the Bankruptcy Court entered a *First Amended Interim Order (I) Authorizing Post-Petition Use of Cash Collateral, (II) Granting Adequate Protection to the Prepetition Secured Parties, (III) Modifying the Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* [Docket No. 198] (the "**First Amended Interim Cash Collateral Order**"). The First Amended Interim Cash Collateral Order authorized Cochon and MWS to use cash collateral for disbursements set forth in the Budget (as defined in the First Amended Interim Cash Collateral Order).

On June 26, 2017, the Debtors filed a *Notice of Filing Amended Cash Collateral Budget* [Docket No. 215] based on the consent of the Administrative Agent to the Debtors' use of cash collateral in accordance with the budget attached thereto.

On July 17, 2017, the Bankruptcy Court entered a *Second Amended Interim Order (I) Authorizing Post-Petition Use of Cash Collateral, (II) Granting Adequate Protection to the Prepetition Secured Parties, (III) Modifying the Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* [Docket No. 300] (the "**Second Amended Interim Cash Collateral Order**"). The Second Amended Interim Cash Collateral Order authorized Cochon and MWS to use cash collateral for disbursements set forth in the Budget (as defined in the Second Amended Interim Cash Collateral Order).

On July 24, 2017, the Debtors filed an *Emergency Motion of Cochon Properties, LLC and Morrison Well Services, LLC for an Order (A) Authorizing Cochon Properties, LLC and Morrison Well Services, LLC to Use Cash Collateral, (B) Authorizing Cochon Properties, LLC and Morrison Well Services, LLC to Obtain Post-Petition Financing, (C) Granting Security Interests and Superpriority Administrative Expense Status to the Administrative Agent and the Holders, (D) Granting Adequate Protection to Existing Lienholders, and (E) Granting Related Relief* [Docket No. 322] (the "**DIP Credit Motion**"). Among other things, the DIP Credit Motion requested that the Bankruptcy Court authorize Cochon and MWS to use cash collateral on a final basis and to borrow up to $2 million of secured loans from the Administrative Agent and the Note Holders for working capital, secured by all assets of Cochon and MWS. The Bankruptcy Court entered a final order granting the DIP Credit Motion on September 12, 2017 [Docket No. 457] (the "**Final DIP Order**").

On October 11, 2017, the Debtors filed the *Stipulation Extending Expiration Date of the Final DIP Order* [Docket No. 491] extending the Expiration Date (as defined in the Final DIP Order) from September 29, 2017 through and including the earlier of (a) notice of the occurrence of an Event of Default or (b) October 31, 2017, at 4:00 p.m. (Central Time), unless extended by written agreement of the Debtors and the Administrative Agent, in its discretion but at the direction of the Requisite Holders.

On November 8, 2017, the Debtors filed the *Second Stipulation Extending Expiration Date of the Final DIP Order* [Docket No. 554] extending the Expiration Date from October 31, 2017 through and including the earlier of (a) notice of the occurrence of an Event of Default (as defined in the Final DIP Order) or (b) December 31, 2017, at 4:00 p.m. (Central Time), unless extended by written agreement of the Debtors and the Administrative Agent, in its discretion but at the direction of the Requisite Holders.

E. Claims Bar Date.

On September 29, 2017, the Bankruptcy Court entered the *Order Establishing Bar Dates for Filing Proofs of Claims and Interests and Approving Notice Procedures* [Docket No. 480] (the "**Bar Date Order**"). The Bar Date Order set November 28, 2017 as the general bar date and deadline by which Holders of General Unsecured Claims and Other Priority Claims must file proofs of claim. The Bar Date Order set November 28, 2017 as the Initial Administrative Claims Bar Date and deadline for filing applications for allowance of Administrative Claims. The Bar Date order set November 29, 2017 as the government bar date and deadline by which governmental entities holding claims against Cochon and MWS must file proofs of claim.

F. Schedules of Assets and Liabilities and Statements of Financial Affairs.

On June 19, 2017, the Bankruptcy Court entered the *Order Extending the Time Within Which the Debtors Must File Their Bankruptcy Schedules and Statements* [Docket No. 137] (the "**SOFA Extension Order**"). The SOFA Extension Order extended the deadline for Cochon and MWS to file their schedules, statements, and list of equity security holders (collectively, the "**Schedules and Statements**") to July 7, 2017, without prejudice to Cochon's and MWS's right to seek an additional extension upon a showing of cause therefore.

On July 10, 2017, Cochon and MWS filed their Schedules and Statements:

- *Schedule of Assets and Liabilities for Cochon Properties, LLC (Case No. 17-50706)* [Docket No. 17], also available in Case No. 17-50705 as Docket No. 285;
- *Schedule of Assets and Liabilities for Morrison Well Services, LLC (Case No. 17-50710)* [Docket No. 17], also available in Case No. 17-50705 as Docket No. 287;
- *Statement of Financial Affairs for Cochon Properties, LLC (Case No. 17-50706)* [Docket No. 16], also available in Case No. 17-50705 as Docket No. 284; and
- *Statement of Financial Affairs for Morrison Well Services, LLC (Case No. 17-50710)* [Docket No. 16], also available in Case No. 17-50705 as Docket No. 286.

On October 9, 2017, MWS filed *Amended Schedule E/F for Morrison Well Services, LLC (Case No. 17-50710)* [Docket No. 18], also available in Case No. 17-50705 as Docket No. 489.

G. Proceedings with Respect to Potential Conversion of Rooster Opco Cases to Chapter 7.

On June 16, 2017, the Administrative Agent filed a *Motion to Convert Rooster Opco Cases to Chapter 7* [Docket No. 119], requesting that the Court convert the chapter 11 cases of Rooster Oil & Gas, LLC, Rooster Petroleum, LLC, and Probe Resources US Ltd. (collectively, the "**Rooster Opco Entities**") to cases under chapter 7 of the Bankruptcy Code for cause, including that the Rooster Opco Entities face continuing diminution to their estates and have no reasonable likelihood of a successful rehabilitation. The Debtors ultimately opposed this motion.

On July 19, 2017, the Rooster Opco Entities filed an *Emergency Motion for Interim and Final Order (I) Authorizing Post Petition Financing, (II) Granting Related Relief, and (III) Scheduling Final Hearing* [Docket No. 309], in which the Rooster Opco Entities sought to borrow funds from an entity controlled by Chester F. Morrison, Jr., a member of the board of directors and the largest shareholder in Rooster Canada, in order to continue funding the operations of the Rooster Opco Entities. The Administrative Agent opposed this motion.

On August 1, 2017, the Administrative Agent filed a *Motion to (I) Adjudicate Allowed Amount of Superpriority Adequate Protection Claim Owed by Rooster Debtors and (II) Compel Payment Thereof* [Docket No. 341] in which the Administrative Agent sought in excess of $1.2 million as an administrative expense from the Rooster Opco Entities. The Debtors opposed this motion.

For the avoidance of doubt, the Plan and this Disclosure Statement do not apply to the Rooster Opco Entities, and the Plan as to Cochon and MWS will move forward regardless of any action that takes place with respect to the

other Note Obligors. The Rooster Opco Entities have filed their own plan [Docket No. 524] (the "**Rooster Opco Plan**") and disclosure statement [Docket No. 523].

All creditors and other parties-in-interest should also be advised that the Plan does not deal with any causes of action that the Rooster Opco Entities may have against any creditors or other parties-in-interest. There is a risk, therefore, post-Confirmation, that the Rooster Opco Entities, or a successor entity or trustee, may seek to assert causes of action against creditors of the Rooster Opco Entities who are also creditors or Cochon and/or MWS. Should the Bankruptcy Court ultimately confirm the Plan, Cochon and MWS will have different ownership from the Rooster Opco Entities and would not expect to be involved in any aspects of this potential litigation.

VII. SUMMARY OF THE PLAN

The proposed Restructuring under the Plan is favorable for Cochon and MWS and their stakeholders because it achieves a substantial deleveraging of Cochon's and MWS's balance sheets through consensus with the Holders of Note Claims and eliminates potential deterioration of value—and disruptions to operations—that could otherwise result from a protracted, contentious and costly bankruptcy case.

A. Unclassified Claims.

Unclassified Claims Summary

In accordance with section 1123(a)(l) of the Bankruptcy Code, Administrative Claims, Priority Tax Claims, and Professional Fee Claims have not been classified and thus are excluded from the Classes of Claims and Equity Interests.

Administrative Claims

Except as otherwise provided for in the Plan, and subject to the requirements of Section 12.01 of the Plan, each Holder of an Allowed Administrative Claim will, in full satisfaction, release, settlement, and discharge of such Allowed Administrative Claim: (a) to the extent such Claim is due and owing on the Effective Date, be paid in full, in Cash, on the Distribution Date; (b) to the extent such Allowed Administrative Claim is not due and owing on the Effective Date, be paid in full, in Cash, (i) when such Claim becomes due and payable under applicable non-bankruptcy law or (ii) in the ordinary course of business; or (c) receive such other treatment as to which such Holder may agree with Reorganized Cochon and Reorganized MWS.

Priority Tax Claims

Each Holder of an Allowed Priority Tax Claim will, in full satisfaction, release and discharge thereof, receive (a) such treatment as to which such Holder may agree with Reorganized Cochon and Reorganized MWS, as the case may be, or (b) at the sole option of Reorganized Cochon and Reorganized MWS, as the case may be, (i) payment in full of such Allowed Priority Tax Claim on the Distribution Date or (ii) treatment in accordance with the provisions of sections 1129(a)(9)(C) or 1129(a)(9)(D) of the Bankruptcy Code, as the case may be. To the extent that Cochon and MWS elect to treat an Allowed Priority Tax Claim in accordance with sections 1129(a)(9)(C) or 1129(a)(9)(D) of the Bankruptcy Code, payments will be made in equal monthly payments commencing within 30 days after the date such Allowed Priority Tax Claim becomes Allowed and ending no later than 60 months after the Petition Date.

Professional Fee Claims

All final requests for compensation or reimbursement of Professional Fee Claims pursuant to sections 327, 328, 330, 331, 363, 503(b), or 1103 of the Bankruptcy Code for services rendered to or on behalf of the applicable Debtors or the Committee prior to the Effective Date (other than Substantial Contribution Claims under section 503(b)(4) of the Bankruptcy Code) must be filed and served on the Reorganized Debtors and their counsel no later than the Subsequent Administrative Claims Bar Date, unless otherwise ordered by the Bankruptcy Court. Objections to applications of such Professionals or other entities for compensation or reimbursement of expenses must be filed and served on the requesting Professional or other Entity no later than twenty-one (21) days (or such

longer period as may be allowed by order of the Bankruptcy Court) after the date on which the applicable application for compensation or reimbursement was served. If such a request is granted by the Bankruptcy Court, such Professional Fee Claim will be paid in full by the Reorganized Debtors in such amount as is Allowed by the Bankruptcy Court on the date such Professional Fee Claim becomes an Allowed Professional Fee Claim, or as soon as reasonably practicable thereafter. Upon the Effective Date, any requirement that Professionals comply with sections 327 through 331, 363, and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date will terminate, and the Reorganized Debtors may employ and pay any Professional without any further notice to or action, order, or approval of the Bankruptcy Court.

DIP Claims

The Administrative Agent and the Note Holders shall receive on the Effective Date, Pro Rata with their recovery on account of the Note Claims, 100% of the New Equity of the Reorganized Debtors in exchange for the DIP Claims and the Adequate Protection Claims.

B. Classifications and Treatment of Claims and Equity Interests.

1. Class 1 – Other Priority Claims.

a. *Classification*: Class 1 consists of Other Priority Claims.

b. *Treatment*: Except to the extent that a Holder of an Allowed Other Priority Claim agrees in writing to less favorable treatment, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Other Priority Claim, each Holder of an Allowed Other Priority Claim will receive either: (a) Cash equal to the full Allowed amount of such Allowed Other Priority Claim or (b) such other treatment as may be agreed to by such Holder and the Administrative Agent at the direction of the Requisite Note Holders.

c. *Voting*: Class 1 is Unimpaired by the Plan and Holders of Allowed Other Priority Claims are not entitled to vote to accept or reject the Plan and are conclusively deemed to have accepted the Plan under section 1126(f) of the Bankruptcy Code.

2. Class 2 – Other Secured Claims.

a. *Classification*: Class 2 consists of Other Secured Claims.

b. *Treatment*: Except to the extent that a Holder of an Allowed Other Secured Claim agrees in writing to less favorable treatment, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Other Secured Claim, each Holder of an Allowed Other Secured Claim will receive, at the Administrative Agent's election (at the direction of the Requisite Note Holders), either: (a) Cash equal to the full Allowed amount of such Holder's Allowed Other Secured Claim, (b) Reinstatement of such Holder's Allowed Other Secured Claim, (c) the return or abandonment of the Collateral securing such Holder's Allowed Other Secured Claim to such Holder, or (d) such other treatment as may be agreed to by such Holder and the Administrative Agent at the direction of the Requisite Note Holders.

c. *Voting*: Class 2 is Unimpaired by the Plan and Holders of Allowed Other Secured Claims are not entitled to vote to accept or reject the Plan and are conclusively deemed to have accepted the Plan under section 1126(f) of the Bankruptcy Code.

3. Class 3 – Note Claims.

a. *Classification*: Class 3 consists of Note Claims.

b. *Treatment*: On the Effective Date, the Note Claims will be deemed Allowed Claims in an amount not less than $54,943,000 comprised of an amount of not less than $53,138,000 in principal under the Notes and the Note Purchase Agreement as of the Petition Date, plus accrued and unpaid interest, fees,

costs, and expenses in an amount of not less than $1,805,000 accrued under the Notes and the Note Purchase Agreement as of the Petition Date. The Note Claims will not be subject to any avoidance, reduction, setoff, offset, recharacterization, subordination (whether contractual or otherwise) counterclaim, cross-claim, defense, disallowance, impairment, objection, or challenges under any applicable law or regulation by any Person. The Holders of the Note Claims will receive on the Effective Date (i) their Pro Rata share of the Exit Facility, and (ii) Pro Rata with their recovery on account of the DIP Claims and the Adequate Protection Claims, their Pro Rata share of one hundred percent (100%) of the New Equity of the Reorganized Debtors; provided, however, that the Holders of the Note Claims will retain all of their Claims, Liens, and security interests against the Rooster Entities pursuant to Section 4.16 of the Plan. Additionally, all Liens and security interests on and in property of the Debtors securing the Claims and obligations arising under the Notes and the Note Purchase Agreement as of the Petition Date are unaltered by this Plan and will continue to secure the indebtedness and obligations arising under the Exit Facility Documents.

c. *Voting*: Class 3 is Impaired by the Plan and Holders of Note Claims are entitled to vote to accept or reject the Plan.

4. Class 4 – Bonding Claims.

a. *Classification*: Class 4 consists of Bonding Claims.

b. *Treatment*: If a Holder of a Bonding Claim votes to accept the Plan, such Holder's Cochon Bonds will remain in effect in accordance with Section 4.18 of the Plan, the premiums on such Cochon Bonds will be paid in the ordinary course of business, and such Holder will receive its Pro Rata share of a Cash payment of $25,000 in full and final satisfaction of its Bonding Claims. If a Holder of a Bonding Claim votes to reject the Plan, (i) such Holder's Cochon Bonds will be replaced in the ordinary course of business after the Effective Date, (ii) any indemnity agreement with such issuers of Cochon Bonds will be rejected, and (iii) such Holder will receive a Cash payment in the amount such Holder would receive in a chapter 7 liquidation, as determined by a finding by the Bankruptcy Court in full and final satisfaction of its Bonding Claims.

c. *Voting*: Class 4 is Impaired by the Plan and Holders of Bonding Claims are entitled to vote to accept or reject the Plan.

5. Class 5 – Cochon Unsecured Trade Claims.

a. *Classification*: Class 5 consists of Cochon Unsecured Trade Claims.

b. *Treatment*: On the Effective Date, except to the extent a Holder of an Allowed Cochon Unsecured Trade Claim agrees in writing to less favorable treatment, in full and final satisfaction, settlement, and release of, and in exchange for each Allowed Cochon Unsecured Trade Claim, each Holder of an Allowed Cochon Unsecured Trade Claim will receive a Cash payment in the full Allowed amount of such Claim from the Cochon Unsecured Trade Claims Fund; provided, however, that if the Allowed aggregate amount of Cochon Unsecured Trade Claims exceeds the Cochon Unsecured Trade Claims Fund, then such Holders will share Pro Rata in the Cochon Unsecured Trade Claims Fund.[5]

c. *Voting*: Class 5 is Impaired by the Plan and Holders of Allowed Cochon Unsecured Trade Claims are entitled to vote to accept or reject the Plan.

6. Class 6 – MWS Unsecured Trade Claims.

a. *Classification*: Class 6 consists of MWS Unsecured Trade Claims.

b. *Treatment*: On the Effective Date, except to the extent a Holder of an Allowed MWS Unsecured Trade Claim agrees in writing to less favorable treatment, in full and final satisfaction, settlement, and release

[5] The aggregate amounts listed for the Cochon Unsecured Trade Claims are based on a 100% recovery determined by the claim amounts set forth in Cochon's Schedule of Assets and Liabilities as filed with the Bankruptcy Court on July 10, 2017.

of, and in exchange for each Allowed MWS Unsecured Trade Claim, each Holder of an Allowed MWS Unsecured Trade Claim will receive a Cash payment in the full Allowed amount of such Claim from the MWS Unsecured Trade Claims Fund; provided, however, that if the Allowed aggregate amount of MWS Unsecured Trade Claims exceeds the MWS Unsecured Trade Claims Fund, then such Holders will share Pro Rata in the MWS Unsecured Trade Claims Fund.[6]

c. *Voting*: Class 6 is Impaired by the Plan and Holders of Allowed MWS Unsecured Trade Claims are entitled to vote to accept or reject the Plan.

7. Class 7 – General Unsecured Claims.

a. *Classification*: Class 7 consists of General Unsecured Claims.

b. *Treatment*: On the Effective Date, except to the extent a Holder of an Allowed General Unsecured Claim agrees in writing to less favorable treatment, in full and final satisfaction, settlement, and release of, and in exchange for each Allowed General Unsecured Claim, each Holder of an Allowed General Unsecured Claim (other than Note Claims, the Bonding Claims, Cochon Unsecured Trade Claims, and MWS Unsecured Trade Claims) will receive its Pro Rata share of $25,000.

c. *Voting*: Class 7 is Impaired by the Plan and Holders of Allowed General Unsecured Claims are entitled to vote to accept or reject the Plan.

8. Class 8 – Debtor Intercompany Claims.

a. *Classification*. Class 8 consists of Debtor Intercompany Claims.

b. *Treatment*. Each Allowed Class 8 Claim will be, at the option of the Administrative Agent at the direction of the Requisite Note Holders, either:

i. reinstated; or

ii. cancelled and released without any distribution on account of such Claims,

in each case (i) and (ii) in a tax and business efficient manner acceptable to the Administrative Agent at the direction of the Requisite Note Holders.

c. *Voting*. Class 8 is Unimpaired or Impaired by the Plan (as applicable depending on the election above) and Holders of Allowed Debtor Intercompany Claims are not entitled to vote to accept or reject the Plan and are conclusively deemed to have accepted or rejected the Plan (as applicable depending on the election above) under section 1126(f) of the Bankruptcy Code.

9. Class 9 – Section 510(b) Claims.

a. *Classification*: Class 9 consists of Section 510(b) Claims.

b. *Treatment*: Class 9 Claims, if any, will be cancelled, released, and extinguished as of the Effective Date, and will be of no further force or effect, and Holders of Section 510(b) Claims will not receive any distribution on account of such Section 510(b) Claims.

c. *Voting*: Class 9 is Impaired by the Plan. Each Holder of a Section 510(b) Claim will be conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, each Holder of a Section 510(b) Claim will not be entitled to vote to accept or reject the Plan.

[6] The aggregate amounts listed for the MWS Unsecured Trade Claims are based on a 100% recovery determined by the claim amounts set forth in MWS's Schedule of Assets and Liabilities as filed with the Bankruptcy Court on July 10, 2017.

10. Class 10 – Existing Equity.

a. *Classification*: Class 10 consists of Existing Equity.

b. *Treatment*: Existing Equity in Cochon and MWS will be cancelled and extinguished without further notice to, approval of, or action by any Entity, and each Holder of Existing Equity in Cochon or MWS will receive no recovery on account of such Existing Equity.

c. *Voting*: Class 10 is Impaired by the Plan. Each Holder of Existing Equity in Cochon and MWS will be conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, each Holder of Existing Equity will not be entitled to vote to accept or reject the Plan.

Cram Down.

If any Class of Claims or Equity Interests entitled to vote on the Plan does not vote to accept the Plan, the Plan Proponents will (a) seek confirmation of the Plan under section 1129(b) of the Bankruptcy Code or (b) amend or modify the Plan in accordance with Article IX of the Plan. With respect to any Class of Claims or Equity Interests that is deemed to reject the Plan, the Plan Proponents will request that the Bankruptcy Court confirm or "cram down" the Plan pursuant to section 1129(b) of the Bankruptcy Code.

Elimination of Vacant Classes.

Any Class of Claims that is not occupied as of the commencement of the Confirmation Hearing by an Allowed Claim or a Claim temporarily allowed under Bankruptcy Rule 3018, or as to which no vote is cast, will be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

C. Means for Implementation of the Plan.

General Settlement of Claims and Equity Interests.

As provided in the Plan, pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, Distributions, releases, and other benefits provided under the Plan, upon the Effective Date, the provisions of the Plan will constitute a good faith compromise and settlement of all Claims and Equity Interests and controversies resolved pursuant to the Plan. Subject to Article V of the Plan, all Distributions made to Holders of Allowed Claims and Allowed Equity Interests in any Class are intended to be and will be final.

Voting of Claims.

Each Holder of an Allowed Claim as of the Voting Deadline in an Impaired Class of Claims that is not (a) deemed to have rejected the Plan or (b) conclusively presumed to have accepted the Plan, and that held such Claim as of the Voting Record Date, will be entitled to vote to accept or reject the Plan. The instructions for completion of the Ballots are set forth in the instructions accompanying each Ballot.

Issuance of New Equity.

Prior to the Effective Date, the Administrative Agent, at the direction of the Requisite Note Holders, will have the option to elect to form a new entity ("**New Holdco**") and may elect to have the New Equity to which the Note Holders would be entitled issued to New Holdco on the Effective Date.

Subject to and in accordance with the New Governance Documents, the issuance of the New Equity will be authorized without the need for any further corporate action or any further action by the Holders of Claims or Equity Interests. All of the membership interests of the New Equity issued pursuant to the Plan will be duly authorized, validly issued, fully paid, and nonassessable, and will be subject to the terms and conditions of the New Governance Documents. Each Distribution and issuance referred to in Article V of the Plan will be governed by the terms and conditions set forth in the Plan applicable to such Distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such Distribution or issuance, which terms and conditions will bind each Entity

receiving such Distribution or issuance. On or before the Distribution Date, the Reorganized Debtors will issue the New Equity for Distribution pursuant to the provisions of the Plan. All securities to be issued will be deemed issued as of the Effective Date regardless of the date on which they are actually distributed.

Exit Facility.

On the Effective Date, the Reorganized Debtors will enter into the Exit Facility in accordance with the terms of the Exit Facility Credit Agreement. The Exit Facility will mature three (3) years from the Effective Date and will bear interest at ten percent (10.0%) per annum, which will be paid quarterly in Cash. The Reorganized Debtors will submit a G&A budget to the Note Holders semi-annually for approval and subsequent covenant compliance. All net cash flow from Vermillion 67 will be segregated, swept upon receipt, and applied against the Exit Facility. The Exit Facility will be subject to amortization equal to a fifty percent (50.0%) quarterly excess cash flow sweep. Excess cash flow will be defined as net revenue less: (a) operating expenses incurred and paid in the period of measurement, (b) cash G&A, (c) cash interest expense, (d) approved capex, and (e) any federal, state and/or local income taxes, not otherwise included in items (a)-(d) herein. Capex will be approved semi-annually by the Note Holders and based on the approved budget. The Note Holders may elect to provide (as part of the Exit Facility or as a separate facility) an asset-based working capital facility of up to four million dollars ($4,000,000) or to address working capital needs by retaining net cash flow of the Reorganized Debtors in order to build up to a four million dollar ($4,000,000) unrestricted cash balance.

The Confirmation Order will constitute approval of the Exit Facility (including the transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred and fees paid by the Reorganized Debtors in connection therewith), and authorization for the Reorganized Debtors to enter into and perform under the Exit Facility Documents and such other documents as may be required or appropriate.

The Exit Facility Documents will constitute legal, valid, binding, and authorized obligations of the Reorganized Debtors, enforceable in accordance with their terms. The financial accommodations to be extended pursuant to the Exit Facility Documents are being extended, and will be deemed to have been extended, in good faith, for legitimate business purposes, are reasonable, will not be subject to avoidance, recharacterization, or subordination (including equitable subordination) for any purposes whatsoever, and will not constitute preferential transfers, fraudulent transfers, obligations, or conveyances, or other voidable transfers or obligations under the Bankruptcy Code or any other applicable non-bankruptcy law. On the Effective Date, all of the Liens and security interests to be granted in accordance with the Exit Facility Documents (a) will be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Exit Facility Documents, (b) will be deemed automatically perfected on the Effective Date, subject only to such Liens and security interests as may be permitted under the Exit Facility Documents, and (c) will not be subject to avoidance, recharacterization, or subordination (including equitable subordination) for any purposes whatsoever and will not constitute preferential transfers, fraudulent transfers, obligations, or conveyances, or other voidable transfers or obligations under the Bankruptcy Code or any applicable non-bankruptcy law. The Reorganized Debtors and the persons and entities granted such Liens and security interests are authorized to make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of the applicable state, provincial, federal, or other law (whether domestic or foreign) that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection will occur automatically by virtue of the entry of the Confirmation Order, and any such filings, recordings, approvals, and consents will not be required), and will thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable law to give notice of such Liens and security interests to third parties.

All Liens and security interests on such property and collateral securing the Claims and obligations arising under the Notes and the Note Purchase Agreement as of the Petition Date are unaltered by the Plan and shall continue to secure the indebtedness and obligations of the Reorganized Debtors arising under the Exit Facility Documents.

The Administrative Agent, at the direction of the Requisite Note Holders, may elect to cause the Reorganized Debtors to enter into new hedging agreements or to receive a novation or assignment of hedges held by the Rooster Entities on the Effective Date, including, without limitation, the entry by the Reorganized Debtors into hedging documents and intercreditor agreements related thereto.

Bankruptcy Restructuring.

On the Effective Date, and pursuant to the Plan or the applicable Restructuring Documents, the applicable Debtors or Reorganized Debtors will enter into the Bankruptcy Restructuring contemplated by the Plan, and will take any actions as may be reasonably necessary or appropriate to effect a restructuring of their respective liabilities, Claims, and Equity Interests. The actions to effect the Bankruptcy Restructuring may include: (a) the execution and delivery of appropriate agreements or other documents containing terms that are consistent with the terms of the Plan and that satisfy the applicable requirements of applicable state law and any other terms to which the applicable Entities may agree; (b) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable parties agree; (c) the filing of appropriate certificates or articles of incorporation or reincorporation, or formation pursuant to applicable state law; and (d) all other actions that the applicable Entities determine to be reasonably necessary or appropriate, including making filings or recordings that may be required by applicable state law in connection with the Bankruptcy Restructuring. The chairman of the board of directors, president, chief executive officer, chief financial officer, or any other appropriate officer, manager, or managing partner of each Debtor or Reorganized Debtor, as appropriate, will be authorized to execute, deliver, file, or record such contracts, instruments, releases, indentures, and other agreements or documents, and take such other actions, as may be reasonably necessary or appropriate, to effectuate and further evidence the terms and conditions of the Plan and the other Restructuring Documents. The secretary or assistant secretary of the appropriate Debtor or Reorganized Debtor, as appropriate, will be authorized to certify or attest to any of the foregoing actions. All actions taken, or caused to be taken, to effect the Bankruptcy Restructuring will be deemed to have been authorized and approved by the Bankruptcy Court.

Continued Corporate Existence.

Except as otherwise provided in the Plan, following the Effective Date, the Reorganized Debtors will continue to exist as separate limited liability companies, in accordance with applicable non-bankruptcy law and pursuant to their Governance Documents in effect prior to the Effective Date, except to the extent that such Governance Documents are amended by the terms of the Plan or the New Governance Documents. After the Effective Date, subject to the terms and conditions of the applicable Restructuring Documents, the Reorganized Debtors will be free to act in accordance with applicable governance laws, including laws regarding sale of assets, mergers, dissolution, and name changes. Notwithstanding anything to the contrary in the Plan, the Claims of a particular Debtor or Reorganized Debtor will remain the obligations solely of such Debtor or Reorganized Debtor and will not become obligations of any other Debtor or Reorganized Debtor solely by virtue of the Plan or the Cases.

New Governance Documents.

The Reorganized Debtors will adopt and file New Governance Documents as of the Effective Date that will be in form and substance acceptable to the Administrative Agent at the direction of the Requisite Note Holders. After the Effective Date, the New Governance Documents (a) will prohibit the issuance of nonvoting equity securities to the extent required by section 1123 of the Bankruptcy Code, and (b) after the Effective Date, will be subject to further amendment as provided in such New Governance Documents or as otherwise permitted by applicable law. The initial board of directors of the Reorganized Debtors will be appointed by the Administrative Agent at the direction of the Requisite Note Holders.

The board of directors of the Reorganized Debtors will be appointed by the Administrative Agent, at the direction of the Requisite Note Holders, in accordance with the terms of the New Governance Documents. Kenneth F. Tamplain, if he agrees, will initially be employed as the interim chief executive officer of the Reorganized Debtors, and the board of the Reorganized Debtors will conduct a search for a permanent chief executive officer. To the extent that the permanent chief executive officer selected by the board of directors of the Reorganized Debtors is not Kenneth F. Tamplain, then Kenneth F. Tamplain will be offered the opportunity to continue to serve as an officer of the Reorganized Debtors with the title of president. Gary Nuschler, if he agrees, will be employed as the chief financial officer of the Reorganized Debtors, and Gary Nuschler, if he agrees, will continue to serve as an officer of the Reorganized Debtors with the title of vice president of finance and/or treasurer to the extent of any changes that result from the permanent chief executive officer search process.

Revesting of Assets.

Except as otherwise provided in the Plan or in the Confirmation Order and excluding the Non-Vesting Assets, as of the Effective Date all property of the Debtors other than the Non-Vesting Assets, including all claims, rights, and Causes of Action and any assets or property acquired by the Debtors or the Reorganized Debtors during the Cases or under or in connection with the Plan, will vest or revest in the applicable Reorganized Debtor (i) free and clear of all Claims, Liens, encumbrances, and other Equity Interests and (ii) subject to all rights of the Debtors under Bankruptcy Code § 544 as such rights existed during the pendency of these Cases so that the Reorganized Debtors may assert any such rights. Notwithstanding the foregoing, (i) all such property will be subject to the Claims, Liens and encumbrances arising under the Exit Facility and (ii) all Claims, Liens and encumbrances on such property and collateral securing the Claims and obligations arising under the Notes and the Note Purchase Agreement as of the Petition Date are unaltered by the Plan and will continue to secure the indebtedness and obligations arising under the Exit Facility Documents. From and after the Effective Date, the Reorganized Debtors may operate their businesses and use, acquire, and dispose of property and settle and compromise claims or interests without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan and the Confirmation Order. Without limiting the generality of the foregoing, the Reorganized Debtors may, without application to or approval by the Bankruptcy Court or any other Person or party, pay professional fees and expenses that they incur after the Effective Date.

Preservation of Rights of Action; Settlement.

Except to the extent such rights, claims, Causes of Action, defenses, and counterclaims are otherwise dealt with in the Plan or are expressly and specifically released in connection with the Plan, the Confirmation Order, or in any settlement agreement approved during the Cases, or otherwise provided in the Confirmation Order or in any contract, instrument, release, indenture or other agreement entered into in connection with the Plan, in accordance with section 1123(b) of the Bankruptcy Code, the Debtors and Reorganized Debtors reserve any and all rights, claims, Causes of Action, defenses, and counterclaims of or accruing to the Debtors whether or not litigation relating thereto is pending on the Effective Date, including any types of Causes of Action described or referred to in the Disclosure Statement, including, as identified in **Exhibit D** hereof, or the Schedules. Except as provided in the Plan or the Confirmation Order, Avoidance Actions will revest in the Reorganized Debtors; provided, however, that except for Avoidance Actions against the Morrison Group, the Avoidance Actions against Holders of Trade Claims will be preserved solely for purposes of setoff or recoupment against a Claim that would otherwise be Allowed, and in no event will Avoidance Actions against Holders of Trade Claims (other than Avoidance Actions against the Morrison Group) be pursued for purposes of seeking affirmative recoveries. Notwithstanding the foregoing, Avoidance Actions against the Morrison Group and parties other than Holders of Trade Claims will not be released upon the Effective Date, and the Reorganized Debtors may pursue Avoidance Actions against the Morrison Group and parties other than Holders of Trade Claims for purposes of seeking affirmative recoveries. The Reorganized Debtors will have the exclusive right, authority and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw or litigate to judgment any or all of such rights, claims, Causes of Action, defenses, and counterclaims and to decline to do any of the foregoing without further notice to or action, order or approval of the Bankruptcy Court.

Please review the specific types of Causes of Actions expressly preserved by the Debtors and Reorganized Debtors, including those disclosed on **Exhibit D** hereof.

Other Causes of Action.

(A) Investigations of Causes of Action

The Debtors and the Reorganized Debtors will continue the investigation, analysis, and pursuit of Causes of Action, against a number of persons, relating to, among other things, the following:

- Any lawsuits for, or in any way involving, the collection of accounts receivable, lien foreclosures or any matter related to the Plan;

- Any actions against landlords, lessees, sublessees, or assignees arising from various leases, subleases, and assignment agreements relating thereto, including, but not limited to, actions for overcharges relating to taxes, common area maintenance and other similar charges;
- Any litigation or lawsuit initiated by Cochon or MWS that is currently pending, whether in the Bankruptcy Court, before the American Arbitration Association, or any other court or tribunal;
- Any and all Causes of Action against any customer or vendor who has improperly asserted or taken action through setoff or recoupment; and
- Any and all actions, whether legal, equitable, or statutory in nature, arising out of, or in connection with, Cochon's and MWS's business operations.

In addition, there may be numerous other Causes of Action which currently exist or may subsequently arise that are not set forth in the Plan or Disclosure Statement, because the facts upon which such Causes of Action are based are not fully or currently known by Cochon and MWS and as a result, cannot be raised during the pendency of the Cases (collectively, "**Unknown Causes of Action**"). The failure to list any such Unknown Cause of Action in the Plan or the Disclosure Statement is not intended to limit the rights of Cochon and MWS or Reorganized Cochon and Reorganized MWS to pursue any Unknown Cause of Action to the extent the facts underlying such Unknown Cause of Action become fully known to Cochon and MWS.

(B) Preservation of All Causes of Action not expressly settled, released, or otherwise assigned or transferred to non-Debtor third parties

Cochon and MWS have disclosed on **Exhibit D** hereof certain material Causes of Action including Avoidance Actions and other actions that they may hold against third parties. However, Cochon and MWS have not concluded the investigation and analysis of all potential claims and Causes of Action against third parties. It is the contemplation of the Plan, that such investigation and analysis will continue post-Confirmation by Reorganized Cochon and Reorganized MWS. You should not rely on the omission of the disclosure of a claim or Cause of Action to assume that Cochon and MWS hold no claim or Cause of Action against any third-party, including any party that may be reading this Disclosure Statement and/or casting a Ballot.

Unless expressly released by the Plan or by an order of the Bankruptcy Court, any and all such claims or Causes of Action against third parties are specifically reserved, including but not limited to any such claims or Causes of Action relating to any counterclaims, demands, controversies, costs, debts, sums of money, accounts, reckonings, bonds, bills, damages, obligations, liabilities, objections, legal proceedings, equitable proceedings, and executions of any nature, type, or description, avoidance actions, preference actions, fraudulent transfer actions, strong-arm power actions, state law fraudulent transfer actions, improper assignments of interest, negligence, gross negligence, willful misconduct, usury, fraud, deceit, misrepresentation, conspiracy, unconscionability, duress, economic duress, defamation, control, interference with contractual and business relationships, conflicts of interest, misuse of insider information, concealment, disclosure, secrecy, misuse of collateral, wrongful release of collateral, failure to inspect, environmental due diligence, negligent loan processing and administration, wrongful recoupment, wrongful setoff, violations of statutes and regulations of governmental entities, instrumentalities and agencies, equitable subordination, debt recharacterization, substantive consolidation, securities and antitrust laws violations, tying arrangements, deceptive trade practices, breach or abuse of any alleged fiduciary duty, breach of any special relationship, course of conduct or dealing, obligation of fair dealing, obligation of good faith, at law or in equity, in contract, in tort, or otherwise, known or unknown, suspected or unsuspected.

Unless expressly released by the Plan or by an order of the Bankruptcy Court, Cochon and MWS may hold claims against Holders of Claims or Equity Interests and Cochon and MWS or Reorganized Cochon and Reorganized MWS may pursue such claims, including but not limited to, the following claims and Causes of Action, all of which will be preserved:[7]

- Preference claims under section 547 of the Bankruptcy Code;

[7] Pursuit of a claim or Cause of Action may include, but not be limited to, service of a demand letter, settlement negotiation, pursuit of litigation, and any other means available to Cochon and MWS or Reorganized Cochon and Reorganized MWS to obtain a resolution of such claim or Cause of Action.

- Fraudulent transfer and other avoidance claims arising under sections 506, 542 through 551, and 553 of the Bankruptcy Code and various state laws, including, but not limited, to claims against any recipients of transfers included in Cochon's and MWS's Statements of Financial Affairs;
- Unauthorized post-petition transfer claims including, without limitation, claims under section 549 of the Bankruptcy Code;
- Claims and Causes of Action asserted in current litigation, whether commenced pre- or post-petition, including all litigation referenced in Cochon's and MWS's Statements of Financial Affairs, including, but not limited to, any assignments of working interests that were not made pursuant to a farmout agreement protected by 11 U.S.C. § 541(b)(4);
- Counterclaims asserted in current litigation;
- Claims and Causes of Action against Cochon's and MWS's former and/or current officers, directors, managers, and employees (and their respective insurers), among other claims, interference with contractual and business relationships, conspiracy, conflict of interest, misuse of insider information, misuse of collateral, negligence, negligent oversight, breach or abuse of fiduciary duties, breach of special relationships, breach of conduct or dealing, breach of contract, and usurpation of corporate opportunities;
- Claims and Causes of Action against any and all former and/or current affiliates and insiders of any of Cochon and MWS (and their respective insurers), for, among other claims, fraudulent transfers, wrongful recoupment, interference with contractual and business relationships, conspiracy, conflict of interest, misuse of insider information, misuse of collateral, negligence, negligent oversight, breach or abuse of fiduciary duties, breach of special relationships, breach of conduct or dealing, breach of contract, and usurpation of corporate opportunities;
- Claims and Causes of Action against Cochon's and MWS's direct and indirect Equity Interest Holders (and their respective insurers); and
- Claims and Causes of Action related to the improper assignments of property and interests.

Cochon, MWS, Reorganized Cochon and Reorganized MWS will have the authority to pursue all defendants described in this Disclosure Statement for all claims and Causes of Action described herein that are not resolved by Cochon and MWS prior to the Effective Date or released under the Plan. Pursuit of a claim or Cause of Action may include, but not be limited to, service of a demand letter, settlement negotiation, pursuit of litigation, and any other means available to Cochon and MWS to obtain a resolution of such claim or Cause of Action. In the event Cochon and MWS are not able to resolve any claims and Causes of Action described in the Disclosure Statement, Cochon and MWS or Reorganized Cochon and Reorganized MWS may escalate their pursuit of claims and Causes of Action by any means authorized under the Plan, Disclosure Statement, and applicable law, including litigation in such forum as Cochon and MWS or Reorganized Cochon and Reorganized MWS deem appropriate. Resolution of the claims and Causes of Action described in this Disclosure Statement will be in accordance with the requirements and procedures set forth in the Plan.

Cochon's and MWS's failure to identify a claim or Cause of Action herein or in **Exhibit D** hereof is specifically not a waiver of any claim or Cause of Action. Cochon and MWS will not ask the Bankruptcy Court to rule or make findings with respect to the existence of any Cause of Action or the value of the entirety of the Estates at the Confirmation Hearing; accordingly, except claims or Causes of Action which are expressly released by the Plan or by an Order of the Bankruptcy Court, Cochon's and MWS's failure to identify a claim or Cause of Action herein will not give rise to any defense of any preclusion doctrine, including, but not limited to, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, waiver, estoppel (judicial, equitable, or otherwise), or laches with respect to claims or Causes of Action which could be asserted against third parties, including Holders of Claims against or Equity Interests in Cochon and MWS who may be reading this Disclosure Statement and/or casting a Ballot, except where such claims or Causes of Action have been explicitly released in the Plan or the Confirmation Order.

In addition, Cochon, MWS, Reorganized Cochon and Reorganized MWS expressly reserve the right to pursue or adopt any claim alleged in any lawsuit in which Cochon or MWS is a party.

Please take notice that, with the exception of those causes of action that are released or waived under the terms of the Plan, all causes of action of Cochon and MWS and their Estates, whether or not specified herein, will be preserved pursuant to the Plan. The lack of disclosure of any particular cause of action will not constitute, nor be deemed to constitute, a release or waiver of such cause of action, as the Plan Proponents intend for the Plan to preserve any and all causes of action held by Cochon and MWS and their Estates as of the Effective Date of the Plan.

Employee and Retiree Benefits.

On and after the Effective Date, except as otherwise provided in the Plan, the Reorganized Debtors will: (a) honor, in the ordinary course of business any unrejected [contracts, agreements, policies, programs, and plans for, among other things, compensation (with the exception of equity benefits plans that were in existence on the Petition Date, which plans will be cancelled upon the Effective Date), health care benefits, disability benefits, deferred compensation benefits, travel benefits, savings, retirement benefits, welfare benefits, workers' compensation insurance, accidental death and dismemberment insurance for the directors, officers and employees of any of the Debtors who served in such capacity at the time of the Petition Date, and any other benefit plan;] and (b) honor, in the ordinary course of business, Claims of employees employed as of the Effective Date for accrued vacation time arising prior to the Petition Date; provided, however, that the Debtors' or Reorganized Debtors' performance of any employment agreement will not entitle any person to any benefit or alleged entitlement under any policy, program, or plan that has expired or been terminated before the Effective Date, or restore, reinstate, or revive any such benefit or alleged entitlement under any such policy, program, or plan. Nothing in the Plan will limit, diminish, or otherwise alter the Reorganized Debtors' defenses, claims, any Causes of Action, or other rights with respect to any such contracts, agreements, policies, programs, and plans. Notwithstanding the foregoing, pursuant to section 1129(a)(13) of the Bankruptcy Code, on and after the Effective Date, all "retiree benefits" (as that term is defined in section 1114 of the Bankruptcy Code), if any, will continue to be paid in accordance with applicable law.

Workers' Compensation Programs.

On and after the Effective Date, except as otherwise provided in the Plan, the Reorganized Debtors will continue to honor their post-petition obligations under: (a) all applicable workers' compensation or similar laws in the states or countries in which the Reorganized Debtors operate; and (b) the Debtors' written contracts, agreements, agreements of indemnity, self-insurer workers' compensation bonds, policies, programs and plans for workers' compensation and workers' compensation insurance currently in effect. Nothing in the Plan will limit, diminish or otherwise alter the Debtors' or Reorganized Debtors' defenses, claims, Causes of Action, or other rights under applicable non-bankruptcy law with respect to any such contracts, agreements, policies, programs and plans; provided, however, that nothing in the Plan will be deemed to impose any obligations on the Debtors or Reorganized Debtors in addition to what is required under the provisions of applicable law.

Exemption from Certain Transfer Taxes.

Pursuant to, and to the fullest extent permitted by, section 1146(a) of the Bankruptcy Code, any transfer of property (including by issuance, transfer, or exchange of a security, or the making or delivery of an instrument of transfer of property), pursuant to or in connection with the Plan or the Restructuring Documents will not be subject to any Stamp or Similar Tax or governmental assessment in the United States or by any other Governmental Unit, and the Confirmation Order will direct the appropriate federal, state or local (domestic or foreign) governmental officials or agents to forgo the collection of any such Stamp or Similar Tax or governmental assessment and to accept for filing and recordation instruments or other documents evidencing such action or event without the payment of any such Stamp or Similar Tax or governmental assessment. Such exemption specifically applies, without limitation, to (i) all actions, agreements and documents necessary to evidence and implement the provisions of, transactions contemplated by and the Distributions to be made under the Plan or the Restructuring Documents, (ii) the issuance and Distribution of the New Equity Interests, and (iii) the maintenance or creation of security interests or any Lien as contemplated by the Plan or the Restructuring Documents.

Section 1145 and Other Exemptions.

On and after the Effective Date, each of the Debtors and the Reorganized Debtors is authorized to and will provide, distribute, or issue, as applicable, the New Equity Interests, and any and all other instruments, certificates, and other documents or agreements required to be provided, distributed, issued, executed or delivered pursuant to or in connection with the Plan (collectively, the "**Plan Securities and Documents**"), in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity. The issuance of the New Equity Interests and the Distribution thereof under the Plan will be exempt from registration under applicable securities laws (including Section 5 of the Securities Act or any similar state law requiring the registration for offer or sale of a security or registration or licensing of an issuer of a security) pursuant to section 1145(a) of the Bankruptcy Code, Section 4(a)(2) of the Securities Act, and/or other applicable exemptions. The New Equity Interests may not be transferred, encumbered, or otherwise disposed of in the absence of such registration or an exemption therefrom under the Securities Act or under such laws and regulations thereunder. Accordingly, the New Equity Interests may be subject to restrictions on transfer as set forth in the governing documents to such New Equity Interests.

Without limiting the effect of section 1145 of the Bankruptcy Code, all documents, agreements, and instruments entered into and delivered on or as of the Effective Date contemplated by or in furtherance of the Plan will become effective and binding in accordance with their respective terms and conditions upon the parties thereto, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization, or approval of any Entity (other than as expressly required by such applicable agreement).

Authority.

All actions and transactions contemplated under the Plan, including, but not limited to, the execution of the New Governance Documents, the entry into the Exit Facility, and the issuance of the New Equity Interests are and will be authorized upon Confirmation of the Plan, in each case without further notice to or order of the Bankruptcy Court, and without the need of further approvals, notices or meetings of the Debtors' directors, officers, managers, shareholders and/or members (except for those expressly required pursuant hereto or by the Restructuring Documents). Specifically, all amendments to the charters, certificates of incorporation or formation, the articles of incorporation or organization, the operating agreements, the limited liability company agreements, and/or bylaws of any of the Debtors, and all other corporate action on behalf of any of the Debtors or the Reorganized Debtors as may be necessary to put into effect or carry out the terms and intent of the Plan may be effected, exercised, and taken, in each case without further notice to or order of the Bankruptcy Court and without further action by the Debtors' directors, officers, managers, shareholders and/or members with like effect as if effected, exercised, and taken by unanimous action of the directors, officers, managers, shareholders and/or members of the Debtors or the Reorganized Debtors (as applicable). The Confirmation Order will include provisions dispensing with the need of further approvals, notices or meetings of the Debtors or holders of Equity Interests and authorizing and directing any director, officer, manager, or member of each respective Debtor to execute any document, certificate or agreement necessary to effectuate the Plan on behalf of such Debtor, which documents, certificates, and agreements will be binding on the Debtors, the Creditors, and all Holders of Equity Interests.

Continuing Effectiveness of Final Orders.

Payment authorization granted to the Debtors under any prior Final Order entered by the Bankruptcy Court will continue in effect after the Effective Date. Accordingly, the Debtors or the Reorganized Debtors may pay or otherwise satisfy any Claim to the extent permitted by, and subject to, the applicable Final Order without regard to the treatment that would otherwise be applicable to such Claim under the Plan.

Retention of Claims and Liens Against the Rooster Entities.

The Administrative Agent and the Note Holders will retain all Claims, Liens, and security interests against the Rooster Entities, their assets, and their property, including all Claims entitled to administrative priority. All parties other than the Debtors will retain any and all rights with respect to the determination of the amount of the Note Claims that remains outstanding after the Holders of Note Claims receive their treatment pursuant to Section 3.04(c) of the Plan.

Surety Bonds

As part of the treatment of the Claims of Holders of Bonding Claims who vote for the Plan, (i) the indemnity agreements with the issuers of such Cochon Bonds will be terminated, rejected, and replaced with new indemnity agreements in form and substance acceptable to the Administrative Agent, at the direction of the Requisite Noteholders, that exclude any indemnity obligations related to the Rooster Entities, CMC, Chet Morrison, MEG, or their respective properties (ii) the Cochon Bonds will remain in effect, and (iii) Reorganized Cochon will assume the obligation to reimburse the issuers of the Cochon Bonds for any draws on or obligations under the Cochon Bonds; provided that, notwithstanding anything to the contrary in the Plan, any and all Claims against the Debtors on account of any indemnity or guarantee of Bonding Claims against any of the Rooster Entities, CMC, Chet Morrison, MEG, or their respective properties will be discharged by the Plan with the treatment specified for Bonding Claims set forth in the Plan regardless of whether or not the Holders of Bonding Claims vote for or against the Plan.

Notwithstanding anything to the contrary in the Plan, the Travelers Bonds and any Claims pursuant to indemnity agreements relating thereto (i) will be Reinstated on the Effective Date, (ii) are Unimpaired by the Plan, and (iii) will pass through the Cases for the benefit of the Reorganized Debtors and the issuer of such Travelers Bonds.

D. Provisions Regarding Distributions.

Distributions for Claims and Equity Interests Allowed as of the Effective Date.

One of the key concepts under the Bankruptcy Code is that only claims and interests that are "allowed" may receive distributions under a chapter 11 plan. This term is used throughout the Plan and the descriptions herein. In general, an Allowed Claim or Equity Interest means that Cochon and MWS agree, or if there is a dispute, the Bankruptcy Court determines, by Final Order, that the Claim or Equity Interest, and the amount thereof, is in fact a valid obligation of or Equity Interest in Cochon and/or MWS.

Except as otherwise provided in the Plan, as ordered by the Bankruptcy Court, or as otherwise agreed to by the Administrative Agent, at the direction of the Requisite Note Holders, or the Reorganized Debtors (as applicable) and the Holder of the applicable Claim or interest, each Holder of an Allowed Claim or Allowed Equity Interest will receive on the Distribution Date the full amount of the Distributions that the Plan provides for Allowed Claims or Allowed Equity Interests in the applicable Class. All Cash Distributions will be made by the Reorganized Debtors from available Cash of the Reorganized Debtors. Any Distribution hereunder of property other than Cash will be made by the Reorganized Debtors in accordance with the terms of the Plan. Except as provided in the Plan, the Confirmation Order or a Final Order of the Bankruptcy Court, or as required by applicable bankruptcy law, including by Bankruptcy Code §§ 503, 507, or 511, postpetition interest will not accrue or be paid on any Claims or Equity Interest and no Holder of an Allowed Claim or Allowed Equity Interest will be entitled to post-petition interest on account of such Allowed Claim or Allowed Equity Interest.

Disbursements to be Made by the Reorganized Debtors.

The Reorganized Debtors will make all Distributions required under the Plan.

Record Date for Plan Distributions.

As of the close of business on the Distribution Record Date, the registers for Claims and Equity Interests will be closed and there will be no further changes in the Holder of record of any Claim or Equity Interest. The Reorganized Debtors will have no obligation to recognize any transfer of Claim or Equity Interest occurring after the Distribution Record Date, and will instead be authorized and entitled to recognize and deal for all purposes under the Plan with only those Holders of record stated on the registers of Claims and/or Equity Interests as of the close of business on the Distribution Record Date for Distributions under the Plan.

Means of Cash Payment.

Cash payments under the Plan will be in U.S. funds by check, wire transfer, or such other commercially reasonable manner as the payor determines in its sole discretion.

Calculation of Distribution Amounts of New Equity Interests.

No fractional shares of New Equity Interests will be issued or distributed hereunder by the Reorganized Debtors or any indenture trustee, agent, or servicer. Each Person entitled to receive New Equity Interests will receive the total number of whole shares of New Equity Interests to which such Person is entitled. Whenever any Distribution to a particular Person would otherwise call for Distribution of a fraction of a share of New Equity Interests, such number of shares to be distributed will be rounded down to the nearest whole number and such Person will receive no separate consideration for such fractional shares.

Fractional Dollars; De Minimis Distributions.

Any other provision of the Plan notwithstanding, payments of fractions of (a) dollars or (b) an applicable currency will not be made. Whenever any payment of a fraction of (i) a dollar or (ii) an applicable currency under the Plan would otherwise be called for, the actual payment made will reflect a rounding of such fraction to the nearest whole dollar or unit of such applicable currency (up or down), with half dollars or half units of an applicable foreign currency being rounded down. The Reorganized Debtors (or any indenture trustee, agent, or servicer), as the case may be, will not be required to make any payment of less than twenty-five dollars ($25.00), or its equivalent in an applicable foreign currency, with respect to any Claim unless a request therefore is made in writing to the Reorganized Debtors (or any indenture trustee, agent, or servicer), as the case may be.

Delivery of Distributions.

Except as otherwise provided in the Plan, Distributions to Holders of Allowed Claims and Allowed Equity Interests will be made by the Reorganized Debtors, as the case may be, (a) at the addresses set forth on the proofs of Claim filed by such Holders (or at the last known addresses of such Holders if no proof of Claim is filed or if the Debtors have been notified in writing of a change of address), (b) at the addresses set forth in any written notices of address changes delivered to the Reorganized Debtors, as the case may be, after the date of any related proof of Claim, (c) at the addresses reflected in the Schedules if no proof of Claim has been filed and the Reorganized Debtors, as the case may be, has not received a written notice of a change of address, (d) in the case of the Holder of a Claim that is governed by an indenture, credit agreement, or other agreement and is administered by an indenture trustee, agent, or servicer, at the addresses contained in the official records of such indenture trustee, agent, or servicer, or (e) at the addresses set forth in a properly completed letter of transmittal accompanying securities, if any, properly remitted to the Reorganized Debtors. If any Holder's Distribution is returned as undeliverable, no further Distributions to such Holder will be made unless and until the Reorganized Debtors (or the appropriate indenture trustee, agent, or servicer), as the case may be, is notified of such Holder's then current address, at which time all missed Distributions will be made to such Holder without interest. Amounts in respect of undeliverable Distributions made through the Reorganized Debtors (or the indenture trustee, agent, or servicer), as the case may be, will be returned to the Person issuing such Distribution until such Distributions are claimed. All Claims for undeliverable Distributions must be made on or before ninety (90) days after the Effective Date, after which date all unclaimed property will revert to the Reorganized Debtors, free of any restrictions thereon except as provided elsewhere in the Plan and the Claim of any Holder or successor to such Holder with respect to such property will be discharged and forever barred, notwithstanding any federal or state escheat laws to the contrary.

Checks issued by the Reorganized Debtors, as the case may be, on account of Allowed Claims or Allowed Equity Interests will be null and void if not negotiated within ninety (90) days after the issuance of such check. Requests for reissuance of any check will be made directly to the Reorganized Debtors by the Holder of the relevant Allowed Claim or Allowed Equity Interest with respect to which such check originally was issued. Any Holder of an Allowed Claim or Allowed Equity Interest holding an un-negotiated check that does not request reissuance of such un-negotiated check within ninety (90) days after the date of mailing or other delivery of such check will have its Claim, Equity Interest or other rights for such un-negotiated check discharged and forever barred, notwithstanding any federal or state escheat laws to the contrary. In such case, any Cash held for payment on account of such Claims or Equity Interests will revert to the Reorganized Debtors, free and clear of any restrictions thereon except as provided elsewhere in the Plan.

Unclaimed Distributions.

Any distributions that go unclaimed within ninety (90) days after the Effective Date will revert to the Reorganized Debtors, free of any restrictions thereon except as provided elsewhere in the Plan, and the Claim of any

Holder or successor to such Holder with respect to such property will be discharged and forever barred, notwithstanding any federal or state escheat laws to the contrary.

E. Executory Contracts, Unexpired Leases, and Other Agreements.

Assumption/Rejection.

On the Effective Date, all of the Debtors' executory contracts and unexpired leases, including the Nexen purchase agreements and those contracts and leases listed on [Schedule 6.01(a)] of the Plan Supplement, will be assumed by the Reorganized Debtors unless such executory contract or unexpired lease: (a) is being rejected pursuant to the Plan, including by Section 4.18 of the Plan or by being identified on the Plan Supplement or any other materials filed with the Bankruptcy Court as an executory contract or unexpired lease being rejected pursuant to the Plan, which will include any material contracts identified for rejection by the Administrative Agent at the direction of the Requisite Note Holders; (b) is the subject of a motion to reject filed on or before the Effective Date; or (c) has been previously assumed or rejected by the Debtors.

Without amending or altering any prior order of the Bankruptcy Court approving the assumption or rejection of any executory contract or unexpired lease, entry of the Confirmation Order by the Bankruptcy Court will constitute approval of such assumptions pursuant to sections 365(a) and 1123 of the Bankruptcy Code.

To the extent any provision in any executory contract or unexpired lease assumed pursuant to the Plan (including any "change of control" provision) prohibits, restricts or conditions, or purports to prohibit, restrict or condition, or is modified, breached or terminated, or deemed modified, breached or terminated by, (i) the commencement of these Cases or the insolvency or financial condition of any Debtor at any time before the closing of its respective Case, (ii) any Debtor's or any Reorganized Debtor's assumption of such executory contract or unexpired lease or (iii) the Confirmation or Consummation of the Plan, then such provision will be deemed modified such that the transactions contemplated by the Plan will not entitle the non-debtor party thereto to modify or terminate such executory contract or unexpired lease or to exercise any other default-related rights or remedies with respect thereto, and any required consent under any such contract or lease will be deemed satisfied by the Confirmation of the Plan.

Each executory contract and unexpired lease assumed pursuant to the Plan will revest in and be fully enforceable by the Reorganized Debtors in accordance with its terms and conditions, except as modified by the provisions of the Plan, any order of the Bankruptcy Court approving its assumption, or applicable law.

Pass-Through.

Except as otherwise provided in the Plan, any rights or arrangements necessary or useful to the operation of the Reorganized Debtors' business, but excluding any Non-Vesting Assets, but not otherwise addressed as a Claim or Equity Interest or assumed under Section 6.03 of the Plan, including non-exclusive or exclusive patent, trademark, copyright, maskwork, or other intellectual property licenses, and other contracts not assumable under section 365(c) of the Bankruptcy Code, will, in the absence of any other treatment under the Plan or Confirmation Order, be passed through the Cases for the benefit of the Reorganized Debtors, provided that notwithstanding anything to the contrary herein, any Claim thereunder will be treated in accordance with the distribution provisions of the Plan. Notwithstanding anything to the contrary in the Plan, the Non-Vesting Assets will not pass through the Cases or vest in the Reorganized Debtors.

Assumed Executory Contracts and Unexpired Leases.

Each executory contract and unexpired lease that is assumed will include (a) all amendments, modifications, supplements, restatements, or other agreements made directly or indirectly by any agreement, instrument, or other document that in any manner affect such executory contract or unexpired lease, and (b) all executory contracts or unexpired leases and other rights appurtenant to the property, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, powers, uses, reciprocal easement agreements, vaults, tunnel, or bridge agreements or franchises, and any other equity interests in real estate or rights *in rem* related to such

premises, unless any of the foregoing agreements have been rejected pursuant to an order of the Bankruptcy Court or are the subject of a motion to reject filed on or before the Confirmation Date.

Amendments, modifications, supplements, and restatements to prepetition executory contracts and unexpired leases that have been executed by the Debtors during the Cases will not be deemed to alter the prepetition nature of the executory contract or unexpired lease, or the validity, priority, or amount of any claims that may arise in connection therewith.

Oil and Gas Leases.

To the extent any of the Debtors' Oil and Gas Leases constitute executory contracts or unexpired leases of real property under section 365 of the Bankruptcy Code, such Oil and Gas Leases will be assumed by the applicable Reorganized Debtor. To the extent any of the Debtors' Oil and Gas Leases constitute contracts or other property rights not assumable under section 365 of the Bankruptcy Code, except as provided in the Plan or Confirmation Order, such Oil and Gas Leases will pass through the Cases for the benefit of the Reorganized Debtors and the counterparties to such Oil and Gas Leases.

Except for the defaults of a kind specified in sections 365(b)(2) and 541(c)(1) of the Bankruptcy Code (which defaults the applicable Debtor or Reorganized Debtor will not be required to cure), or as otherwise provided herein, the legal, equitable and contractual rights of the counterparties to such Oil and Gas Leases as set forth in such Oil and Gas Leases will be unaltered by the Plan; provided, however, that to the extent a failure by the Debtors to pay or perform an obligation set forth in such Oil and Gas Lease (whether or not such Oil and Gas Lease is subject to the provisions of section 365 of the Bankruptcy Code) is a default under any applicable Oil and Gas Lease, such default will be cured for all purposes by the payments provided for herein or the Reorganized Debtor's subsequent performance of such obligation with such applicable Oil and Gas Lease otherwise remaining in full force and effect for the benefit of the applicable Reorganized Debtor. To the extent such payment owed pursuant to the terms of such Oil and Gas Lease is due and owing on the Effective Date pursuant to the terms of such Oil and Gas lease, such payment will be made, in Cash, on the Distribution Date, or upon such other terms as may be agreed to by the Reorganized Debtor, as the case may be. To the extent such payment is not due and owing on the Effective Date pursuant to the terms of such Oil and Gas Lease, such payment (a) will be made, in Cash, in accordance with the terms of such Oil and Gas Lease, or as such payment becomes due and owing under (i) applicable non-bankruptcy law, or (ii) in the ordinary course of business of the Reorganized Debtor or (b) will be made upon other terms as may be agreed upon by the Reorganized Debtor, as the case may be, and the Person to whom such payment is due. To the extent it is impossible for the Reorganized Debtor to cure a default arising from any failure to perform a non-monetary obligation, such default will be cured by performance by the applicable Reorganized Debtor at or after the time of assumption in accordance with the terms of the applicable Oil and Gas Lease with the applicable Oil and Gas Lease remaining in effect for the benefit of the applicable Reorganized Debtor. If there is a dispute as to any cure obligation (including cure payments) between the applicable Reorganized Debtor and the lessor of an Oil and Gas Lease, the applicable Reorganized Debtor will only have to pay or perform as herein provided the non-disputed cure obligation with the balance of the cure payment or cure performance to be made or performed after resolution of such dispute either by (a) agreement of the parties or (b) resolution by the Bankruptcy Court under a Final Order.[8]

Reservation of Rights.

Nothing contained in the Plan will constitute an admission that any contract or lease is in fact an executory contract or unexpired lease or that any Reorganized Debtor has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors or the Reorganized Debtors, as applicable, will have thirty (30) days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease. The deemed assumption provided for in Section 6.01 of the Plan will not apply to any such contract or lease, and any such contract or lease will be assumed or rejected only upon motion of the Reorganized Debtors following the Bankruptcy Court's determination that the contract is executory or the lease is unexpired.

[8] The United States Department of Interior ("**Interior**") has proposed alternate language to this section of the Plan, and has requested that certain other reservations of rights be included in the Plan. The Note Holders are currently reviewing the proposed language, and Interior reserves its right to object, or otherwise respond, to the Plan, if necessary.

Additionally, notwithstanding anything contained herein to the contrary, if there is a dispute as to Cure Payments (as defined below), adequate assurances of future performance or any other matter related to any executory contract or unexpired lease, the Administrative Agent, at the direction of the Requisite Note Holders, or Reorganized Debtors, as the case may be, may, in their sole and absolute discretion, determine to reject any executory contract or unexpired lease at any time prior to thirty (30) days after the entry of a Final Order resolving such dispute. The effective date of any rejection effected pursuant to the preceding sentence will be the Effective Date regardless of when the Debtors or Reorganized Debtors send notice of such rejection.

Nonoccurrence of Effective Date.

In the event that the Effective Date does not occur, the Bankruptcy Court will retain jurisdiction with respect to any request by the Administrative Agent, at the direction of the Requisite Note Holders to extend the deadline for assuming or rejecting unexpired leases pursuant to section 365(d)(4) of the Bankruptcy Code.

Cure Provisions.

Except as otherwise provided under the Plan, with respect to any monetary amounts that must be cured as a requirement for assumption by any Reorganized Debtor, such cure (the "**Cure Payment**") will be effected or otherwise satisfied by prompt payment of such monetary amount as contemplated by section 365(b)(1)(A) of the Bankruptcy Code or as otherwise agreed to by the parties. The Plan Supplement will set forth the Cure Payment for each executory contract and unexpired lease to be assumed by the Debtors. If the non-Debtor party to the executory contract or unexpired lease objects to the Cure Payment scheduled by the Debtors for such executory contract or unexpired lease, such executory contract or unexpired lease non-Debtor party must file an objection with the Bankruptcy Court to such Cure Payment on or before the date that is fourteen (14) days after the mailing of a notice of the proposed Cure Payment; failure to timely file such objection will be deemed acceptance by such non-Debtor party of the Cure Payment for all purposes. If there is a dispute regarding (a) the timing of any Cure Payment required in order to meet the promptness requirement of section 365(b)(1) of the Bankruptcy Code, (b) the nature, extent or amount of any Cure Payment, (c) the Debtors' ability or the ability of the Debtors' assignees to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed, or (d) any other matter pertaining to assumption, subject to the provisions of Section 6.05 of the Plan, the Cure Payment will be made following the entry of a Final Order resolving the dispute and approving the assumption or assumption and assignment, as the case may be.

To the extent it is impossible for a Reorganized Debtor to cure a default arising from any failure to perform a non-monetary obligation, such default will be cured by performance by the applicable Reorganized Debtor at or after assumption in accordance with the terms of the applicable unexpired lease or executory contract with the applicable executory contract or unexpired lease remaining in effect for the benefit of the applicable Reorganized Debtor. Any non-Debtor party to an executory contract or unexpired lease objecting to such cure of non-monetary obligations must file an objection to such cure with the Bankruptcy Court on or before the date that is fourteen (14) days after the mailing of a notice of the proposed Cure Payment; failure to timely file such objection will be deemed acceptance by such non-Debtor party of the cure of non-monetary defaults for all purposes.

Subject to any cure Claims filed with respect thereto, assumption of any executory contract or unexpired lease pursuant to the Plan will result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed executory contract or unexpired lease at the time prior to the effective date of assumption, in each case as provided in section 365 of the Bankruptcy Code. Any proofs of Claim filed with respect to an executory contract or unexpired lease that has been assumed or assumed and assigned by Final Order will be deemed disallowed and expunged (subject to any cure Claims filed with respect thereto), without further notice to or action, order, or approval of the Bankruptcy Court.

Claims Based on Rejection of Executory Contracts and Unexpired Leases.

Proofs of Claim evidencing any Allowed Claims arising from the rejection of the Debtors' executory contracts and unexpired leases will be (i) filed on or before the later of (a) thirty (30) days after the rejection of such contract or unexpired lease or (b) any applicable Bar Date for creditors in the Cases and (ii) classified as General Unsecured

Claims for the particular Debtor in question and will be treated in accordance with the applicable provisions of the Plan for such Debtor; provided however, if the Holder of an Allowed Claim for rejection damages has an unavoidable security interest in any Collateral to secure obligations under such rejected executory contract or unexpired lease, the Allowed Claim for rejection damages will be treated as an Other Secured Claim to the extent of the value of such Holder's interest in the Collateral, with the deficiency, if any, treated as a General Unsecured Claim. All such Claims will, as of the Effective Date, be subject to the permanent injunction set forth in Article XII of the Plan. To the extent applicable, the limitations imposed by section 502 of the Bankruptcy Code will apply to the relevant rejection Claim, including subsection 502(b)(6) and subsection 502(b)(7) thereof.

Insurance Policies and Agreements.

The Insurance Policies and Agreements will continue in full force and effect after the Effective Date. To the extent that such Insurance Policies and Agreements are considered to be executory contracts, then, notwithstanding anything to the contrary in the Plan, the Plan will constitute a motion to assume or ratify such Insurance Policies and Agreements, and, subject to the occurrence of the Effective Date, the entry of the Confirmation Order will constitute approval of such assumption pursuant to section 365(a) of the Bankruptcy Code and a finding by the Bankruptcy Court that each such assumption is in the best interest of each Debtor and its Estate. Unless otherwise determined by the Bankruptcy Court pursuant to a Final Order or agreed to by the parties thereto prior to the Effective Date, no payments will be required to cure any defaults of the Debtors existing as of the Confirmation Date with respect to each of the Insurance Policies and Agreements. If the Bankruptcy Court determines otherwise as to any of the Insurance Policies and Agreements, the Administrative Agent, at the direction of the Requisite Note Holders, or the Reorganized Debtors, as applicable, reserve the right to seek the rejection of such Insurance Policy and Agreement or other available relief.

Miscellaneous.

Notwithstanding any other provision of the Plan, the Administrative Agent, at the direction of the Requisite Note Holders will retain the right to, at any time prior to the Confirmation Hearing, modify, amend, or supplement the Plan Supplement, including the right to delete any executory contract or unexpired lease listed therein, add any executory contract or unexpired lease thereto, thus providing for its assumption, assumption and assignment and/or rejection, as the case may be, or modify the Cure Payment.

The Confirmation Order will constitute an order of the Bankruptcy Court approving the assumption or rejection of the executory contracts and unexpired leases as contemplated in Article VI of the Plan pursuant to section 365 of the Bankruptcy Code, as of the later of: (a) the Effective Date; or (b) the resolution of any objection to the proposed assumption or rejection of any such executory contract or unexpired lease.

F. Procedures for Resolving Disputed, Contingent, and Unliquidated Claims.

Objections to Claims.

(a) Authority. Prior to the First Claims Objection Deadline, the Reorganized Debtors (or their authorized representatives) will have the exclusive authority to file, settle, compromise, withdraw, or litigate to judgment any objections to Claims. After the First Claims Objection Deadline and prior to the Final Claims Objection Deadline, the Reorganized Debtors (or their authorized representatives) will continue to have authority to file, settle, compromise, withdraw, or litigate to judgment any objections to Claims, and the Committee-Appointed Claims Dispute Representative may object to and compromise and settle certain Disputed Class 5 Claims as set forth in Section 7.01(c) of the Plan. From and after the Effective Date, the Reorganized Debtors (or their authorized representatives) will have and will retain any and all available rights and defenses that the Debtors had with respect to any Claim or Equity Interest based on the limitations imposed by section 502 of the Bankruptcy Code. The Reorganized Debtors and/or the Committee-Appointed Claims Dispute Representative (as applicable in accordance with the Plan) may settle a Disputed Claim by filing a stipulation resolving the dispute on the docket of these Cases. If no objection to such stipulation is filed within fourteen (14) days, such stipulation will be deemed approved, and settlement of such Disputed Claim will be final.

(b) Objection Deadline. The Reorganized Debtors (or their authorized representatives) and the Committee-Appointed Claims Dispute Representative (as applicable in accordance with the terms of the Plan) may file

objections with the Bankruptcy Court and serve such objections on the Holders of the Claims or Equity Interests to which such objections are made (i) prior to the First Claims Objection Deadline (in the case of the Reorganized Debtors) and (ii) after the First Claims Objection Deadline and prior to the Final Claims Objection Deadline, as set forth in Subsections (a) and (c) of Section 7.01 of the Plan. Nothing contained in the Plan, however, will limit the right of the Reorganized Debtors (or their authorized representatives) to object to Claims or Equity Interests, if any, filed or amended after the Final Claims Objection Deadline. The Final Claims Objection Deadline may be extended by the Bankruptcy Court upon motion by the applicable Reorganized Debtor (or its authorized representatives) and notice as required by the Bankruptcy Code, the Bankruptcy Rules, or prior orders of the Bankruptcy Court. Moreover, notwithstanding the expiration of the Final Claims Objection Deadline, the Reorganized Debtors (or their authorized representatives) will, as applicable, continue to have the right to amend any Claims objections and to file and prosecute supplemental objections and counterclaims to a Disputed Claim until such Disputed Claim is or becomes Allowed by Final Order of the Bankruptcy Court.

(c) Committee-Appointed Claims Dispute Representative. Prior to the First Claims Objection Deadline, the Committee-Appointed Claims Dispute Representative will have standing to appear and be heard solely with respect to any (x) objection filed by the Reorganized Debtors or (y) settlement stipulation filed by the Reorganized Debtors in accordance with this Section 7.01 of the Plan. After the First Claims Objection Deadline and prior to the Final Claims Objection Deadline, the Committee-Appointed Claims Dispute Representative will have non-exclusive authority to file objections and compromise and settle certain Disputed Class 5 Claims on behalf of the Holders of Class 5 Claims (subject to the above approval process).

The Committee-Appointed Claims Dispute Representative will have no authority to settle any Disputed Claim that would result in (x) an Allowed Claim in a Class other than Class 5, or (y) an Administrative Claim or an Allowed Priority Tax Claim, without the consent of the Reorganized Debtors. The Committee-Appointed Claims Dispute Representative will have no other role or authority except as expressly and specifically provided for in Section 7.01 of the Plan.

The fees and expenses of the Committee-Appointed Claims Dispute Representative (including the reasonable documented fees and expenses of legal counsel thereto) will be payable solely from the Cochon Unsecured Trade Claims Fund prior to the Distribution Date of the Cochon Unsecured Trade Claims Fund to Holders of Allowed Class 5 Claims.

Estimation of Claims.

The Administrative Agent, at the direction of the Requisite Note Holders, or any Reorganized Debtor, as applicable, (or their authorized representatives), may at any time request that the Bankruptcy Court estimate any contingent or unliquidated Claim pursuant to section 502(c) of the Bankruptcy Code, regardless of whether the Administrative Agent, at the direction of the Requisite Note Holders, or Reorganized Debtor, as applicable, previously objected to such Claim or whether the Bankruptcy Court has ruled on any 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 related to any such objection. In the event the Bankruptcy Court estimates any 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, the Administrative Agent, at the direction of the Requisite Note Holders, or Reorganized Debtors, as applicable, may elect to pursue any supplemental proceedings to object to any ultimate payment on such Claim. All of the aforementioned objection, estimation and resolution procedures are cumulative and are not necessarily exclusive of one another. Claims may be estimated and thereafter resolved by any permitted mechanism.

No Distributions Pending Allowance.

Notwithstanding any other provision of the Plan, no payments or Distributions will be made with respect to all or any portion of a Disputed Claim unless and until all objections to such Disputed Claim have been settled or withdrawn or have been determined by Final Order, and the Disputed Claim has become an Allowed Claim.

Distributions After Allowance.

The Reorganized Debtors, as applicable, will make payments and Distributions to each Holder of a Disputed Claim that has become an Allowed Claim in accordance with the provisions of the Plan governing the class of Claims to which such Holder belongs. As soon as reasonably practicable after the date that the order or judgment of the Bankruptcy Court allowing all or part of any Disputed Claim becomes a Final Order, the Reorganized Debtors, as applicable, will distribute to the Holder of such Claim the Distribution (if any) that would have been made to such Holder on the Distribution Date had such Allowed Claim been allowed on the Distribution Date. After a Disputed Claim is Allowed or otherwise resolved, the excess Cash or other property, if any, that was reserved on account of such Disputed Claim, if any, will become property of the Reorganized Debtors, as applicable.

Prior Payment of Claims.

Notwithstanding the contents of the Schedules, Claims listed therein as undisputed, liquidated and not contingent will be reduced by the amount, if any, that was paid by the Debtors prior to the Effective Date including pursuant to orders of the Bankruptcy Court. To the extent such payments are not reflected in the Schedules, such Schedules will be deemed amended and reduced to reflect that such payments were made. Nothing in the Plan will preclude the Reorganized Debtors from paying Claims that the Debtors were authorized to pay pursuant to any Final Order entered by the Bankruptcy Court prior to the Confirmation Date.

Compliance with Tax Requirements/Allocations.

In connection with the Plan, to the extent applicable, the Reorganized Debtors will comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all Distributions pursuant to the Plan will be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Reorganized Debtors (or their authorized representatives) will be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the Distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding Distributions pending receipt of information necessary to facilitate such Distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Reorganized Debtors reserve the right to allocate all Distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, and other spousal awards, liens and encumbrances. All Persons holding Claims or Equity Interests will be required to provide any information necessary to effect information reporting and the withholding of such taxes. Notwithstanding any other provision of the Plan to the contrary, each Holder of an Allowed Claim will have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed on such Holder by any Governmental Unit, including income, withholding, and other tax obligations, on account of such Distribution.

G. Compromises and Settlements.

Except as otherwise provided in the Plan, pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, Distribution and other benefits provided under the Plan, the provisions of the Plan will constitute a good faith compromise and settlement of all Claims, Equity Interests and controversies resolved pursuant to the Plan, including all Claims arising prior to the Petition Date, whether known or unknown, foreseen or unforeseen, asserted or unasserted, arising out of, relating to or in connection with the business or affairs of, or transactions with, any of the Debtors. The entry of the Confirmation Order will constitute the Bankruptcy Court's approval of each of the foregoing compromises or settlements, and all other compromises and settlements provided for in the Plan, and the Bankruptcy Court's findings will constitute its determination that such compromises and settlements are in the best interests of the Debtors, the Estates, Holders of Claims and Equity Interests, and other parties in interest, and are fair, equitable, and within the range of reasonableness.

It is not the intent of the Plan Proponents that Confirmation of the Plan will in any manner alter or amend any settlement and compromise between the Debtors and any Person that has been previously approved by the Bankruptcy Court (each, a "**Prior Settlement**"). To the extent of any conflict between the terms of the Plan and the terms of any Prior Settlement, the terms of the Prior Settlement will control and such Prior Settlement will be enforceable according to its terms.

H. Miscellaneous Provisions and Releases.

Bar Dates for Certain Claims.

Administrative Claims, General Unsecured Claims, and Other Priority Claims. The Confirmation Order will set the Subsequent Administrative Claims Bar Date as the date that is thirty (30) days after the Effective Date, which is the last date by which any Persons must have filed an application for allowance of Administrative Claims incurred after the Initial Administrative Claims Bar Date and on or before the Effective Date against any Debtor or be forever barred from asserting such Claim.

Administrative Ordinary Course Liabilities. Holders of Administrative Claims that are based on liabilities incurred in the ordinary course of the applicable Debtors' businesses (other than Claims of Governmental Units for taxes and for interest and/or penalties related to such taxes) will not be required to file any request for payment of such Administrative Claims. Such Administrative Claims, unless objected to by the applicable Debtors or Reorganized Debtors, will be assumed and paid by the applicable Reorganized Debtors, in Cash, pursuant to the terms and conditions of the particular transaction giving rise to such Administrative Claim. For the avoidance of doubt, Holders of Administrative Claims pursuant to section 503(b)(9) of the Bankruptcy Code will be required to file a proof of Administrative Claim on or before the Administrative Claims Bar Date. For the further avoidance of doubt, any Administrative Claim in an amount less than $20,000 shall be deemed ordinary course, and any Administrative Claim in an amount greater than $20,000 shall be deemed not ordinary course.

Discharge of Cochon and MWS.

Except as otherwise provided in the Plan or the Confirmation Order, on the Effective Date, without further notice or order, all Claims and Equity Interests of any nature whatsoever will be automatically discharged forever. Except as otherwise provided in the Plan or the Confirmation Order, on the Effective Date, the Debtors, Reorganized Debtors, their Estates, and all successors thereto will be deemed fully discharged and released from any and all Claims and Equity Interests, including, but not limited to, demands and liabilities that arose before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, whether or not (a) a proof of Claim based upon such debt is filed or deemed filed under section 501 of the Bankruptcy Code; (b) a Claim based upon such debt is allowed under section 502 of the Bankruptcy Code; or (c) the Holder of a Claim based upon such debt has accepted the Plan. The Confirmation Order will be a judicial determination of discharge of all Claims and liabilities of the Debtors, their Estates, and all successors thereto. As provided in section 524 of the Bankruptcy Code, such discharge will void any judgment against the Debtors, their Estates, or any successor thereto at any time obtained to the extent it relates to a Claim discharged, and operates as an injunction against the prosecution of any action against the Reorganized Debtors and their Affiliates or their property to the extent it relates to a discharged Claim.

Permanent Injunction.

Except as otherwise expressly provided in the Plan, the Confirmation Order, or the Restructuring Documents, all Entities who have held, hold, or may hold Claims, Equity Interests, causes of action, or liabilities that: (a) are subject to compromise and settlement pursuant to the terms of the Plan; (b) have been released pursuant to Section 12.08 of the Plan; (c) have been released pursuant to Section 12.09 of the Plan, (d) are subject to exculpation pursuant to Section 12.06 of the Plan or (e) are otherwise discharged, satisfied, stayed or terminated pursuant to the terms of the Plan, are permanently enjoined, on and after the Effective Date, from commencing or continuing in any manner, any action or other proceeding, including on account of any Claims, Equity Interests, causes of action, or liabilities, solely to the extent that such actions have been compromised or settled against the Debtors, the Reorganized Debtors, or any Entity so released or exculpated (or the property or Estate of any Entity, directly or indirectly, so released or exculpated) on account of, or in connection with or with respect to, any discharged, released, settled, compromised, or exculpated Claims, Equity Interests, causes of action, or liabilities, including (a) commencing or continuing in any manner any action or other proceeding of any kind with respect to or relating to any such Claim or Equity Interest, (b) the enforcement, attachment, collection, or recovery by any manner or means of judgment, award, decree or

order against any Released Party on account of or relating to any such Claim or Equity Interest, (c) creating, perfecting, or enforcing any encumbrance of any kind against any Released Party or against the property or interests in property of such Released Party on account of any such Claim or Equity Interest, and (d) asserting any right of setoff, recoupment or subrogation of any kind against any obligation due from any Released Party or against the property or interests in property of any Released Party on account of any such Claim or Equity Interest.

The foregoing injunction will extend to successors of any Released Party and their respective property and interests in the property.

Releases by Debtors, Reorganized Debtors, and their Estates.

Pursuant to section 1123(b) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or the Confirmation Order, for good and valuable consideration, including the service of the Released Parties to facilitate the expeditious reorganization of the Debtors, the Reorganized Debtors and the implementation of the restructuring contemplated by the Plan, on and after the Effective Date, **the Debtors, Reorganized Debtors, and their Estates, for themselves and on behalf of their respective successors and assigns, will be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released each Released Party from any and all claims, interests, obligations, rights, suits, damages, losses, costs and expenses, actions, causes of action, remedies, and liabilities of any kind or character whatsoever,** including any derivative claims asserted or assertable on behalf of the Debtors, Reorganized Debtors, and their Estates, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, suspected or unsuspected, matured or unmatured, fixed or contingent, existing or hereinafter arising, in law, equity, or otherwise, that the Debtors, the Reorganized Debtors or their Estates ever had, now has or hereafter can, shall or may have, or otherwise would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim or Equity Interest or other Entity, against any Released Party arising from or relating to, directly or indirectly from, in whole or in part, the Debtors, the Debtors' Restructuring, the operation of or administration of Debtors' business and assets, the Cases, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan, the business or contractual arrangements among any two or more of any Debtor, any Reorganized Debtor, or any Released Party (and the acts or omissions of any other Released Party in connection therewith), the Note Purchase Agreement, the Restructuring of Claims and Equity Interests prior to or in the Cases, the negotiation, formulation, or preparation of the Plan, the Disclosure Statement, the other Restructuring Documents, or related agreements, instruments, or other documents, or any other act or omission, transaction, agreement, event, or other occurrence, including the management and operation of the Debtors, taking place on or before the Effective Date. **Notwithstanding the foregoing, nothing in Section** Error! Reference source not found. **of the Plan will release any Released Party or other Entity or Person from (A) its respective rights and obligations under the Plan, the Restructuring Documents, or the Confirmation Order, or (B) liability for (I) any act or omission by such Released Party or other Entity or Person included within this release that is found by a court of competent jurisdiction in a final, non-appealable judgment to constitute fraud, willful misconduct, or gross negligence, or (II) any obligation for borrowed money owed by a Released Party to the Debtors, the Reorganized Debtors, or their Estates.**

The foregoing releases will be effective as of the Effective Date without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity or Person and the Confirmation Order will permanently enjoin the commencement or prosecution by any Person or Entity, whether directly, derivatively or otherwise, of any claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action, or liabilities released pursuant to these releases.

Entry of the Confirmation Order will constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the foregoing releases, which includes by references each of the related provisions and definitions contained in the Plan, and further, will constitute the Bankruptcy Court's finding that each such release is: (I) in exchange for the good and valuable consideration provided by the Released Parties; (II) a good faith settlement and compromise of the Claims released by such release; (III) in the best interest of the Debtors and their Estates; (IV) fair, equitable and reasonable; and (V) given and made after due notice and opportunity for hearing.

Releases by Holders of Claims.

Except as otherwise specifically provided in the Plan or the Confirmation Order, on and after the Effective Date, in consideration of the Distributions under the Plan and other releases, agreements, or documents executed and delivered in connection with the Plan, **Holders of Claims (other than other Debtors) (i) who accept or are deemed to accept the Plan or (ii) who are entitled to vote on the Plan but who do not indicate that they opt out of this release on their Ballot, for themselves and on behalf of their respective successors and assigns, will be deemed to have consented to the Plan for all purposes and the Restructuring embodied herein and will be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged each Released Party from any and all claims, interests, obligations, rights, suits, damages, losses, costs and expenses, actions, causes of action, remedies, and liabilities of any kind or character whatsoever**, including any derivative claims asserted or assertable on behalf of the Debtors, the Reorganized Debtors, or their Estates, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, suspected or unsuspected, matured or unmatured, fixed or contingent, existing or hereafter arising, in law, equity or otherwise, that such Entity or Person ever had, now has or hereafter can, shall or may have, or otherwise would have been legally entitled to assert (whether individually or collectively or directly or derivatively), against any Released Party arising from or relating to, directly or indirectly, in whole or in part, the Debtors, the Debtors' Restructuring, the operation of or administration of the Debtors' business and assets, the Cases, the purchase, sale or rescission of the purchase or sale of any security of the Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan, the business or contractual arrangements among any two or more of any Debtor, any Reorganized Debtor, or any other Released Party (and the acts or omissions of any other Released Party in connection therewith), the Note Purchase Agreement, the Restructuring of Claims and Equity Interests prior to or in the Cases, the negotiation, formulation, or preparation of the Plan, the Disclosure Statement, the other Restructuring Documents or related agreements, instruments, or other documents, or any other act or omission, transaction, agreement, event, or other occurrence, including the management and operation of the Debtors, taking place on or before the Effective Date. **Notwithstanding the foregoing, nothing in Section** Error! Reference source not found. **of the Plan will release any Released Party or other Entity or Person from (A) its respective rights and obligations under the Plan, the Restructuring Documents, or the Confirmation Order, or (B) liability for (I) any act or omission by such Released Party or other Entity or Person included within this release that is found by a court of competent jurisdiction in a final, non-appealable judgment to constitute fraud, willful misconduct, or gross negligence, or (II) any obligation for borrowed money owed by a Released Party to the Debtors, the Reorganized Debtors, or their respective Affiliates or Estates.**

The foregoing releases will be effective as of the Effective Date without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity or Person and the Confirmation Order will permanently enjoin the commencement or prosecution by any Person or Entity, whether directly, derivatively or otherwise, of any claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action, or liabilities released pursuant to these releases.

Entry of the Confirmation Order will constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the foregoing releases, which includes by references each of the related provisions and definitions contained in the Plan, and further, will constitute the Bankruptcy Court's finding that each such release is: (I) in exchange for the good and valuable consideration provided by the Released Parties; (II) a good faith settlement and compromise of the Claims released by such release; (III) in the best interest of the Debtors and their Estates; (IV) fair, equitable and reasonable; and (V) given and made after due notice and opportunity for hearing.

Satisfaction of Claims

Except as otherwise provided in the Plan, the rights afforded in the Plan and the treatment of all Claims and Equity Interests therein will be in exchange for and in complete satisfaction, discharge, and release of all Claims and Equity Interests of any nature whatsoever against the Debtors or any of their Estates, assets, properties, or interests in property. Except as otherwise provided in the Plan, on the Effective Date, all Claims against and Equity Interests in the Debtors will be satisfied, discharged, and released in full. The Reorganized Debtors will not be responsible for any pre-Effective Date obligations of the Debtors, except those expressly assumed by the Reorganized Debtors. Except as otherwise provided in the Plan, all Persons and Entities will be precluded and forever barred from asserting against the Reorganized Debtors, their respective successors or assigns, or their assets, properties, or interests in property any event, occurrence, condition, thing, or other or further Claims, Equity Interests or Causes of Action based upon any act, omission, transaction, or other activity of any kind or nature that occurred or came into existence prior to the Effective Date, whether or not the facts of or legal bases therefore were known or existed prior to the Effective Date.

Discharge of Liabilities

Except as otherwise provided in the Plan, upon the occurrence of the Effective Date, the Reorganized Debtors will be discharged from all Claims and Causes of Action to the fullest extent permitted by, but subject to the limitations of, section 1141 of the Bankruptcy Code, and all Holders of Claims and Equity Interests will be precluded from asserting against the Reorganized Debtors, their respective assets, or any property dealt with under the Plan, any further or other Cause of Action based upon any act or omission, transaction, event, thing, or other activity of any kind or nature that occurred or came into existence prior to the Effective Date.

Except as otherwise provided in the Plan, the Reorganized Debtors will not have, and will not be construed to have, or maintain any liability, claim, or obligation, that is based in whole or in part on any act, omission, transaction, event, other occurrence or thing occurring or in existence on or prior to the Effective Date of the Plan (including any liability or claims arising under applicable non bankruptcy law as a successor to the Debtors and no such liabilities, claims, or obligations for any acts will attach to the Reorganized Debtors).

Release of Liens.

Except as otherwise provided in the Plan, the Exit Facility Documents, or in any contract, instrument, release, or other agreement or document entered into pursuant to or to effectuate the Plan, on the Effective Date and concurrently with the applicable Distributions made pursuant to the Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Reorganized Debtors or their Estates will be fully released and discharged, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests will revert to the Reorganized Debtor and its successors and assigns, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity.

Except as otherwise provided in the Plan, the Exit Facility Documents, or in any contract, instrument, release, or other agreement or document entered into pursuant to or to effectuate the Plan, in addition to, and in no way a limitation of, the foregoing, to the extent the Debtors' property or assets are encumbered by

mortgages, security interests or Liens of any nature for which any Holder of such mortgages, security interests or Liens does not have an Allowed Claim against such Debtor or such Debtor's property, or such Allowed Claim has been satisfied or released as provided in the Plan or valid mortgage, security interest or Lien, such mortgages, security interests or Liens will be deemed fully released and discharged for all purposes and such Holder will execute such documents as reasonably requested by the applicable Reorganized Debtor in form and substance as may be necessary or appropriate to evidence the release of any such mortgages, security interests or Liens of any nature and the applicable Reorganized Debtor as authorized to cause the filings of such documents with any and all governmental or other entities necessary or appropriate to effect such releases. If such Holder fails to execute such documents, the applicable Reorganized Debtor is authorized to execute such documents on behalf of such Holder and to cause the filing of such documents with any or all governmental or other entities as may be necessary or appropriate to effect such releases.

Notwithstanding the foregoing, all Liens and security interests on such property and collateral of the Debtors securing the Claims and obligations arising under the Notes and the Note Purchase Agreement as of the Petition Date are unaltered by the Plan and will continue to secure the indebtedness and obligations of the Reorganized Debtors arising under the Exit Facility Documents.

Exculpation.

The Released Parties will neither have nor incur any liability to any Entity for any act taken or omitted to be taken in connection with, or arising out of, the Cases of the Debtors, the negotiation, formulation, dissemination, confirmation, consummation, or administration of the Plan or the Restructuring Documents, property to be distributed under the Plan, or any other act or omission in connection with the Cases of the Debtors, the Plan, the Disclosure Statement, the other Restructuring Documents or any contract, instrument, or other agreement or document related thereto or delivered thereunder, or any act taken or omitted to be taken in connection with the Restructuring of the Debtors; notwithstanding the foregoing, nothing in Section 12.06 of the Plan will (A) extend to such exculpated Person's rights and obligations under the Plan, the Restructuring Documents, and the Confirmation Order, or (B) affect the liability of any Entity for any act or omission to the extent that such act or omission is found by a court of competent jurisdiction in a Final Order to have constituted fraud, willful misconduct, or gross negligence.

The foregoing exculpation will be effective as of the Effective Date without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person.

Third Party Agreements; Subordination of Claims.

The Plan Distributions to the various classes of Claims and Equity Interests under the Plan will not affect the right of any Person to levy, garnish, attach, or employ any other legal process with respect to such Plan Distributions by reason of any claimed subordination rights. All of such rights and any agreements relating thereto will remain in full force and effect, except as compromised and settled pursuant to the Plan. Plan Distributions to Holders of Claims in classes that are subject to contractual subordination provisions are subject to Distribution in accordance with such contractual subordination provisions as provided in the Plan. Plan Distributions will be subject to and modified by any Final Order directing distributions other than as provided in the Plan. The right of the Debtors or Reorganized Debtors to seek subordination of any Claim or Equity Interest pursuant to section 510 of the Bankruptcy Code is fully reserved, and the treatment afforded any Claim or Equity Interest that becomes a subordinated Claim or subordinated Equity Interest at any time will be modified to reflect such subordination. Unless the Confirmation Order provides otherwise, no Plan Distributions will be made on account of a subordinated Claim or subordinated Equity Interest.

Term of Injunctions or Stay.

Unless otherwise provided in the Plan or Confirmation Order, all temporary injunctions or stays provided for in the Cases under sections 105 or 362 of the Bankruptcy Code or otherwise, and in existence on the Confirmation Date (excluding any injunctions or stays contained in the Plan or Confirmation Order), will remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or Confirmation Order will remain in full force and effect in accordance with their terms. All permanent injunctions in existence on the Effective Date will remain in full force and effect as provided in the order imposing such permanent injunction.

Binding Effect.

The Plan will be binding upon and inure to the benefit of the Plan Proponents, the Reorganized Debtors, all present and former Holders of Claims against and Equity Interests in the Reorganized Debtors, and their respective successors and assigns, including, but not limited to, the Reorganized Debtors, and all other parties-in-interest in the Cases. Notwithstanding the foregoing, except as expressly set forth in the Plan, the Plan will have no force or effect unless and until the Bankruptcy Court enters the Confirmation Order and the Plan is Consummated. Neither the filing of the Plan, any statement or provision contained in the Plan, nor the taking of any action by the Debtors or any other Entity with respect to the Plan will be or will be deemed to be an admission or waiver of any rights of: (1) the Debtors with respect to the Holders of Claims or Equity Interests or other Entity; or (2) any Holder of a Claim or an Equity Interest or other Entity prior to the Effective Date.

Plan Supplement.

Any and all exhibits, lists, or schedules not filed with the Plan or the Disclosure Statement will be contained in the Plan Supplement and filed with the Clerk of the Bankruptcy Court not later than ten (10) days prior to the Confirmation Hearing Date or such other filing deadline as may be approved by the Bankruptcy Court. Holders of Claims or Equity Interests may also obtain a copy of the Plan Supplement upon written request to the Administrative Agent, on behalf of the Note Holders. Notwithstanding the foregoing, the Administrative Agent, at the direction of the Requisite Note Holders, may amend the Plan Supplement, and any attachments thereto, through and including the Confirmation Date.

Setoffs.

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

Recoupment.

Except as provided in the Plan, any Holder of Claims or Equity Interest will not be entitled to recoup any Claim or Equity Interest against any Claim, right, or Cause of Action of the Debtors or the Reorganized Debtors, as applicable, unless such Holder actually has performed such recoupment and provided notice thereof in writing to the

Debtors on or before the Confirmation Date, notwithstanding any indication in any proof of Claim or Equity Interest or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment.

Successors and Assigns.

The rights, benefits and obligations of any entity named or referred to in the Plan, including any Holder of a Claim or Equity Interest, will be binding on, and will inure to the benefit of, any heir, executor, administrator, successor or assign of such entity.

Conflicts

The terms of the Plan will govern in the event of any inconsistency between the Plan and the Disclosure Statement. In the event of any inconsistency with the Plan and the Confirmation Order, the Confirmation Order will govern with respect to such inconsistency.

VIII. CONFIRMATION AND EFFECTIVENESS OF THE PLAN

A. Conditions Precedent to Effective Date.

The following are conditions to the occurrence of the Effective Date, unless such conditions, or any of them, have been satisfied or duly waived in accordance with Section 8.02 of the Plan:

(a) the Confirmation Order (i) will be in form and substance acceptable to the Administrative Agent at the direction of the Requisite Note Holders, (ii) will be entered by the Bankruptcy Court and will be in full force and effect, and (iii) will have become a Final Order, and will not have been amended, modified, reversed, vacated, or stayed pending appeal;

(b) all authorizations, consents, and regulatory approvals required, if any, in connection with the consummation of the Plan will have been obtained;

(c) the Debtors will have executed and delivered all documents necessary to effectuate the issuance of the New Equity Interests;

(d) the Restructuring Documents will be in form and substance acceptable to the Administrative Agent at the direction of the Requisite Note Holders and will have been filed, tendered for delivery, and been effected or executed by all Entities party thereto (as appropriate), and in each case be in full force and effect. All conditions precedent to the effectiveness of such Restructuring Documents will have been satisfied or waived pursuant to the terms of such applicable Restructuring Documents (or will be satisfied or waived concurrently with the occurrence of the Effective Date);

(e) the Exit Facility Documents, in form and substance acceptable to the Administrative Agent at the direction of the Requisite Note Holders, will have been duly and validly executed and delivered by all of the Entities that are parties thereto, and all conditions precedent (other than any conditions related to the occurrence of the Effective Date) to the consummation of the Exit Facility will have been waived or satisfied in accordance with the terms thereof, and the closing of the Exit Facility will be deemed to occur concurrently with the occurrence of the Effective Date;

(f) the Holders of Bonding Claims will have agreed upon the terms in the Plan regarding treatment of such Claims and maintenance of the Cochon Bonds;

(g) Administrative and priority Claims that were not included in the Debtors' agreed cash collateral budget will be judicially determined to be less than $300,000;

(h) Cochon will be a qualified operator and have an approved spill plan; and

(i) all other consents, actions, documents, certificates, and agreements necessary to implement the Plan, including documents contained in the Plan Supplement, will have been obtained and not otherwise subject

to unfulfilled conditions, effected, or executed and delivered, as the case may be, to the required parties and, to the extent required, filed with the applicable Governmental Units in accordance with applicable laws.

B. Substantial Consummation.

On the Effective Date, the Plan will be deemed to be substantially consummated under sections 1101 and 1127(b) of the Bankruptcy Code.

C. Waiver of Conditions Precedent to Effective Date.

The Administrative Agent, at the direction of the Requisite Note Holders, may waive each of the conditions set forth in Section 8.01 of the Plan without prior notice to other parties in interest other than notice to the Debtors; provided that the Debtors will have no right to object to such waiver. The failure to satisfy or waive any condition to the Effective Date may be asserted only by the Administrative Agent, at the direction of the Requisite Note Holders, regardless of the circumstances giving rise to the failure of such condition to be satisfied (including any action or inaction by the Administrative Agent at the direction of the Requisite Note Holders). The failure of the Administrative Agent, at the direction of the Requisite Note Holders, to exercise any of the foregoing rights will not be deemed a waiver of any other rights, and each such right will be deemed an ongoing right that may be asserted at any time.

D. Amendments and Modifications of the Plan.

The Administrative Agent, at the direction of the Requisite Note Holders, may alter, amend, or modify the Plan or any exhibits thereto, under section 1127(a) of the Bankruptcy Code at any time prior to the Confirmation Date. After the Confirmation Date and prior to "substantial consummation" of the Plan, as defined in section 1101(2) of the Bankruptcy Code, the Administrative Agent, at the direction of the Requisite Note Holders, may, under section 1127(b) of the Bankruptcy Code, (i) amend the Plan so long as such amendment shall not materially and adversely affect the treatment of any Holder of a Claim, (ii) institute proceedings in the Bankruptcy Court to remedy any defect or omission or reconcile any inconsistencies in the Plan, the Disclosure Statement or the Confirmation Order, and (iii) amend the Plan as may be necessary to carry out the purposes and effects of the Plan with prior notice to parties in interest as may be required under the Bankruptcy Code.

E. Revocation, Withdrawal, or Non-Consummation.

The Plan Proponents reserve the right, subject to the consent of the Administrative Agent at the direction of the Requisite Note Holders, to revoke or withdraw the Plan at any time prior to the Confirmation Date and to file subsequent plans of reorganization. No Plan Proponent may revoke or withdraw this Plan unless the Administrative Agent, at the direction of the Requisite Note Holders, has consented thereto. If the Plan Proponents revoke or withdraw the Plan, or if Confirmation or Consummation of the Plan does not occur, then (a) the Plan will be null and void in all respects, (b) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of any Claim or Class of Claims) unless otherwise agreed to by the Plan Proponents and any counterparty to such settlement or compromise, and any document or agreement executed pursuant to the Plan will be deemed null and void, and (c) nothing contained in the Plan, and no acts taken in preparation for consummation of the Plan, will (i) constitute or be deemed to constitute a waiver or release of any Claims by or against, or any Equity Interests in, the Debtors or any other Person, (ii) prejudice in any manner the rights of the Plan Proponents or any Person in any further proceedings involving the Debtors, or (iii) constitute an admission of any sort by the Plan Proponents or any other Person.

IX. CONFIRMATION PROCEDURES

A. Standards for Confirmation.

At the Confirmation Hearing, the Bankruptcy Court will confirm the Plan only if all of the requirements of section 1129 of the Bankruptcy Code are met. Among the requirements for confirmation of a plan are that the plan is (i) 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, (ii) feasible and (iii) in the "best interests" of creditors and equity interest Holders that are Impaired under the Plan.

The following requirements must be satisfied pursuant to section 1129(a) of the Bankruptcy Code before the Bankruptcy Court may confirm a plan of reorganization. The Plan fully complies with any applicable statutory requirements for Confirmation listed below.

- The Plan complies with the applicable provisions of the Bankruptcy Code.
- The Plan Proponents have complied with the applicable provisions of the Bankruptcy Code.
- The Plan has been proposed in good faith and not by any means forbidden by law.
- Any payment made or to be made by the Debtors (or any other Plan Proponent) or by a Person issuing Securities or acquiring property under the Plan, for services or for costs and expenses in or in connection with the Cases, in connection with the Plan and incident to the Cases is subject to the approval of the Bankruptcy Court as reasonable.
- The Debtors have disclosed the identity and affiliations of any individual proposed to serve, after Confirmation, as a director, or officer, of the Reorganized Debtors, any Affiliate of the Debtors reorganized under the Plan, or any successor to the Debtors under the Plan, and the appointment to, or continuance in, such office of such individual is consistent with the interests of Creditors and Holders of Interests and with public policies.
- The Plan Proponents have disclosed the identity of any Insider that will be employed or retained by the Reorganized Debtors and the nature of any compensation for such Insider.
- Any governmental regulatory commission with jurisdiction, after confirmation of the Plan, over the rates of the Debtors has approved any rate change provided for in the Plan, or such rate change is expressly conditioned on such approval.
- With respect to each Holder within an Impaired Class of Claims or Interests, each such Holder (a) has accepted the Plan or (b) will receive or retain under the Plan on account of such Claim or Interest property of a value, as of the Effective Date, that is not less than the amount that such Holder would so receive or retain if Cochon and MWS were liquidated under chapter 7 of the Bankruptcy Code on such date.
- With respect to each Class of Claims or Interests, such Class (a) has accepted the Plan or (b) is Unimpaired under the Plan (subject to the "cram-down" provisions discussed below).
- The Plan provides for treatment of Claims, as applicable, in accordance with the provisions of section 507(a) of the Bankruptcy Code.
- If a Class of Claims or Equity Interests is Impaired under the Plan, at least one Class of Claims or Equity Interests that is Impaired under the Plan has accepted the Plan, determined without including any acceptance of the Plan by any Insider.
- Confirmation is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Reorganized Debtors, or any successor to the Debtors under the Plan, unless such liquidation or reorganization is proposed in the Plan.
- All fees payable under 28 U.S.C. § 1930 have been paid or the Plan provides for the payment of all such fees on the Effective Date.

Best Interests Test/Liquidation Analysis.

As described above, section 1129(a)(7) of the Bankruptcy Code requires that each Holder of an Impaired Claim or Interest either (a) accept the Plan or (b) receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the value such Holder would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code. To assist Holders in determining whether the Plan meets this requirement, the Debtors have prepared an unaudited liquidation analysis, which is attached hereto as **Exhibit C** (the "**Liquidation Analysis**"). The distributions to all classes of Claims and Interests will exceed any likely recovery under chapter 7 of the

Bankruptcy Code. Therefore, as discussed in further detail in Article X.A of this Disclosure Statement, the Debtors believe that the Plan satisfies the best interests test of section 1129(a)(7) of the Bankruptcy Code.

Feasibility.

The Bankruptcy Code requires that a debtor demonstrate that confirmation of a plan of reorganization is not likely to be followed by liquidation or the need for further financial reorganization. For purposes of determining whether the Plan meets this requirement, the Debtors have analyzed their ability to meet their obligations under the Plan. As part of this analysis, and as discussed in further detail in Article X.C of this Disclosure Statement, the Debtors have prepared projections, which, together with the assumptions on which they are based, are attached hereto as **Exhibit B** (the "**Financial Projections**"). Based on such Financial Projections, the Debtors believe that they will be able to make all payments required under the Plan. Therefore, Confirmation of the Plan is not likely to be followed by liquidation or the need for further reorganization.

Confirmation Without Acceptance by All Impaired Classes.

Under Bankruptcy Code section 1129(b), the Bankruptcy Court may confirm a plan of reorganization over the rejection or deemed rejection of the plan of reorganization by a class of claims or interests if the plan of reorganization "does not discriminate unfairly" and is "fair and equitable" with respect to such class. The Plan Proponents believe that the Plan does not discriminate unfairly and is fair and equitable as to any Class that rejects the Plan.

The Release, Exculpation, and Injunction Provisions Contained in the Plan.

Article XII of the Plan provides for releases of certain Claims and Causes of Action that the Debtors may hold against the Released Parties. The Released Parties are comprised of the following Entities: (a) the Debtors and the Reorganized Debtors, (b) the Administrative Agent, the Note Holders, and their respective Related Persons, (c) any officer, manager or employee of the Debtors acting in such capacity who is retained or employed by the Reorganized Debtors after the Effective Date, and (d) the Committee and each of its members; provided, however, that the Committee and each of its members will not be Released Parties with respect to assertions of any Claim or Cause of Action against such parties asserted solely for defensive purposes, such as an offset or recoupment.

Section 12.09 of the Plan provides for releases of certain claims and Causes of Action that Holders of Claims or Equity Interests may hold against the Released Parties in exchange for good and valuable consideration, including the service of the Released Parties to facilitate the reorganization of Cochon and MWS, the implementation of the Restructuring contemplated by the Plan, and the compromises contained in the Plan.

Section 12.06 of the Plan provides for the exculpation from liability of each Released Party for any restructuring-related actions; provided, however, that the foregoing will not extend to such exculpated person's rights and obligations under the Plan, the Restructuring Documents, the Confirmation Order, or the Morrison Agreements, or affect the liability of any Entity that otherwise would result from any such act or omission to the extent that such act or omission is determined by a Final Order to have constituted fraud, willful misconduct, or gross negligence. The released and exculpated claims are limited to those Claims or Causes of Action that may have arisen in connection with, related to, or arising out of the restructuring of the Debtors or the Cases.

Section 12.07 of the Plan permanently enjoins Entities who have held, hold, or may hold Claims or Equity Interests against the Debtors that have been released or discharged pursuant to the Plan or are subject to exculpation pursuant to the Plan from asserting such Claims or Equity Interests, or taking certain other actions, against the Debtors, the Reorganized Debtors, and the Released Parties.

The Debtors believe that the releases, exculpations, and injunctions set forth in the Plan are appropriate because, among other things, (i) the releases are narrowly tailored to Cochon's and MWS's restructuring proceedings, (ii) good and valuable consideration is being provided to the Holders of Cochon Unsecured Trade Claims and MWS Unsecured Trade Claims as such claims will be paid in full pursuant to the Plan (up to a set aggregate Claim amount cap), and (iii) each of the Released Parties has afforded value to Cochon and MWS and aided in the reorganization process, which facilitated Cochon's and MWS's ability to propose and pursue confirmation of the Plan. Cochon and MWS believe that each of the Released Parties has played an integral role in negotiating and formulating the Plan

and has expended significant time and resources analyzing and negotiating the issues presented by Cochon's and MWS's prepetition capital structure. Cochon and MWS further believe that such releases, exculpations, and injunctions are a necessary part of the Plan. Except as otherwise specifically provided in the Plan or the Confirmation Order, on and after the Effective Date, in consideration of the distributions under the Plan and other releases, agreements, or documents executed and delivered in connection with the Plan, Holders of Claims (other than other Debtors) (i) who are deemed to accept the Plan or (ii) who are entitled to vote on the Plan but who do not indicate that they opt out of the release set forth in Section 12.09 of the Plan on their Ballot, for themselves and on behalf of their respective successors and assigns, will be deemed to have consented to the Plan for all purposes and the restructuring embodied in the Plan and will be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged each Released Party from any and all Claims, Interests, obligations, rights, suits, damages, losses, costs and expenses, actions, causes of action, remedies, and liabilities of any kind or character whatsoever, as discussed in Article VII.H of this Disclosure Statement.

B. Alternatives to Confirmation and Consummation of the Plan.

If the Plan is not confirmed and consummated, the alternatives to the Plan include (i) liquidation of Cochon and MWS under chapter 7 of the Bankruptcy Code, (ii) a sale of substantially all of Cochon's and MWS's assets pursuant to a motion under Section 363 of the Bankruptcy Code, and (iii) dismissal of the Cases.

Cochon and MWS believe that any alternative to the Plan would provide far less certainty and could involve a larger Claims pool, diminished recoveries, significant delay, and larger administrative costs. Cochon and MWS believe that the Plan, as described herein, enables creditors to realize the highest and best value under the circumstances as compared to any foreseeable alternative.

If no plan is confirmed, the Cases may be converted to cases under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be appointed or elected to liquidate Cochon's and MWS's assets for distribution in accordance with the priorities established by chapter 7 of the Bankruptcy Code. A discussion of the effects that a chapter 7 liquidation would have on the recoveries of Holders of Claims and Equity Interests is set forth in the Liquidation Analysis annexed as **Exhibit C** to this Disclosure Statement. For the reasons above, Cochon and MWS believe that liquidation under chapter 7 of the Bankruptcy Code would result in smaller distributions being made to creditors than those provided for in the Plan.

X. LIQUIDATION ANALYSIS, VALUATION AND FINANCIAL PROJECTIONS

A. Liquidation Analysis

Cochon and MWS believe that the Plan provides a greater recovery for Holders of Allowed Claims and Equity Interests than would be achieved in a liquidation under chapter 7 of the Bankruptcy Code. This belief is based on a number of considerations, including: (a) the likely erosion in value of Cochon's and MWS's assets in a chapter 7 case in the context of an expeditious liquidation and the "forced sale" atmosphere that would prevail under a chapter 7 liquidation; (b) the additional Administrative Claims generated by conversion to a chapter 7 case and any related costs in connection with a chapter 7 liquidation; (c) the absence of a robust market for the liquidation sale of Cochon's and MWS's assets and services in which such assets and services could be marketed and sold; and (d) the additional claims that would arise by reason of the breach or rejection in a chapter 7 case of obligations under leases and executory contracts that would otherwise be assumed under the Plan.

Cochon and MWS have prepared the Liquidation Analysis, which is attached hereto as **Exhibit C**, to assist Holders of Claims and Interests in evaluating the Plan. The Liquidation Analysis compares the projected recoveries that would result from the liquidation of Cochon and MWS in a hypothetical case under chapter 7 of the Bankruptcy Code with the estimated distributions to Holders of Allowed Claims and Interests under the Plan. The Liquidation Analysis is based on the value of Cochon's and MWS's assets and liabilities as of a certain date and incorporates various estimates and assumptions, including a hypothetical conversion to a chapter 7 liquidation as of a certain date. Further, the Liquidation Analysis is subject to potentially material changes, including with respect to economic and business conditions and legal rulings. Therefore, the actual liquidation value of Cochon and MWS could vary materially from the estimate provided in the Liquidation Analysis.

B. Financial Projections

In connection with the planning and development of the Plan, Cochon and MWS prepared Financial Projections for fiscal years 2018-2020 to present the anticipated impact of the Plan. The Financial Projections assume that the Plan will be implemented in accordance with its stated terms. The Financial Projections are based on forecasts of key economic variables and may be significantly impacted by, among other factors, changes in the competitive environment, regulatory changes, and/or a variety of other factors, including the factors listed in this Disclosure Statement and in the Financial Projections. Accordingly, the estimates and assumptions underlying the Financial Projections are inherently uncertain and are subject to significant business, economic, and competitive uncertainties. Therefore, such projections, estimates, and assumptions are not necessarily indicative of current values or future performance, which may be significantly less or more favorable than set forth herein. The Financial Projections should be read in conjunction with the assumptions, qualifications, and explanations set forth in this Disclosure Statement and other financial information. Cochon's and MWS's Financial Projections for fiscal years 2018-2020, are attached hereto as **Exhibit B**.

Factors that could cause actual results to differ materially include, but are not limited to: the ability of the Reorganized Debtors to operate their businesses consistent with their Financial Projections generally, including the ability to maintain or increase revenue and cash flow to satisfy their liquidity needs, service their indebtedness and finance the ongoing obligations of their businesses, and to manage their future operating expenses and make necessary capital expenditures; the ability of the Reorganized Debtors to comply with the covenants and conditions under their credit facilities and their ability to borrow thereunder; the loss or reduction in business from Cochon's and MWS's significant customers or the failure of Cochon's and MWS's significant customers to perform their obligations to Cochon and MWS; the loss or material downtime of major suppliers; material declines in demand for services; changes in production of, or demand for, hydrocarbons, either generally or in particular regions; changes in the typical seasonal variations; increases in costs including, without limitation, crew wages, insurance, provisions, repairs, and maintenance; changes in rules and regulations applicable to the industry including, without limitation, legislation adopted by international organizations or by individual countries; actions by the courts, the U.S. Department of Justice or other governmental or regulatory authorities, and the results of the legal proceedings to which the Reorganized Debtors or any of their affiliates may be subject; changes in the condition of Cochon's and MWS's operating assets or applicable maintenance or regulatory standards (which may affect, among other things, Cochon's and MWS's anticipated maintenance and repair costs); the Reorganized Debtors' ability to attract and maintain key executives, managers, and employees; and changes in general domestic and international political conditions.

Reorganized Cochon will satisfy its well decommissioning obligations in the ordinary course of business. Pursuant to the Nexen Contracts, the Reorganized Debtors will receive payments from Nexen in connection with such plugging and abandonment. In the interim, the Debtors have sufficient cash flow, as shown in their Financial Projections, to successfully exit chapter 11 and to operate in the ordinary course of business.

The Financial Projections should be read in conjunction Article XI of this Disclosure Statement, entitled "Certain Risk Factors to be Considered."

XI. CERTAIN RISK FACTORS TO BE CONSIDERED

HOLDERS OF CLAIMS AGAINST COCHON AND MWS SHOULD READ AND CONSIDER CAREFULLY THE RISK FACTORS SET FORTH BELOW, AS WELL AS THE OTHER INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT (AND THE DOCUMENTS DELIVERED TOGETHER HEREWITH AND/OR INCORPORATED HEREIN BY REFERENCE) PRIOR TO VOTING TO ACCEPT OR REJECT THE PLAN. THESE RISK FACTORS SHOULD NOT, HOWEVER, BE REGARDED AS CONSTITUTING THE ONLY RISKS INVOLVED IN CONNECTION WITH THE PLAN AND ITS IMPLEMENTATION.

A. General.

The following provides a summary of various important considerations and risk factors associated with the Plan; however, it is not exhaustive. In considering whether to vote to accept or reject the Plan, Holders of Claims

and Equity Interests should read and carefully consider the risk factors set forth below, as well as all other information set forth or otherwise referenced or incorporated by reference in this Disclosure Statement.

B. Certain Bankruptcy Law Considerations.

Parties in Interest May Object to the Plan's Classification of Claims and Interests.

Section 1122 of the Bankruptcy Code provides that a claim or an equity interest may be placed in a particular class under a plan of reorganization only if such claim or equity interest is substantially similar to the other claims or equity interests in such class. The Fifth Circuit has generally held that, while it is improper to separately classify similar claims solely for purposes of gerrymandering the vote, separate classification is justified where there are legitimate business reasons for doing so. *See Matter of Greystone*, 948 F.2d 134 (5th Cir. 1991) *cert. den.* 113 S. Ct. 72 (1992) (recognizing that there may be good business reasons to support separate classification, and whether such business reasons exist is a question of fact). In analyzing what constitutes a legitimate business reason for the purposes of separate classification of claims, the Fifth Circuit has held that separate classification is justified where the holder of such claim has "a different stake in the future viability of the reorganized company and [has] alternative means at its disposal for protecting its claim." *Heartland Fed. Sav. & Loan Ass'n v. Briscoe Enters. (In Re Briscoe Enters.)*, 994 F.2d 1160, 1167 (5th Cir. 1993) (quoting *In re U.S. Truck*, 800 F.2d 581 (6th Cir.1986)).

Cochon and MWS believe that the classification of Claims and Equity Interests in the Plan complies with the Bankruptcy Code and Fifth Circuit requirements because Claims and Equity Interests were classified only with other Claims and Equity Interests that are substantially similar in each Class, and the separate classification of certain unsecured Claims was done for legitimate business reasons. Such reasons include that the Debtors anticipate continuing their business relationships with Holders of Trade Claims, but they are severing ties with the Morrison Group and may or may not have continuing relationships with the Holders of Bonding Claims depending on how such Holders vote on the Plan. Nevertheless, there can be no assurance that the Court will reach the same conclusion.

Contingencies Not to Affect Votes of Impaired Classes to Accept or Reject the Plan.

The distributions available to Holders of Allowed Claims under the Plan can be affected by a variety of contingencies, including, without limitation, whether or not the Court enters an order subordinating certain Allowed Claims to other Allowed Claims. The occurrence of any and all such contingencies, which could affect the distributions available to Holders of Allowed Claims under the Plan, will not affect the validity of the vote taken by the Voting Classes to accept or reject the Plan or require any sort of revote by the Voting Classes.

Risk of Non-Confirmation, Non-Occurrence, or Delay of the Plan.

For Cochon and MWS to emerge successfully from the Cases as viable entities, Cochon and MWS, like any other chapter 11 debtor, must obtain approval of the Plan from their creditors and confirmation of the Plan through the Court, and then successfully implement the Plan. The foregoing process requires that (i) certain statutory requirements are met with respect to the adequacy of this Disclosure Statement, (ii) creditor acceptances of the Plan are solicited and obtained, and (iii) other statutory conditions are fulfilled with respect to the confirmation of the Plan.

Although Cochon and MWS believe that the Plan satisfies all of the requirements necessary for confirmation by the Court, there can be no assurance that the Bankruptcy Court will reach the same conclusion. Moreover, there can be no assurance that modifications to the Plan will not be required for Confirmation, or that such modifications would not necessitate the re-solicitation of votes to accept the Plan, as modified. Additionally, by its terms, the Plan will not become effective unless, among other things, the conditions precedent described in Article VIII.A of this Disclosure Statement have been satisfied or waived in accordance with Section 8.03 of the Plan.

Risks Associated with Exit Financing.

There can be no assurance that all conditions precedent will be met in connection with the Exit Facility.

Risk of Litigation and Challenges to Confirmation.

Certain of Cochon's and MWS's creditors may bring litigation against Cochon and MWS during the course of the Cases, the outcome of which is uncertain. Although Cochon and MWS believe that the Plan satisfies all of the requirements necessary for confirmation by the Court, creditors and other parties in interest may bring objections to challenge confirmation of the Plan

Risk of Non-Occurrence of the Effective Date.

There can be no assurance as to such timing or that the conditions to the Effective Date contained in the Plan will ever occur. The impact that a prolonging of the Cases may have on Cochon's and MWS's operations cannot be accurately predicted or quantified. The continuation of the Cases, particularly if the Plan is not approved, confirmed, or implemented within the time frame currently contemplated, could adversely affect operations and relationships between Cochon and MWS and its customers, suppliers, vendors, service providers, and other creditors and result in increased professional fees and similar expenses. Failure to confirm the Plan could further weaken Cochon's and MWS's liquidity position, which could jeopardize Cochon's and MWS's exit from chapter 11.

Impact of the Cases on Cochon and MWS.

The Cases may affect Cochon's and MWS's relationships with, and its ability to negotiate favorable terms with, creditors, customers, suppliers, vendors, employees, and other personnel and counterparties. While Cochon and MWS expect to continue normal operations, public perception of their continued viability may affect, among other things, the desire of new and existing customers to enter into, or continue, agreements or arrangements with Cochon and MWS. The failure to maintain any of these important relationships could adversely affect Cochon's and MWS's business, financial condition, and results of operations. Because of the public disclosure of the Cases and concerns vendors may have about liquidity, Cochon's and MWS's ability to maintain normal credit terms with vendors may be impaired. Also, Cochon's and MWS's transactions that are outside of the ordinary course of business are generally subject to the approval of the Court, which may limit Cochon's and MWS's ability to respond on a timely basis to certain events or take advantage of certain opportunities. As a result, the cumulative effect that the Cases will have on Cochon's and MWS's businesses, financial conditions, and results of operations cannot be accurately predicted or quantified at this time.

The Plan is Based Upon Assumptions Cochon and MWS Developed which May Prove Incorrect and Could Render the Plan Unsuccessful.

The Plan affects both Cochon's and MWS's capital structures and the ownership, structure, and operation of their businesses and reflects assumptions and analyses based on Cochon's and MWS's experience and perception of historical trends, current conditions, and expected future developments, as well as other factors that Cochon and MWS consider appropriate under the circumstances. Whether actual future results and developments will be consistent with Cochon's and MWS's expectations and assumptions depends on a number of factors, including but not limited to Cochon's and MWS's (i) ability to implement the substantial changes to the capital structure; (ii) ability to obtain adequate liquidity and financing sources; (iii) ability to maintain customers' confidence in Cochon's and MWS's viability as continuing entities and to attract and retain sufficient business from them; and (iv) ability to retain key employees, as well as the overall strength and stability of general economic conditions of the financial and shipping industries. The failure of any of these factors could materially adversely affect the successful reorganization of Cochon's and MWS's businesses.

In addition, the Plan relies upon Financial Projections, including with respect to revenues, EBITDA, debt service, and cash flow. Financial forecasts are necessarily speculative, and it is likely that one or more of the assumptions and estimates that are the basis of these financial forecasts will not be accurate. In Cochon's and MWS's cases, the forecasts are even more speculative than normal, because they involve fundamental changes in the nature of their capital structures. Accordingly, Cochon and MWS acknowledge that their actual financial condition and results of operations may differ, perhaps materially, from what was anticipated. Consequently, there can be no assurance that the results or developments contemplated by any plan of reorganization implemented will occur or, even if they do occur, that they will have the anticipated effects on Cochon and MWS and their businesses or operations. The failure of any such results or developments to materialize as anticipated could materially adversely affect the successful execution of any plan of reorganization.

C. Certain Risks Related to Cochon's and MWS's Business and Operations.

Oil prices and natural gas prices have declined substantially from historical highs and may remain depressed for the foreseeable future. Oil and natural gas prices are volatile; a sustained decrease in the price of oil or natural gas would adversely impact Cochon's and MWS's businesses.

Cochon's and MWS's success depends on the market prices of oil and natural gas. These market prices tend to fluctuate significantly in response to factors beyond Cochon's and MWS's control. The prices that Cochon receives for its crude oil production are based on market conditions. The general pace of global economic growth, the continued instability in the Middle East and other oil and natural gas producing regions and actions of the Organization of Petroleum Exporting Countries, as well as other economic, political, and environmental factors will continue to affect world supply and prices. Domestic natural gas prices fluctuate significantly in response to numerous factors including U.S. economic conditions, weather patterns, other factors affecting demand such as substitute fuels, the impact of drilling levels on crude oil and natural gas supply, and the environmental and access issues that limit future drilling activities for the industry.

Average oil and natural gas prices varied substantially during the past few years. Any actual or anticipated reduction in natural gas and crude oil and prices may further depress the level of exploration and production activity. Cochon and MWS expect that commodity prices will continue to fluctuate significantly in the future.

Changes in commodity prices significantly affect Cochon's and MWS's capital resources, liquidity and expected operating results. These lower prices, coupled with the slow recovery in financial markets that has significantly limited and increased the cost of capital, have compelled most oil and natural gas producers, including Cochon, to reduce the level of exploration and production activity. This will have a significant effect on Cochon's and MWS's capital resources, liquidity and expected operating results. Any sustained reductions in oil and natural gas prices will directly affect Cochon's and MWS's revenues and can indirectly impact expected production by changing the amount of funds available to Cochon and MWS to reinvest in exploration and development activities. Further reductions in oil and natural gas prices could also reduce the quantities of reserves that are commercially recoverable. Additionally, further or continued declines in prices could result in non-cash charges to earnings due to impairment write-downs. Any such write down could have a material adverse effect on Cochon's and MWS's results of operations in the period taken.

The Exit Facility May Impose Significant Additional Costs and Operating and Financial Restrictions on Cochon and MWS, Which May Prevent Cochon and MWS From Capitalizing on Business Opportunities and Taking Certain Actions.

The Exit Facility may impose significant additional costs and operating and financial restrictions. These restrictions may also limit Cochon's and MWS's ability to, among other things:

- incur additional indebtedness or issue certain preferred stock;
- pay dividends or make other distributions;
- make other restricted payments or investments;
- sell assets or use the proceeds from asset sales;
- create liens;
- maintain a cash balance in excess of a specified cap;
- incur general and administrative expenses in excess of a specified cap;
- engage in transactions with affiliates; and
- consolidate, merge or transfer all or substantially all of Cochon's and/or MWS's assets.

Cochon's and MWS's compliance with these provisions may materially adversely affect their ability to react to changes in market conditions, take advantage of business opportunities they believe to be desirable, obtain future

financing, fund needed capital expenditures, finance Cochon's and MWS's acquisitions, equipment purchases and development expenditures, or withstand the present or any future downturn in its business.

The Exit Facility May Include Financial Covenants That Limit Cochon's and MWS's Financial Flexibility.

The Exit Facility may require financial covenants that, among other things, require Cochon and MWS to maintain a minimum amount of liquidity, a leverage ratio, and asset coverage ratios. Compliance with these financial covenants may restrict future business and financing activity, including the ability to incur future indebtedness. In addition, Cochon's and MWS's ability to comply with these financial covenants may be affected by events outside of their control, and Cochon and MWS cannot provide assurance that it will be able to meet these financial covenants. Cochon's and MWS's failure to comply with these financial covenants could lead to a default under the Exit Facility.

Cochon's actual production, revenues and expenditures related to its reserves are likely to differ from its estimates of proved reserves. Cochon may experience production that is less than estimated. These differences may be material.

Cochon's proved oil and natural gas reserve information is estimated. The prices Cochon receives for its production may be lower than those upon which Cochon's reserve estimates are based. Reservoir engineering is a subjective process of estimating underground accumulations of oil and natural gas that cannot be measured in an exact manner. Estimates of economically recoverable oil and natural gas reserves and of future net cash flows necessarily depend upon a number of variable factors and assumptions, including:

- historical production from the area compared with production from other similar producing wells;
- the assumed effects of regulations by governmental agencies;
- assumptions concerning future oil and natural gas prices; and
- assumptions concerning future operating costs, severance and excise taxes, development costs and workover and remedial costs.

Because all reserve estimates are to some degree subjective, each of the following items may differ materially from those assumed in estimating proved reserves:

- the quantities of oil and natural gas that are ultimately recovered;
- the production and operating costs incurred;
- the amount and timing of future development expenditures; and
- future oil and natural gas sales prices.

Furthermore, different reserve engineers may make different estimates of reserves and cash flows based on the same available data. Cochon's and actual production, revenues and expenditures with respect to reserves will likely be different from estimates and the differences may be material. The discounted future net cash flows included in this document should not be considered as the current market value of the estimated oil and natural gas reserves attributable to Cochon's and MWS's properties. Actual future net cash flows also will be affected by factors such as:

- the amount and timing of actual production;
- supply and demand for oil and natural gas;
- increases or decreases in consumption; and
- changes in governmental regulations or taxation.

In addition, the 10% discount factor that Cochon uses in calculating Cochon's PV-10 is not necessarily the most appropriate discount factor based on interest rates in effect from time to time and risks associated with Cochon or the oil and natural gas industry in general.

Cochon's and MWS's operations are subject to governmental risks that may impact its operations.

Cochon's and MWS's operations have been, and at times in the future may be, affected by political developments and are subject to complex federal, state, tribal, local and other laws and regulations such as restrictions on production, permitting and changes in taxes, deductions, royalties and other amounts payable to governments or governmental agencies or price gathering-rate controls. In order to conduct Cochon's and MWS's operations in compliance with these laws and regulations, Cochon and MWS must obtain and maintain numerous permits, approvals and certificates from various federal, state, tribal and local governmental authorities. Cochon and MWS may incur substantial costs in order to maintain compliance with these existing laws and regulations. In addition, Cochon's and MWS's costs of compliance may increase if existing laws, including tax laws, and regulations are revised or reinterpreted, or if new laws and regulations become applicable to Cochon's and MWS's operations.

Cochon's and MWS's operations are subject to environmental and occupational health and safety laws and regulations that may expose Cochon and MWS to significant costs and liabilities.

Cochon's and MWS's oil and natural gas exploration and production and decommissioning operations are subject to stringent and complex federal, regional, state, and local laws and regulations governing the discharge of materials into the environment, health and safety aspects of Cochon's and MWS's operations, or otherwise relating to environmental protection. These laws and regulations may impose numerous obligations applicable to Cochon's and MWS's operations including the acquisition of permits before conducting regulated activities; plugging and abandonment and site reclamation requirements; the restriction of types, quantities and concentration of materials that can be released into the environment; the application of specific health and safety criteria addressing worker protection; and the imposition of substantial liabilities for pollution resulting from Cochon's and MWS's operations. Failure to comply with these laws and regulations may result in the assessment of sanctions, including administrative, civil or criminal penalties, the imposition of investigatory or remedial obligations, and the issuance of orders limiting or prohibiting some or all of Cochon's and MWS's operations.

There is inherent risk of incurring significant environmental costs and liabilities in the performance of Cochon's and MWS's operations as a result of its handling of petroleum hydrocarbons and wastes, because of air emissions and wastewater discharges related to their operations, and as a result of historical industry operations and waste disposal practices. Under certain environmental laws and regulations, Cochon and MWS could be subject to strict, joint and several liabilities for the removal or remediation of previously released materials or property contamination. Failure to comply with environmental laws and regulations may result in the assessment of civil and criminal fines and penalties, the revocation of permits or the issuance of injunctions restricting or prohibiting Cochon's and MWS's operations in certain areas. Moreover, private parties, including the owners of properties upon which Cochon's and MWS's wells are drilled and facilities where its petroleum hydrocarbons or wastes are taken for reclamation or disposal, also may have the right to pursue legal actions to enforce compliance as well as to seek damages for non-compliance with environmental laws and regulations or for personal injury or property or natural resource damages. Changes in environmental laws and regulations occur frequently and the clear trend is to place increasingly stringent limitations on activities that may affect the environment. Any changes in legal requirements related to the protection of the environment could result in more stringent or costly well construction, completion or water management activities, or waste control, handling, storage, transport, disposal or cleanup requirements. Such changes could also require Cochon and MWS to make significant expenditures to attain and maintain compliance, and also have the potential to reduce demand for the oil and gas Cochon produces and may otherwise have a material adverse effect on Cochon's and MWS's own results of operations, competitive position or financial condition. Cochon and MWS may not be able to recover some or any of these costs from insurance.

Climate change legislation or regulations restricting emissions of "greenhouse gases" could result in increased operating costs and reduced demand for the crude oil and natural gas that Cochon and MWS produces.

Certain scientific studies have found that emissions of carbon dioxide, methane and other "greenhouse gases" are contributing to warming of the earth's atmosphere and other climatic changes. Based on these findings, the EPA determined that greenhouse gases present an endangerment to public health and the environment and has issued regulations to restrict emissions of greenhouse gases under existing provisions of the Clean Air Act. These regulations include limits on tailpipe emissions from motor vehicles and preconstruction and operating permit requirements for certain large stationary sources. In August 2015, the EPA announced proposed rules that would establish new air emission controls for methane emissions from certain new, modified or reconstructed equipment and processes in the oil and natural gas source category, including production, processing, transmission and storage activities, as part of an overall effort to reduce methane emissions by up to 45 percent by 2025. These new and proposed rules could result in increased compliance costs for Cochon's and MWS's business.

In addition, Congress has from time to time considered adopting legislation to reduce emissions of greenhouse gases and almost one-half of the states have already taken legal measures to reduce emissions of greenhouse gases primarily through regional greenhouse gas cap and trade programs. The adoption of legislation or regulatory programs to reduce emissions of greenhouse gases could require Cochon to incur increased operating costs, such as costs to purchase and operate emissions control systems, to acquire emissions allowances or comply with new regulatory or reporting requirements. Any such legislation or regulatory programs could also increase the cost of consuming, and thereby reduce demand for, the oil and natural gas Cochon produces. Consequently, legislation and regulatory programs to reduce emissions of greenhouse gases could have an adverse effect on Cochon's business, financial condition and results of operations. Finally, it should be noted that some scientists have concluded that increasing concentrations of greenhouse gases in the Earth's atmosphere may produce climate changes that have significant physical effects, such as increased frequency and severity of storms, droughts and floods and other climatic events. Such climatic events could have an adverse effect on Cochon's financial condition and results of operations.

Future legislation may result in the elimination of certain U.S. federal income tax deductions currently available with respect to oil and natural gas exploration and production. Additionally, future federal or state legislation may impose new or increased taxes or fees on oil and natural gas extraction.

Potential legislation, if enacted into law, could make significant changes to U.S. federal and state income tax laws, including the elimination of certain key U.S. federal income tax incentives currently available to oil and gas exploration and production companies. These changes may include, but are not limited to (i) the elimination of current deductions for intangible drilling and development costs; (ii) the modification of the deduction for certain U.S. production activities; and (iii) changes in the amortization period for certain geological and geophysical expenditures. It is unclear whether these or similar changes will be enacted and, if enacted, how soon any such changes could become effective. The passage of this legislation or any other similar changes in U.S. federal and state income tax laws could eliminate or postpone certain tax deductions that are currently available with respect to oil and natural gas exploration and development, and any such change could negatively affect Cochon's and MWS's financial condition and results of operations.

A majority of Cochon's production, revenue and cash flow from operating activities may be derived from assets that are concentrated in a single geographic area, making Cochon vulnerable to risks associated with operating in one geographic area.

Cochon operates entirely in the Gulf of Mexico. Accordingly, if the level of production from these properties substantially declines or is otherwise subject to a disruption in Cochon's operations resulting from operational problems, government intervention (including potential regulation) or natural disasters, it could have a material adverse effect on Cochon's overall production level and revenue.

Cochon's ability to sell natural gas and receive market prices for its natural gas may be adversely affected by pipeline and gathering system capacity constraints and various transportation interruptions.

Cochon operates primarily on the OCS in the Gulf of Mexico. A number of companies are currently operating in the Gulf of Mexico. If drilling in these areas continues to be successful, the amount of natural gas being produced could exceed the capacity of the various gathering and intrastate or interstate transportation pipelines currently available in this region. If this occurs, it will be necessary for new pipelines and gathering systems to be built. In

addition, capital constraints could limit Cochon's ability to build intrastate gathering systems necessary to transport its natural gas to interstate pipelines. In such an event, Cochon might have to shut in its wells awaiting a pipeline connection or capacity or sell natural gas production at significantly lower prices than those quoted on NYMEX or that Cochon currently projects, which would adversely affect Cochon's results of operations.

A portion of Cochon's oil and natural gas production may be interrupted, or shut in, from time to time for numerous reasons, including as a result of weather conditions, accidents, loss of pipeline or gathering system access, field labor issues or strikes, or Cochon might voluntarily curtail production in response to market conditions. If a substantial amount of Cochon's production is interrupted at the same time, it could temporarily adversely affect Cochon's cash flow.

Cochon may be unable to identify liabilities associated with the properties that it acquires or obtain protection from sellers against them.

The acquisition of properties requires Cochon to assess a number of factors, including recoverable reserves, development and operating costs and potential environmental and other liabilities. Such assessments are inexact and inherently uncertain. In connection with the assessments, Cochon performs a review of the subject properties, but such a review will not reveal all existing or potential problems. In the course of Cochon's due diligence, it may not inspect every well, facility or pipeline. Cochon cannot necessarily observe structural and environmental problems, such as pipeline corrosion or subsurface groundwater contamination, when an inspection is made. Cochon may not be able to obtain contractual indemnities from the seller for liabilities relating to the acquired assets and indemnities are unlikely to cover liabilities relating to the time periods after closing. Cochon may be required to assume any risk relating to the physical condition of the properties in addition to the risk that the properties may not perform in accordance with its expectations. The incurrence of an unexpected liability could have a material adverse effect on Cochon's financial position and results of operations.

Due to the nature of the industry, Cochon sells its oil and natural gas production to a limited number of purchasers and, accordingly, amounts receivable from such purchasers could be significant. The loss of, or material nonpayment or nonperformance by, any one or more of these customers could materially adversely affect Cochon's financial condition, results of operations and cash flows.

Due to the nature of the industry, Cochon sells its oil and natural gas production to a limited number of purchasers and, accordingly, amounts receivable from such purchasers could be significant. Some of Cochon's customers may have material financial and liquidity issues or may, as a result of operational incidents or other events, be disproportionately affected as compared to larger, better-capitalized companies. Any material nonpayment or nonperformance by any of Cochon's key customers could have a material adverse effect on Cochon's financial condition, results of operations and cash flows. Cochon expects its exposure to concentrated risk of non-payment or non-performance to continue as long as Cochon remains substantially dependent on a relatively small number of customers for a substantial portion of its revenue.

Customer credit risks could result in losses.

Cochon's and MWS's exposure to non-payment or non-performance by their customers and counterparties presents a credit risk. Generally, non-payment or non-performance results from a customer's or counterparty's inability to satisfy obligations. Cochon and MWS monitor the creditworthiness of their customers and counterparties and established credit limits according to their credit policies and guidelines, but cannot assure that any losses will be consistent with their expectations. Furthermore, the concentration of Cochon's and MWS's customers in the energy industry may impact Cochon's and MWS's overall exposure to credit risk as customers may be similarly affected by prolonged changes in economic and industry conditions.

Cochon's and MWS's success depends on their management team and other key personnel, the loss of any of whom could disrupt Cochon's and MWS's business operations.

Cochon's and MWS's success will depend on their ability to retain and attract experienced engineers, geoscientists, and other professional staff. Cochon and MWS depend to a large extent on the efforts, technical expertise, and continued employment of these personnel and members of their management team. If a significant

number of them resign or become unable to continue in their present role and if they are not adequately replaced, Cochon's and MWS's business operations could be adversely affected.

The oil and natural gas exploration and production business involves many uncertainties, economic risks, and operating risks that can prevent Cochon from realizing profits and can cause substantial losses.

The nature of the oil and natural gas exploration and production business involves certain operating hazards such as:

- well blowouts;
- cratering;
- explosions;
- uncontrollable flows of oil, natural gas, brine or well fluids;
- fires;
- formations with abnormal pressures;
- environmental hazards such as crude oil spills;
- natural gas leaks;
- pipeline and tank ruptures;
- unauthorized discharges of brine, well stimulation and completion fluids or toxic gases into the environment;
- encountering naturally occurring radioactive materials;
- other pollution; and
- other hazards and risks.

Any of these operating hazards could result in substantial losses to Cochon. As a result, substantial liabilities to third parties or governmental entities may be incurred. The payment of these amounts could reduce or eliminate the funds available for exploration, development, or acquisitions. These reductions in funds could result in a loss of Cochon's properties. Additionally, Cochon's oil and natural gas operations are located in areas that are subject to weather disturbances such as hurricanes. Some of these disturbances can be severe enough to cause substantial damage to facilities and possibly interrupt production.

Cochon and MWS cannot be certain that the insurance coverage they maintain will be adequate to cover all losses that may be sustained in connection with all oil and natural gas activities.

Cochon and MWS maintain general and excess liability policies, which they consider to be reasonable and consistent with industry standards. These policies generally cover:

- personal injury;
- bodily injury;
- third party property damage;
- medical expenses;
- legal defense costs;
- pollution in some cases;
- well blowouts in some cases; and
- workers compensation.

As is common in the oil and natural gas industry, Cochon and MWS will not insure fully against all risks associated with their businesses either because such insurance is not available or because Cochon and MWS believe the premium costs are prohibitive. A loss not fully covered by insurance could have a materially adverse effect on Cochon's and MWS's financial positions and results of operations. There can be no assurance that the insurance coverage that Cochon and MWS maintain will be sufficient to cover every claim made against Cochon and MWS in the future. A loss in connection with Cochon's oil and natural gas properties could have a materially adverse effect on Cochon's financial position and results of operations to the extent that the insurance coverage provided under Cochon's policies cover only a portion of any such loss.

Discharge of Prepetition Claims and Related Legal Proceedings.

Cochon and MWS may be subject to Claims in various legal proceedings and may become subject to other legal proceedings in the future. Although any such Claims will be generally stayed while the Cases are pending, Cochon and MWS may not be successful in ultimately discharging or satisfying such Claims. The ultimate outcome of each of these matters, including Cochon's and MWS's ability to have these matters satisfied and discharged in the bankruptcy proceeding, cannot presently be determined, nor can the liability that may potentially result from a negative outcome be reasonably estimated presently for every case. The liability Cochon and MWS may ultimately incur with respect to any one of these matters in the event of a negative outcome may be in excess of amounts currently accrued with respect to such matters and, as a result, these matters may potentially be material to Cochon's and MWS's businesses, financial conditions, and/or results of operations.

D. Certain Risks Relating to the Shares of New Equity Interests Issued Under the Plan.

Significant Holders.

As set forth above, after the Effective Date, the Holders of Note Claims will receive 100% of the Reorganized Debtors' New Equity. Such Holders will be in a position to control the outcome of all actions requiring equity holder approval, including the election of directors. This concentration of ownership could also facilitate or hinder a negotiated change of control of the Reorganized Debtors and, consequently, have an impact upon the value of the New Equity.

Lack of Established Market for New Equity.

A liquid trading market for the New Equity issued under the Plan does not exist. The future liquidity of the trading markets for the New Equity will depend, among other things, upon the number of Holders of such securities and whether such securities become listed for trading on an exchange or trading system at some future time.

Uncertainty Regarding United States Federal Income Tax Consequences of the Plan.

Holders of Allowed Claims should carefully review ARTICLE XIII herein, "Certain United States Federal Income Tax Consequences of the Plan," to determine how the tax implications of the Plan and the Cases may affect the Reorganized Debtors and Holders of Claims.

The Financial Projections Set forth in this Disclosure Statement May Not Be Achieved.

The Financial Projections cover the operations of the Reorganized Debtors through 2020. The Financial Projections are based on numerous assumptions that are an integral part thereof, including, but not limited to, Confirmation and consummation of the Plan in accordance with its terms, the anticipated future performance of the Reorganized Debtors, industry performance, general business and economic conditions, competition, adequate financing, absence of material claims, the ability to make necessary capital expenditures, the ability to establish strength in new markets and to maintain, improve, and strengthen existing markets, customer purchasing trends and preferences, the ability to increase gross margins and control future operating expenses, and other matters, many of which are beyond the control of the Reorganized Debtors. In addition, unanticipated events and circumstances occurring subsequent to the date of this Disclosure Statement may affect the actual financial results of the operations of the Reorganized Debtors. These variations may be material and adverse. Because the actual results achieved throughout the periods covered by the Financial Projections will vary from the projected results, the Financial

Projections should not be relied upon as a guaranty, representation, or other assurance of the actual results that will occur.

E. Additional Factors to Be Considered.

Cochon and MWS Have No Duty to Update.

The statements contained in this Disclosure Statement are made by Cochon and MWS as of the date hereof, unless otherwise specified herein, and the delivery of this Disclosure Statement after that date does not imply that there has been no change in the information set forth herein since that date. Cochon and MWS have no duty to update this Disclosure Statement unless otherwise ordered to do so by the Court.

No Representations Made Outside this Disclosure Statement Are Authorized.

The information contained in this Disclosure Statement is for purposes of soliciting acceptances of the Plan and may not be relied upon for any other purpose. Except as otherwise provided herein or in the Plan, no representations relating to Cochon and MWS, the Cases, or the Plan are authorized by the Bankruptcy Court, the Bankruptcy Code, or otherwise. Any representations or inducements made to secure your acceptance or rejection of the Plan, other than as contained in or included with this Disclosure Statement, should not be relied upon by you in arriving at your decision. You should promptly report unauthorized representations or inducements to the counsel to Cochon and MWS and, if applicable, the U.S. Trustee.

Cochon and MWS Relied on Certain Exemptions from Registration under the Securities Act.

This Disclosure Statement has not been filed with the SEC or any state regulatory authority. Neither the SEC nor any state regulatory authority has passed upon the accuracy or adequacy of this Disclosure Statement or the exhibits or the statements contained herein, and any representation to the contrary is unlawful. This Disclosure Statement has been prepared pursuant to Bankruptcy Code section 1125 and Bankruptcy Rule 3016(b).

To the maximum extent permitted by Bankruptcy Code section 1145, the Securities Act, and other applicable non-bankruptcy law, the issuance of the New Equity will be exempt from registration under the Securities Act.

The Information Herein Was Provided by Cochon and MWS and Relied upon by Its Advisors.

Counsel to and other advisors retained by Cochon and MWS have relied upon information provided by Cochon and MWS in connection with the preparation of this Disclosure Statement, and they have not independently verified the information contained herein.

The statements contained in this Disclosure Statement are made by Cochon and MWS as of the date hereof, unless otherwise specified herein, and the delivery of this Disclosure Statement after that date does not imply that there has not been a change in the information set forth herein since that date. While Cochon and MWS have used their reasonable business judgment to ensure the accuracy of all of the information provided in this Disclosure Statement and in the Plan, Cochon and MWS nonetheless cannot, and do not, confirm the current accuracy of all statements appearing in this Disclosure Statement. Further, although Cochon and MWS may subsequently update the information in this Disclosure Statement, Cochon and MWS have no affirmative duty to do so unless ordered to do so by the Bankruptcy Court.

The financial information contained in this Disclosure Statement has not been audited unless explicitly stated otherwise. In preparing this Disclosure Statement, Cochon and MWS relied on financial data derived from their books and records that was available at the time of such preparation. Although Cochon and MWS have used their reasonable business judgment to ensure the accuracy of the financial information provided in this Disclosure Statement, and while Cochon and MWS believe that such financial information fairly reflects the financial condition of Cochon and MWS, Cochon and MWS are unable to warrant or represent that the financial information contained herein and attached hereto is without inaccuracies.

No Legal or Tax Advice Is Provided to You by this Disclosure Statement.

This Disclosure Statement is not legal advice to you. The contents of this Disclosure Statement should not be construed as legal, business, or tax advice. Each Holder of a Claim or an Equity Interest should consult his or her own legal counsel and accountant with regard to any legal, tax, and other matters concerning his or her Claim or Equity Interest. This Disclosure Statement may not be relied upon for any purpose other than to determine how to vote on the Plan or object to Confirmation of the Plan.

No Admissions Are Made by this Disclosure Statement.

The information and statements contained in this Disclosure Statement will neither constitute an admission of any fact or liability by any Entity (including, without limitation, Cochon and MWS) nor be deemed evidence of the tax or other legal effects of the Plan on the Debtors, the Reorganized Debtors, Holders of Allowed Claims or Equity Interests or any other parties in interest. Except as otherwise provided in the Plan, the vote by a Holder of an Allowed Claim or Equity Interest for or against the Plan does not constitute a waiver or release of any Claims or rights of the Debtors or the Reorganized Debtors (or any party-in-interest, as the case may be) to object to that Holder's Allowed Claim or Equity Interest, or recover any preferential, fraudulent, or other voidable transfer or assets, regardless of whether any Claims or Causes of Action of the Debtors or their respective Estates are specifically or generally identified herein.

In addition, no reliance should be placed on the fact that a particular litigation claim or projected objection to a particular Claim or Equity Interest is, or is not, identified in this Disclosure Statement. The Debtors or the Reorganized Debtors may seek to investigate, file, and prosecute objections to Claims and Equity Interests and may object to Claims after the Confirmation or Effective Date of the Plan irrespective of whether this Disclosure Statement identifies such Claims or objections to Claims.

Forward-Looking Statements in this Disclosure Statement

The Debtors make statements in this Disclosure Statement that are considered forward-looking statements under the federal securities laws. The Debtors consider all statements regarding anticipated or future matters, including the following, to be forward-looking statements:

- any future effects as a result of the filing or pendency of the Cases;
- Cochon's and MWS's expected future financial positions, liquidity, results of operations, profitability, and cash flows;
- financing plans;
- competitive position;
- business strategy;
- budgets;
- projected cost reductions;
- projected and estimated environmental liabilities;
- other projected and estimated liability costs;
- results of litigation;
- disruption of operations;
- regulatory changes;
- plans and objectives of management for future operations;
- contractual obligations;
- off-balance-sheet arrangements;
- growth opportunities for existing services;
- projected price changes;
- projected general market conditions; and
- impacts from new technologies.

Statements concerning these and other matters are not guarantees of Cochon's and MWS's future performance. Such statements represent the Debtors' estimates and assumptions only as of the date such statements were made. There are risks, uncertainties, and other important factors that could cause Cochon's and MWS's actual performance or achievements to be materially different from those they may project, and Cochon and MWS undertakes no obligation to update any such statement. These risks, uncertainties, and factors include:

- Cochon's and MWS's ability to confirm, and consummate the Plan;
- ability to implement cost reduction and market share initiatives in a timely manner;

- Cochon's and MWS's ability to reduce their overall financial leverage;
- the potential adverse impact of the Cases on Cochon's and MWS's operations, management, and employees and the risks associated with operating the businesses during the Cases;
- supplier and partner response to the Cases;
- inability to have claims discharged or settled during the Cases;
- general economic, business, and market conditions, including the recent volatility and disruption in the capital and credit markets and the significant downturn in the overall economy;
- interest rate fluctuations;
- exposure to litigation;
- dependence upon key personnel;
- efficacy of new technologies and facilities;
- adverse tax changes;
- limited access to capital resources;
- changes in laws and regulations;
- natural disasters; and
- inability to implement Cochon's and MWS's business plans.

XII. SECURITIES LAW MATTERS

No registration statement will be filed with the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended (the "**Securities Act**"), or pursuant to any state securities laws with respect to the offer and distribution of securities under the Plan. Cochon and MWS believe that the provisions of section 1145(a)(1) of the Bankruptcy Code will exempt the issuance and distribution of securities issued under the Plan (the "**1145 Securities**") from the Securities Act and state securities registration requirements. The 1145 Securities issued to affiliates of the Reorganized Debtors will be treated as issued pursuant to section 1145(a)(1).

A. Bankruptcy Code Exemptions from Registration Requirements.

Securities Issued in Reliance on Section 1145 of the Bankruptcy Code.

Section 1145(a)(1) of the Bankruptcy Code exempts the offer and sale of securities under a plan of reorganization from registration under the Securities Act and state laws if three principal requirements are satisfied: (i) the securities must be offered and sold under a plan of reorganization and must be securities of the debtor, of an affiliate participating in a joint plan with the debtor, or of a successor to the debtor under the plan; (ii) the recipients of the securities must each hold a prepetition or administrative expense claim against the debtor or an interest in the debtor or such affiliate; and (iii) the securities must be issued in exchange for the recipient's claim against, or interest in, the debtor or such affiliate, or principally in such exchange and partly for cash or property.

The exemptions provided for in section 1145 do not apply to an entity that is deemed an "underwriter" as such term is defined in section 1145(b) of the Bankruptcy Code. Section 1145(b) defines an "underwriter" as one who, except with respect to "ordinary trading transactions" of an entity that is not an "issuer":

(a) purchases a claim against, an interest in, or a claim for administrative expense against, the debtor, with a view to distributing any security received in exchange for such a claim or interest ("accumulators");

(b) offers to sell securities offered or sold under a plan for the Holders of such securities ("distributors");

(c) offers to buy securities offered or sold under a plan from the Holders of such securities, if the offer to buy is (i) with a view to distributing such securities and (ii) under an agreement made in connection with the plan, with the consummation of the plan, or with the offer or sale of securities under the plan; and

(d) is an "issuer" with respect to the securities, as the term "issuer" is defined in section 2(a)(11) of the Securities Act, which includes affiliates of the issuer, defined as persons who are in a relationship of "control" with the issuer.

As explained more fully in the next section, persons who are not deemed "underwriters" of the issuer may generally resell 1145 Securities without registration under the Securities Act or other applicable law. Persons deemed "underwriters" may sell such securities only pursuant to a registration statement or exemptions from registration under the Securities Act and other applicable law.

XIII. CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

A. Introduction.

The following discussion summarizes certain U.S. federal income tax consequences of the Plan to Cochon and MWS and to Holders of Allowed Class 3, 4, 5, 6, and 7 Claims in their capacities as such.

This summary is provided for informational purposes only and is based on the Internal Revenue Code of 1986, as amended (the "Tax Code"), the Treasury regulations promulgated thereunder, judicial authority and current administrative rulings and practice, all as in effect as of the date hereof and all of which are subject to change, possibly with retroactive effect. A substantial amount of time may elapse between the date of this Disclosure Statement and the receipt of a final distribution under the Plan. Events subsequent to the date of this Disclosure Statement, such as the enactment of additional tax legislation, court decisions or administrative changes, could affect the U.S. federal income tax consequences of the Plan and the transactions contemplated thereunder. Congress is currently considering certain legislative proposals that, if enacted, would result in significant changes to U.S. federal tax laws. The Debtors cannot assure that any change in law will not significantly alter the tax considerations described in this summary. No ruling will be sought from the Internal Revenue Service (the "**IRS**") with respect to any of the tax aspects of the Plan and no opinion of counsel has been obtained by Cochon and MWS with respect to any tax issues. No representations are being made regarding the particular tax consequences of the confirmation and consummation of the Plan to Cochon and MWS or any Holder of a Claim. No assurance can be given that the IRS would not assert, or that a court would not sustain, a different position from any discussed below.

This summary does not address U.S. federal taxes other than income taxes, nor does it address foreign, state or local tax consequences of the transactions contemplated under the Plan. Furthermore, this summary does not address all aspects of taxation that may be relevant to particular taxpayers in light of their circumstances, including, without limitation, foreign persons, mutual funds, small business investment companies, regulated investment companies, banks and certain other financial institutions, insurance companies, tax-exempt organizations, holders that are, or hold existing notes through, pass-through entities, persons whose functional currency is not the U.S. dollar, dealers in securities or foreign currency, and persons holding existing notes that are a hedge against, or that are hedged against, currency risk or that are part of a straddle, constructive sale or conversion transaction. This summary assumes that holders of Allowed Claims hold such Claims as "capital assets" within the meaning of section 1221 of the Tax Code. If a partnership holds a Claim, the tax treatment of a partner will generally depend upon the status of the partner and upon the activities of the partnership.

ACCORDINGLY, THE FOLLOWING SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES DOES NOT CONSTITUTE TAX ADVICE, IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING BASED UPON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER. ALL HOLDERS OF CLAIMS MUST CONSULT THEIR OWN TAX ADVISORS FOR SPECIFIC ADVICE ON THE FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF THE PLAN.

B. Certain U.S. Federal Income Tax Consequences of the Plan to Cochon, MWS, and Rooster Canada.

Cochon and MWS are both single-member limited liability companies, with Rooster Canada being both entities' sole members. As a result, Cochon and MWS are disregarded entities for federal income tax purposes, meaning that all items of income, loss, expense, deduction or credit of such disregarded Debtors are treated as realized and recognized by Rooster Canada.

Rooster Canada will recognize gain or loss on the disposition of the assets of Cochon and MWS equal to the fair market value of such assets over the basis of such assets. The character of such gain or loss will depend on the type and holding period of the underlying asset. Ordinarily, the discharge or retirement of a debt instrument for less than the amount owed generates cancellation of indebtedness income ("**COD**"), which is includable in the debtor's gross income for U.S. federal income tax purposes. The delivery of the New Equity to Holders of Note Claims will generally be treated as if Rooster Canada satisfied the amount of the remaining Claim (after taking into account the indebtedness of the Exit Facility) deemed surrendered for an amount of money equal to the fair market value of the net assets of Cochon and MWS delivered in exchange, with the Debtor having COD equal to any excess of the amount of the Claim satisfied over the amount of this deemed cash payment. COD recognized by a debtor in a bankruptcy case is generally excluded from the debtor's gross income; instead, certain tax attributes otherwise available to the debtor are reduced by the amount of the indebtedness cancelled. Tax attributes subject to reduction include: (i) net operating losses ("**NOL**") and NOL carryforwards; (ii) most credit carryforwards; (iii) capital losses and carryforwards; (iv) the tax basis of the debtor's depreciable and non-depreciable assets; (v) passive activity loss and credit carryovers; and (vi) foreign tax credit carryforwards.

However, because Cochon and MWS are disregarded entities, applicable IRS regulations provide that neither Cochon nor MWS are the taxpayer for purposes of COD; instead the taxpayer is the "owner" of Cochon and MWS, Rooster Canada. Treasury Regulation 1.108-9(a)(2) provides that the "owner" of a disregarded entity whose debt is discharged in a chapter 11 bankruptcy case may only take advantage of the bankruptcy exclusion for COD income "only if the owner of the grantor trust or the owner of the disregarded entity is under the jurisdiction of the court in a title 11 case as the title 11 debtor." While Rooster Canada is under the jurisdiction of a court in the title 11 case as a title 11 debtor, the Debtors do not anticipate that Rooster Canada will confirm a plan or receive a discharge simultaneously with Cochon and MWS which may affect the tax treatment of Rooster Canada.

C. Certain U.S. Federal Income Tax Consequences of the Plan to Holders of Allowed Class 3 Claims.

The delivery of the New Equity to Holders of Note Claims will generally be treated as if Rooster Canada satisfied the amount of the Claim deemed surrendered for an amount of money equal to the fair market value of the net assets of Cochon and MWS deemed delivered in the exchange. A Holder will have a gain or loss equal to the difference between its adjusted tax basis in the Allowed Note Claim surrendered and the fair market value of the net assets of Cochon and MWS that are deemed received by the Holder (other in satisfaction of accrued but untaxed interest). A Holder should obtain a tax basis in the assets of Cochon and MWS, other than with respect to any amounts received that are attributable to accrued but untaxed interest, equal to the fair market value of the net assets of Cochon and MWS. The holding period of the assets of Cochon and MWS should begin on the day following the receipt of the New Equity.

The tax basis of the assets of Cochon and MWS treated as received in satisfaction of accrued but untaxed interest should equal the amount of such accrued but untaxed interest, but in no event should such basis exceed the fair market value of the assets of Cochon and MWS received in satisfaction of accrued but untaxed interest. The holding period of such assets should begin on the day following the receipt of the New Equity.

Holders receiving New Equity in discharge of Claims pursuant to the Plan are urged to consult their own tax advisors regarding the tax treatment of the receipt of New Equity pursuant to the Plan.

D. Certain U.S. Federal Income Tax Consequences of the Plan to Holders of Allowed Class 4, 5, 6, and 7 Claims.

Holders of claims against and equity interests in the Debtors are urged to consult with their tax advisors as to the consequences of the Plan to them. Among the issues these Holders and their advisors may wish to consider are the following: (1) the extent to which such Holder is entitled to a bad debt deduction or a worthless securities loss; (2) the extent to which such Holder recognizes gain or loss on the exchange of its claim or equity interest for property, debt, and shares of stock or a membership interest in the Debtor and the character of that gain or loss; (3) the basis and the holding period for any property, debt, and shares or interests received by such Holder; (4) whether the original issue discount rules, market discount rule, and amortizable bond premium rules apply to any debt received by such Holder; (5) the treatment of property, shares or interests, or debt, if any, received by such Holder in satisfaction of accrued interest; and (6) the effect of such Holder receiving a deferred distribution or distribution that is contingent in amount.

E. Information Reporting and Backup Withholding.

In general, information reporting requirements may apply to distributions or payments under the Plan. All distributions to Holders of Allowed Claims and Interests under the Plan are subject to any applicable withholding obligations. Under U.S. federal income tax law, interest, dividends, and other reportable payments may, under certain circumstances, be subject to "backup withholding" at the then-applicable rate. Backup withholding generally applies if the Holder (1) fails to furnish its social security number or other taxpayer identification number ("**TIN**"); (2) furnishes an incorrect TIN; (3) fails properly to report interest or dividends; or (4) under certain circumstances, fails to provide a certified statement, signed under penalty of perjury, that the TIN provided is its correct number and that it is a United States person that is not subject to backup withholding. Backup withholding is not an additional tax 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.

F. Importance of Obtaining Professional Tax Assistance.

The foregoing discussion is intended only as a summary of certain U.S. federal income tax consequences of the Plan, does not discuss all aspects of U.S. federal income taxation that may be relevant to a particular Holder of a Claim in light of such Holder's circumstances and tax situation and is not a substitute for consultation with a tax professional. The above discussion is for informational purposes only and is not tax advice. The tax consequences of the Plan are complex and are in many cases uncertain and may vary depending on a claimant's particular circumstances. Accordingly, all Holders of Claims and Equity Interests are strongly urged to consult their own tax advisors about the federal, state, local, and applicable non-U.S. income and other tax consequences to them under the Plan, including with respect to tax reporting and record keeping requirements.

XIV. RECOMMENDATION AND CONCLUSION

Cochon and MWS believe that confirmation of the Plan is in the best interests of all creditors and Equity Interest Holders and urge all creditors in the Voting Classes to vote in favor of the Plan.

Dated: November [___], 2017

COCHON PROPERTIES, LLC

By: */s/ Kenneth F. Tamplain, Jr.*
Name: Kenneth F. Tamplain, Jr.
Title: Chief Executive Officer

MORRISON WELL SERVICES, LLC

By: */s/ Kenneth F. Tamplain, Jr.*
Name: Kenneth F. Tamplain, Jr.
Title: Chief Executive Officer

EXHIBIT A TO THE DISCLOSURE STATEMENT

AMENDED JOINT PLAN OF REORGANIZATION OF COCHON PROPERTIES, LLC AND MORRISON WELL SERVICES, LLC PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

EXHIBIT B TO THE DISCLOSURE STATEMENT[9]

FINANCIAL PROJECTIONS[10]

Cochon and MWS believe that the Plan is feasible as required by section 1129(a)(11) of the Bankruptcy Code, because Confirmation is not likely to be followed by liquidation or the need for further financial reorganization of the Reorganized Debtors or any successor to the Reorganized Debtors. In connection with the planning and development of a plan of reorganization and for purposes of determining whether the Plan will satisfy this feasibility standard, the Debtors have analyzed their ability to satisfy their financial obligations while maintaining sufficient liquidity and capital resources.

In connection with the Disclosure Statement, the Debtors management team ("**Management**") prepared financial projections (the "**Financial Projections**") for fiscal years 2018 through 2020 (the "**Projection Period**"). The Financial Projections are based on a number of assumptions made by Management with respect to the future performance of the Reorganized Debtors' operations which may or may not prove to be correct and decisions that the board of directors of the Reorganized Debtors may or may not make.

THESE FINANCIAL PROJECTIONS WERE NOT PREPARED WITH A VIEW TOWARD COMPLIANCE WITH PUBLISHED GUIDELINES OF THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR GUIDELINES ESTABLISHED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS FOR PREPARATION AND PRESENTATION OF PROSPECTIVE FINANCIAL INFORMATION.

ALTHOUGH MANAGEMENT HAS PREPARED THE FINANCIAL PROJECTIONS IN GOOD FAITH AND BELIEVES THE ASSUMPTIONS TO BE REASONABLE, THE DEBTORS AND THE REORGANIZED DEBTORS CAN PROVIDE NO ASSURANCE THAT SUCH ASSUMPTIONS WILL BE REALIZED. AS DESCRIBED IN DETAIL IN THE DISCLOSURE STATEMENT, A VARIETY OF RISK FACTORS COULD AFFECT THE REORGANIZED DEBTORS FINANCIAL RESULTS AND MUST BE CONSIDERED. ACCORDINGLY, ANY REVIEW OF THE FINANCIAL PROJECTIONS SHOULD TAKE INTO ACCOUNT THE RISK FACTORS SET FORTH IN THE DISCLOSURE STATEMENT AND THE ASSUMPTIONS DESCRIBED HEREIN, INCLUDING ALL RELEVANT QUALIFICATIONS AND FOOTNOTES.

General Assumptions

a. Methodology

Management developed projections for the Projection Period based on forecasted production estimates of Cochon's oil and gas reserves, estimated commodity pricing, estimated revenues from MWS's decommissioning services, and estimated future operating, capital expenditure and overhead costs of Cochon and MWS.

b. Emergence Date

Emergence from chapter 11 is assumed to occur on [_____], 2017.

c. Operations

These Financial Projections incorporate Cochon's production estimates and Cochon's and MWS's planned revenue reflected in their forecasted capital plan for the Projection Period. The production estimates are based on Management's best efforts to forecast the decline curves for their existing proved developed producing wells. The actual production could vary considerably from the assumptions used to prepare the production forecast contained herein. Material changes in Cochon's actual production results, MWS's decommissioning revenues, and their ability to control costs would have a material impact on the Financial Projections.

[9] [NTD: Debtors to review, revise, and/or supplement as necessary.]
[10] Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Disclosure Statement.

	FY 2018	FY 2019	FY 2020
Income Statement			
Revenues	$36,097,046	$33,749,572	$35,621,601
Operating Expenses	($17,332,624)	($19,234,774)	($21,220,309)
Gross Profit	**$18,764,421**	**$14,514,798**	**$14,401,292**
Depreciation & Depletion	($6,184,561)	($5,796,942)	($5,031,802)
General & Administrative Expenses	($7,180,443)	($6,886,180)	($7,096,542)
Repair & Maintenance Expenses	($650,336)	($650,336)	($650,336)
Operating Profit	**$4,749,081**	**$1,181,341**	**$1,622,612**
Interest Expense	($2,779,614)	($2,372,850)	($2,037,321)
Net Income	**$1,969,468**	**($1,191,509)**	**($414,708)**

EXHIBIT C TO THE DISCLOSURE STATEMENT

LIQUIDATION ANALYSIS

Introduction.

Under the "best interest of creditors" test set forth in section 1129(a)(7) of the Bankruptcy Code,[11] the Bankruptcy Court may not confirm a plan of reorganization unless the plan provides each holder of an allowed claim or interest that does not vote in favor of the plan with property of a value, as of the effective date of the plan, that is not less than the amount that such holder would receive or retain if the debtor was liquidated under chapter 7 of the Bankruptcy Code. To analyze whether the proposed Plan satisfies the "best interest of creditors" test, the Debtors have prepared the following hypothetical liquidation analysis (the "**Liquidation Analysis**"), which is based upon certain assumptions discussed in the Disclosure Statement and in the accompanying notes to the Liquidation Analysis. The Liquidation Analysis sets forth an estimated range of recovery values for each Class of Claims or Interests under the Plan upon disposition of assets pursuant to a hypothetical chapter 7 liquidation. As illustrated by the Liquidation Analysis, no holders of Claims or Interests in Impaired Classes would receive a greater recovery in a hypothetical chapter 7 liquidation than they would receive under the Plan. Accordingly, and as set forth in greater detail below, the Debtors submit that the Plan satisfies the "best interest of creditors" test set forth in section 1129(a)(7) of the Bankruptcy Code.

Statement of Limitations.

The determination of the costs of, and proceeds from, the hypothetical liquidation of the Debtors' assets in a chapter 7 case is an uncertain process involving estimates and assumptions that, although considered reasonable by the Debtors based upon their business judgment are inherently subject to business, economic, and competitive uncertainties and contingencies beyond the control of the Debtors, their management and their advisors. Inevitably, some assumptions in the Liquidation Analysis would likely not materialize in an actual chapter 7 liquidation and unanticipated events and circumstances could materially affect the ultimate results in an actual chapter 7 liquidation, including, without limitation, changes in the currently volatile oil and gas pricing environment. The Liquidation Analysis was prepared for the sole purpose of generating a reasonable good faith estimate of the proceeds that would be generated if the Debtors' assets were liquidated in accordance with chapter 7 of the Bankruptcy Code. The Liquidation Analysis is not intended and should not be used for any other purpose. The underlying financial information in the Liquidation Analysis was not compiled or examined by independent accountants. Actual results could vary materially from estimates provided herein.

The recoveries shown in the Liquidation Analysis do not contemplate a sale or sales of the Debtors' assets on a going concern basis. This assumption is made because of the Debtors' assessment that, in the wake of conversions to chapter 7 cases and the consequent disruptions to the Debtors' business and resultant attrition of both employees and customers, the likelihood that the Debtors or substantial business units of the Debtors can continue operations for any extended length of time as a going concern, especially in a manner that yields material positive incremental cash flow, is low.

NOTHING CONTAINED IN THE LIQUIDATION ANALYSIS IS INTENDED TO BE OR CONSTITUTES A CONCESSION OR ADMISSION OF THE DEBTORS WITH RESPECT TO THE ULTIMATE ALLOWANCE OF CLAIMS, AND THE DEBTORS RESERVE ANY AND ALL OBJECTIONS TO CLAIMS. THE ACTUAL AMOUNT OF ALLOWED CLAIMS IN THE CASES COULD MATERIALLY DIFFER FROM THE ESTIMATED AMOUNTS SET FORTH IN THE LIQUIDATION ANALYSIS, AND SOME CLAIMS INCLUDED IN THIS LIQUIDATION ANALYSIS COULD BE DISALLOWED IN THEIR ENTIRETY.

Methodology.

[11] Capitalized Terms used but not otherwise defined in this **Exhibit C** have the meanings set forth in the Plan.

The Liquidation Analysis has been prepared assuming that the Debtors' Cases are converted to chapter 7 cases (the "**Chapter 7 Liquidation**") on November 3, 2017 (the "**Chapter 7 Conversion Date**"). Except as otherwise noted herein, the Liquidation Analysis is based upon the unaudited consolidating balance sheets of the Debtors as of November 3, 2017, and except as otherwise indicated, those values, in total, are assumed to be representative of the Debtors' approximate assets and liabilities as of the Chapter 7 Conversion Date. It is assumed that on the Chapter 7 Conversion Date, the Bankruptcy Court will appoint a chapter 7 trustee (the "**Chapter 7 Trustee**") who would liquidate the Debtors' estates and distribute the cash proceeds, net of liquidation-related costs, to creditors in accordance with the Bankruptcy Code. Under section 704 of the Bankruptcy Code, a trustee must, among other duties, collect and convert the property of the estate as expeditiously as possible (which often is at distressed prices), taking into account the best interest of stakeholders. Value in liquidation is assumed to be driven by, among other things: (a) the accelerated time frame in which the business units are marketed and sold; (b) negative customer and vendor reaction to the conversion of the cases; (c) the loss of key personnel and customers; (d) the lack of any additional debtor-in-possession financing and (e) the general perceived forced nature of the sale.

Global Notes and Assumptions.

The Liquidation Analysis should be read in conjunction with the following notes and assumptions:

1. Dependence on unaudited financial statements and Schedules and Statements.

Proceeds available for recovery are based upon the unaudited financial statements, balance sheets, and schedules and statements of the Debtors as of November 3, 2017, and as otherwise noted in this Liquidation Analysis. Cash balances have been rolled forward through to the Chapter 7 Conversion Date to take into account cash flows from the Petition Date to the Chapter 7 Conversion Date.

2. Chapter 7 Liquidation costs and length of the liquidation process.

The Liquidation Analysis assumes that an orderly Chapter 7 Liquidation would take approximately 6-12 months in order to liquidate substantially all of the assets on the Debtors' balance sheets and as noted herein, and otherwise administer and close the Estates. In an actual liquidation, the wind down process and time periods could be shorter or longer, which may affect creditor recoveries in a hypothetical Chapter 7 Liquidation. For example, extending the duration of the process to liquidate and allow Claims, including priority, contingent, litigation, rejection, and other Claims, could delay and reduce the distributions of asset proceeds to creditors due to, among other things, increased administrative costs. Accordingly, there can be no assurance that the values reflected in the Liquidation Analysis would be realized if the Debtors were, in fact, to undergo such liquidation.

In addition to what is reflected in the waterfall below, in accordance with the Bankruptcy Code chapter 7 Administrative and priority Claims, post-chapter 7 conversion expenses and professional fees, and an assumed 3% fee payable to the Chapter 7 Trustee are entitled to payment in full prior to any distribution to holders of any other unsecured Claims.

3. Distribution of Net Proceeds.

Chapter 11 Administrative Claims, Other Priority Claims, the Note Claims (to the extent of recovery on the liquidation of the security for such Note Claims), and the costs of liquidation that will arise in a liquidation scenario would be paid in full from the liquidation proceeds before the remainder of the liquidation proceeds will be made available to pay any unsecured Claims. Under the absolute priority rule, no general unsecured creditor can receive any distribution: (a) out of the proceeds of property subject to a security interest in favor of another creditor until the creditor possessing the security interest is paid (to the extent of recovery on the liquidation of the security for such Secured Claims), or (b) until senior unsecured creditors, such as higher-ranking administrative or priority creditors, are paid in full, and (c) no equity holder can receive any distribution until all creditors are paid in full. The assumed distributions to creditors as reflected in the Liquidation Analysis are estimated in accordance with the absolute priority rule.

Additional Claims. The cessation of business in a liquidation is likely to trigger certain Administrative and priority Claims that otherwise might not exist (or would be paid on a go forward basis) under a plan of

reorganization absent a liquidation. Examples of these kinds of Claims include potential Claims for such items as severance, accrued vacation days, paid days off claims, Worker Adjustment and Retraining Notification Act Claims, medical and health insurance Claims, tax liabilities, Claims related to further rejection of unexpired leases and executory contracts, litigation Claims, and other potential Allowed Claims. These additional Claims could be significant; some may be administrative expenses, and others may be entitled to priority in payment over Cochon Unsecured Trade Claims, MWS Unsecured Trade Claims, and General Unsecured Claims. These types of Administrative and priority Claims have not been accounted for in the Liquidation Analysis except as otherwise noted, but it is important to note that some of these may need to be paid in full before any balance of liquidation proceeds would be available to pay Cochon Unsecured Trade Claims, MWS Unsecured Trade Claims, or General Unsecured Claims.

5. Preference or fraudulent transfers; other litigation.

No recovery or related litigation costs have been attributed to any potential Avoidance Actions under the Bankruptcy Code, including potential preference or fraudulent transfer actions due to, among other issues, the costs of such litigation, the uncertainty of the outcome, and anticipated disputes regarding these matters. Based on the filed Schedules, a majority of payments made during the preference period relate to payroll or are payments in the ordinary course of business or in connection with new value provided by creditors.

6. Litigation Costs.

Except as otherwise noted herein, additional costs for potential litigation have not been incorporated in the Liquidation Analysis.

7. Other Secured Claims.

The $533,169 in Other Secured Claims reflects Claims under a secured insurance premium financing agreement. The Debtors anticipate that these Claims will be paid in the ordinary course of business if the Plan is confirmed. The Debtors are not aware of any other Claims that would be Other Secured Claims.

Conclusion.

The Liquidation Analysis demonstrates that upon the Effective Date, the Plan will provide all Holders of Claims and Equity Interests with a recovery (if any) that is not less than what such Holders would otherwise receive (if any) pursuant to a liquidation of the Debtors under chapter 7 of the Bankruptcy Code, and, based on the Liquidation Analysis, the Debtors submit that the Plan satisfies the requirement of section 1129(a)(7) of the Bankruptcy Code.

The following Liquidation Analyses should be reviewed with the accompanying notes.

	Estimated Liquidation Valuation		
	Low	**Mid**	**High**
PDP Reserves Valuation (VR 67)	–	–	–
Future Net Revenues @ NPV-10%	$ 16,700,000	$ 16,700,000	$ 16,700,000
Market Discount	-87.5%	-75.0%	-62.5%
Liquidation Valuation Of PDP Production	$ 2,087,500	$ 4,175,000	$ 6,262,500
MWS Equipment			
Number Of Spreads	16	16	16
Replacement Value Per Spread	$ 1,100,000	$ 1,100,000	$ 1,100,000
Replacement Value Of MWS Equipment	$ 17,600,000	$ 17,600,000	$ 17,600,000
Market Discount	-75.0%	-50.0%	-25.0%
Liquidation Valuation Of MWS Equipment	$ 4,400,000	$ 8,800,000	$ 13,200,000
Decommissioning Contracts			
Estimated Margin @ Eugene Island 18	$ 3,900,000	$ 3,900,000	$ 3,900,000
Market Discount	-75.0%	-50.0%	-25.0%
Liquidation Valuation Of EI 18 Contract	$ 975,000	$ 1,950,000	$ 2,925,000
Estimated Margin @ Vermilion 67 #B-9	$ 300,000	$ 300,000	$ 300,000
Market Discount	-75.0%	-50.0%	-25.0%
Liquidation Valuation Of VR 67 Contract	$ 75,000	$ 150,000	$ 225,000
Estimated Margin @ Remaining Vermilion 67	$ 7,200,000	$ 7,200,000	$ 7,200,000
Market Discount	-100.0%	-87.5%	-75.0%
Liquidation Valuation Of VR 67 Contract	$ -	$ 900,000	$ 1,800,000
Liquidation Valuation Of Decom Contracts	$ 1,050,000	$ 3,000,000	$ 4,950,000
Cash	$ 5,400,000	$ 5,400,000	$ 5,400,000
Accounts Receivable			
Oil & Gas Production	$ 800,000	$ 800,000	$ 800,000
JIBs	$ -	$ -	$ -
Decommissioning	$ 3,100,000	$ 3,100,000	$ 3,100,000
Morrison Well Services	$ 3,900,000	$ 3,900,000	$ 3,900,000
Total Accounts Receivable	$ 7,800,000	$ 7,800,000	$ 7,800,000
Promissory Note Due From Chet Morrison			
Promissory Note + Accrued Interest	$ 4,500,000	$ 4,500,000	$ 4,500,000
Market Discount	-100.0%	-75.0%	-50.0%
Liquidation Valuation Of Promissory Note	$ -	$ 1,125,000	$ 2,250,000
Liquidation Valuation Of Other Assets	$ 13,200,000	$ 14,325,000	$ 15,450,000
Total Collateral	**$ 20,737,500**	**$ 30,300,000**	**$ 39,862,500**

	Cochon and MWS				
		Liquidation			
		Low Recovery		High Recovery	
Distribution of Proceeds in Ch. 7	**Claims Estimate**	**$**	**%**	**$**	**%**
Priority Tax Claims					
Ad-Valorem Taxes	$0	N/A	N/A	N/A	N/A
Other Taxes	$64,982	$0	0%	$0	0%
DIP Claims	$2,000,000	$2,000,000	100%	$2,000,000	100%
Class 1 - Other Priority Claims	$0	N/A	N/A	N/A	N/A
Class 2 - Other Secured Claims	$533,169	$533,169	100%	$533,169	100%
Class 3 - Note Claims	$52,089,137	$18,204,331	35%	$37,329,331	72%
Class 4 - Bonding Claims	$21,705,000	$0	0%	$0	0%
Class 5 - Cochon Unsecured Trade Claims	$1,000,288	$0	0%	$0	0%
Class 6 - MWS Unsecured Trade Claims	$1,002,819	$0	0%	$0	0%
Class 7 - General Unsecured Claims	$4,454,345	$0	0%	$0	0%
Class 8 – Debtor Intercompany Claims	$11,215,758	$0	0%	$0	0%
Class 9 - 510(b) Claims	$0	$0	0%	$0	0%
Class 10 - Existing Equity	$0	$0	0%	$0	0%
Total Estimated Claims/Interests and Recoveries	$94,065,498	$20,737,500	22%	$39,862,500	42%

EXHIBIT D TO THE DISCLOSURE STATEMENT

PRESERVED CAUSES OF ACTION

Preserved Causes of Action

Except as otherwise specifically provided in the Plan or any other Final Order, the Reorganized Debtors, as applicable, shall retain all rights to commence and pursue, as appropriate, any and all claims and Causes of Action (as that terms is defined in the Plan), whether arising before or after the Petition Date, in any court or other tribunal including, without limitation, in an adversary proceeding filed in one or more of the Cases, and including but not limited to, the claims and Causes of Action specified in the Plan. Due to the size and scope of the Debtors' business operations and the multitude of business transactions therein, there may be numerous other claims and Causes of Action that currently exist or may subsequently arise, in addition to the claims and Causes of Action identified below. The Debtors are also continuing to investigate and assess which claims and Causes of Action may be pursued. The Reorganized Debtors do not intend, and it should not be assumed that because any existing or potential claims or Causes of Action have not yet been pursued by the Debtors or do not fall within the list below, that any such claims or Causes or Action have been waived. No Entity shall rely on the absence of a specific reference in this Exhibit, the Plan, the Plan Supplement, or the Disclosure Statement to any claim or Cause of Action against it as any indication that the Debtors or the Reorganized Debtors will not pursue any and all available claims and/or Causes of Action against it. Under the Plan, the Reorganized Debtors, as applicable, retain all rights to pursue any and all claims and Causes of Action to the extent the Reorganized Debtors deem appropriate (under any theory of law or equity, including, without limitation, the Bankruptcy Code and any applicable local, state, or federal law, in any court or other tribunal, including, without limitation, in an adversary proceeding filed in the Cases) except as otherwise specifically provided in the Plan or any other Final Order. The preserved Causes of Action, include, without limitation:

- Causes of Action, including Avoidance Actions, as defined in the Plan;
- Claims or defenses associated with any pending lawsuit involving the Debtors or any Debtor, including, without limitation, claims seeking insurance coverage or indemnification;
- Objections to Claims and Equity Interests under the Plan;
- Any and all litigations, claims, or Causes of Action of the Debtors and any rights, suits, damages, remedies, or obligations, known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity, or otherwise, relating to or arising from the acts, omissions, activities, conduct, claims, or Causes of Action listed or described in the Plan, Disclosure Statement, this Exhibit, or the Confirmation Order;
- Any other litigation, claims, or Causes of Action, whether legal, equitable, or statutory in nature, arising out of, or in connection with the Debtors' businesses, assets, or operations or otherwise affecting the Debtors, including, without limitation, possible claims or Causes of Action against the following types of parties for the following types of claims:
    - Possible claims against vendors, customers or suppliers for warranty, indemnity, back charge, set-off or recoupment issues, overpayment, or duplicate payment issues and collections, and account receivable matters;
    - Possible claims against utilities or other persons or parties for wrongful or improper termination of services to the Debtors;
    - Possible claims for any breaches or defaults arising from the failure of any persons or parties to fully perform under contracts with the Debtors before the assumption or rejection of the subject contracts;

- Mechanic's lien claims of the Debtors;
- Possible claims for deposits or other amounts owed by any creditor, lessor, utility, supplier, vendor, factor or other Person;
- Possible claims for damages or other relief against any party arising out of environmental, asbestos and product liability matters;
- Actions against insurance carriers relating to coverage, indemnity or other matters;
- Counterclaims and defenses relating to notes or other obligations;
- Possible claims against local, state and federal taxing authorities (including, without limitation, any claims for refunds of overpayments);

- Contract, tort, or equitable claims which may exist or subsequently arise;
- Any claims of the Debtors arising under Section 362 of the Bankruptcy Code;
- Equitable subordination claims arising under Section 510 of the Bankruptcy Code or other applicable law;
- Any and all claims arising under chapter 5 of the Bankruptcy Code and all similar actions under applicable law, including, but not limited to, preferences under Section 547 of the Bankruptcy Code, turnover Claims arising under Sections 542 or 543 of the Bankruptcy Code, and fraudulent transfers under Section 548 of the Bankruptcy Code, including but not limited, to the transfers listed in Part 2.3 of the Debtors' Statements of Financial Affairs [Dkt. Nos. 284, 286]; and
- Any derivative Causes of Action, of the Debtors pursuant to the Bankruptcy Code or any other statute or legal theory or theory under equity, including any avoidance or recovery actions under sections 544, 545, 547, 548, 549, 550, 551, and 553 of the Bankruptcy Code, any rights to, claims, or Causes of Action for recovery under any policies of insurance issued to or on behalf of any of the Debtors, including without limitation all tax refunds and insurance proceeds, and any rights, Claims, and Causes of Action against any third parties including, without limitation to, any rights, and Causes of Actions, and any other Causes of Action.

Preservation of All Causes of Action Not Expressly Settled, Released or Transferred

Unless a claim or Cause of Action against a creditor or other Entity is expressly waived, relinquished, released, compromised, settled or transferred in the Plan or any other Final Order, the Reorganized Debtors expressly reserve such claim or Cause of Action, and, therefore, no preclusion doctrine, including, without limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, waiver, estoppel (judicial, equitable or otherwise) or laches shall apply to such claims or Causes of Action upon or after the Confirmation Date or Effective Date of the Plan based on the Disclosure Statement, the Plan or the Confirmation Order. In addition, the Reorganized Debtors expressly reserve the right to pursue or adopt any claims of the Debtors, as trustees for or on behalf of the creditors (and any defenses), not so specifically and expressly waived, relinquished, released, compromised, settled or transferred that are alleged in any lawsuit in which the Debtors are a defendant or an interested party, against any Entity, including, without limitation, the plaintiffs or codefendants in such lawsuits.

Any Entity to whom the Debtors have incurred an obligation (whether on account of services, purchase or sale of goods, tort, breach of contract or otherwise), or who has received services from the Debtors or a transfer of money or property of the Debtors, or who has transacted business with the Debtors, or leased equipment or property from the Debtors should assume that such obligation, transfer, or transaction may be reviewed by the Reorganized Debtors subsequent to the Effective Date and may, to the extent not theretofore waived, relinquished, released, compromised, settled or transferred, be the subject of an action or claim or demand after the Effective Date, whether or not (a) such Entity has filed a proof of claim against the Debtors in the Cases, (b) such Entity's proof of claim has been objected to, (c) such Entity's Claim was included in the Debtors' Schedules, or (d) such Entity's scheduled

Claim has been objected to by the Debtors or the Reorganized Debtors or has been identified by the Debtors as disputed, contingent, or unliquidated.

Specific Reservations[12]

Except as otherwise specifically provided in the Plan or any other Final Order, without limiting the foregoing reservations of claims and Causes of Actions, for the avoidance of doubt, the following claims and Causes of Action are retained by the Debtors and vested in the Reorganized Debtors, as applicable, pursuant to the Plan:

Claims Related to Directors, Officers, Insiders, and their Affiliates

The following includes Persons and Entities that are current or former directors, officers, or Insiders (as that term is defined in Section 101(31) of the Bankruptcy Code) of one or more of the Debtors. Unless otherwise released by the Plan, the Debtors and the Reorganized Debtors expressly reserve all Causes of Action (of any type or nature) of any of the Debtors against any former directors, officers, or Insiders, regardless of whether such former director, officer, or Insider is included below.

- Chester F. Morrison, Jr. and his affiliates, including, without limitation, Chet Morrison Contractors, LLC, Morrison Energy Group, LLC, and Corn Meal, LLC
- Brett Blanchard
- Leroy F. Guidry, Jr.
- Robert P. Murphy
- Tod Darcey
- Gary Halverson
- J. Munro Sutherland
- Rooster Energy Ltd., as controlling shareholder

Claims Related to the Rooster Entities

The following includes the parent and affiliate Entities of the Debtors that have also filed for bankruptcy under chapter 11 but are not part of the Debtors' Plan. Unless otherwise released by the Plan, the Debtors and the Reorganized Debtors expressly reserve all Causes of Action (of any type or nature) of any of the Debtors against any of their parent or affiliate Entities, regardless of whether such parent or affiliate Entity is included below.

- Rooster Energy, Ltd.
- Rooster Energy, L.L.C.
- Rooster Petroleum, LLC
- Rooster Oil & Gas, LLC
- Probe Resources US Ltd.

Claims Related to Books, Records, and Financial Statements

The following includes Persons and Entities that have audited, handled, or possessed the books, records, and financial statements of one or more of the Debtors. Unless otherwise released by the Plan, the Debtors and the Reorganized Debtors expressly reserve all Causes of Action (of any type or nature) of any of the Debtors against any

[12] [NTD: Debtors to supplement as necessary.]

Person or Entity that has audited, handled, or possessed the books, records, and financial statements of the Debtors, regardless of whether such Person or Entity is included below.

- Leying Lee
- Stephen Holder
- Collins Barrow Calgary LLP
- Chet Morrison Contractors, LLC

Claims Related to Insurance Policies and Surety Bonds

The following includes insurance contracts and policies and contracts related to surety bonds to which one or more Debtors are a party. Unless otherwise released by the Plan, the Debtors and the Reorganized Debtors expressly reserve all Causes of Action based in whole or in part upon any and all insurance contracts, contracts related to surety bonds, insurance policies, occurrence policies, and occurrence contracts to which any of the Debtors are a party or pursuant to which any of the Debtors have any rights whatsoever, regardless of whether such contract or policy is included below, including Causes of Action against insurance carriers, reinsurance carriers, insurance brokers, underwriters, occurrence carriers, or surety bond issuers relating to coverage, indemnity, contribution, reimbursement, or any other matters.

- Lloyds of London
- U.S. Specialty Insurance Company
- Travelers Insurance Company

Claims, Defenses, Cross-Claims, and Counter-Claims Related to Litigation and Possible Litigation

The following includes Persons and Entities that are presently party to litigation with the Debtors. Unless otherwise released by the Plan, the Debtors expressly reserve all Causes of Action against or related to all Persons and Entities that are party to or that may in the future become party to litigation, arbitration, or any other type of adversarial proceeding or dispute resolution proceeding, whether formal or informal, judicial or non-judicial, regardless of whether such Person or Entity is included below.

- Prime 8 Offshore, LLC (Morrison Well Services, LLC v. Prime 8 Offshore LLC, Case No. 1062802, Harris County Court at Law No. 2, Houston, TX)

Claims Related to Accounts Receivable and Accounts Payable

Schedule 1[13] attached hereto includes Entities that have recently or that currently owe money to the Debtors. Unless otherwise released by the Plan, the Debtors and the Reorganized Debtors expressly reserve all Causes of Action against or related to all Entities that owe or that may in the future owe money to the Debtors or the Reorganized Debtors regardless of whether such Entity is included in **Schedule 1**. Furthermore, unless otherwise released by the Plan, the Debtors and the Reorganized Debtors expressly reserve all Causes of Action against or related to all Entities that assert or may assert the Debtors or the Reorganized Debtors owe money to them.

Claims Related to Tax Refunds

Schedule 2[14] attached hereto includes Entities that have recently or that currently may owe money to the Debtors related to taxes paid by the Debtors. Unless otherwise released by the Plan, the Debtors expressly reserve all Causes of Action against or related to all Entities that owe or that may in the future owe money related to tax refunds to the Debtors or Reorganized Debtors, regardless of whether such Entity is included in **Schedule 2**.

[13] [NTD: Debtors to attach a schedule.]
[14] [NTD: Debtors to attach a schedule with all taxing authorities listed.]

Furthermore, the Debtors and the Reorganized Debtors expressly reserve all Causes of Action against or related to all Entities that assert or may assert that the Debtors or Reorganized Debtors owe taxes to them.

Claims Related to Contracts and Leases

The following includes parties to contracts and leases to which one or more Debtors are a party. Unless otherwise released by the Plan, the Debtors and the Reorganized Debtors expressly reserve the Causes of Actions, based in whole or in part upon any and all contracts and leases to which any Debtor or Reorganized Debtor is a party or pursuant to which any Debtor or Reorganized Debtor has any rights whatsoever, regardless of whether such contract or lease is included below. The claims and Causes of Actions reserved include Causes of Action against vendors, suppliers of goods or services, or any other parties: (a) for overpayments, back charges, duplicate payments, improper holdbacks, deposits, warranties, guarantees, indemnities, recoupment, or setoff; (b) for wrongful or improper termination, suspension of services or supply of goods, or failure to meet other contractual or regulatory obligations; (c) for failure to fully perform or to condition performance on additional requirements under contracts with any one or more of the Debtors before the assumption or rejection, if applicable, of such contracts; (d) for payments, deposits, holdbacks, reserves, or other amounts owed by any creditor, utility, supplier, vendor, insurer, surety, factor, lender, bondholder, lessor, or other party; (e) for any liens, including mechanic's, artisan's, materialmen's, possessory, or statutory liens held by any one or more of the Debtors; (f) arising out of environmental or contaminant exposure matters against landlords, lessors, environmental consultants, environmental agencies, or suppliers of environmental services or goods; (g) counter-claims and defenses related to any contractual obligations; (h) any turnover actions arising under sections 542 or 543 of the Bankruptcy Code; and (i) for unfair competition, interference with contract or potential business advantage, breach of contract, infringement of intellectual property, or any business tort claims.

- Kinetica Energy Express, LLC
- Nexen Petroleum Offshore U.S.A. Inc.
- Nexen Petroleum U.S.A. Inc.

Claims Related to Setoffs

The following includes Persons and Entities against which one or more Debtors may have setoff rights. Unless otherwise released by the Plan, the Debtors and the Reorganized Debtors expressly reserve all Causes of Action based in whole or in part upon any and all setoff rights of any of the Debtors against any Person or Entity, regardless of whether such Person or Entity is included below.

- Fieldwood Energy LLC

Claims Related to Vendors

Schedule 3[15] attached hereto includes Entities that are vendors conducting business with the Debtors. Unless otherwise released by the Plan, the Debtors and the Reorganized Debtors expressly reserve all Causes of Action against or related to all vendors that have conducted business with the Debtors or the Reorganized Debtors regardless of whether such Entity is included in **Schedule 3**. Furthermore, unless otherwise released by the Plan, the Debtors and the Reorganized Debtors expressly reserve all Causes of Action against or related to all vendors that have conducted business with the Debtors or the Reorganized Debtors.

[15] [NTD: Schedule already provided by Debtors to be attached.]

SCHEDULE 1

Accounts Receivable and Accounts Payable

SCHEDULE 2

Taxing Authorities

SCHEDULE 3

Vendors