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*Attorneys for Debtors  
and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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	:
<b>In re</b>	:
	:
<b>BREITBURN ENERGY</b>	:
<b>PARTNERS LP, et al.,</b>	:
	:
<b>Debtors.<sup>1</sup></b>	:
	:
	:
-----X	

**Chapter 11**  
**Case No. 16-11390 (SMB)**  
**(Jointly Administered)**

**NOTICE OF FILING OF DEBTORS' THIRD AMENDED JOINT  
CHAPTER 11 PLAN (WITH TECHNICAL MODIFICATIONS)**

**PLEASE TAKE NOTICE** that on December 1, 2017, Breitburn Energy Partners LP and its related debtors in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, the “**Debtors**”) filed the *Debtors’ Third Amended Joint Chapter 11 Plan* (ECF No. 1889) and, on January 10, 2018, the Debtors filed *Technical Amendments to Debtors’ Third Amended Joint Chapter 11 Plan* (ECF No. 2102) (together, the “**Third Amended Plan**”).

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Breitburn Energy Partners LP (9953); Breitburn GP LLC (9948); Breitburn Operating LP (5529); Breitburn Operating GP LLC (5525); Breitburn Management Company LLC (2858); Breitburn Finance Corporation (2548); Alamos Company (9156); Beaver Creek Pipeline, L.L.C. (7887); Breitburn Florida LLC (7424); Breitburn Oklahoma LLC (4714); Breitburn Sawtelle LLC (7661); Breitburn Transpetco GP LLC (7222); Breitburn Transpetco LP LLC (7188); GTG Pipeline LLC (3760); Mercury Michigan Company, LLC (3380); Phoenix Production Company (1427); QR Energy, LP (3069); QRE GP, LLC (2855); QRE Operating, LLC (9097); Terra Energy Company LLC (9616); Terra Pipeline Company LLC (3146); and Transpetco Pipeline Company, L.P. (2620). The Debtors’ mailing address is 707 Wilshire Boulevard, Suite 4600, Los Angeles, California 90017.

**PLEASE TAKE FURTHER NOTICE** that on March 13, 2018, the Debtors filed the *Debtors' Third Amended Joint Chapter 11 Plan (with Technical Modifications)* (as amended and may be further amended, the "**Modified Plan**", ECF No. 2329).

**PLEASE TAKE FURTHER NOTICE** that attached hereto as **Exhibit A** is a redline reflecting changes between the Third Amended Plan and the Modified Plan, excluding exhibits.

Dated: March 13, 2018  
New York, New York

/s/ Ray C. Schrock, P.C.  
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and Debtors in Possession*

**Exhibit A**

**Redline of Third Amended Plan to Modified Plan**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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	:
<b>In re</b>	:
	:
	<b>Chapter 11</b>
	:
<b>BREITBURN ENERGY</b>	:
<b>PARTNERS LP, et al.,</b>	:
	<b>Case No. 16-11390 (SMB)</b>
	:
<b>Debtors.</b>	:
	<b>(Jointly Administered)</b>
	:
-----X	

**DEBTORS' THIRD AMENDED JOINT CHAPTER 11 PLAN**  
**(WITH TECHNICAL MODIFICATIONS)**

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**Exhibit I: Exit Facility Term Sheet**

**Exhibit II: Permian Assets**



**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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	:
<b>In re</b>	:
	:
	<b>Chapter 11</b>
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<b>BREITBURN ENERGY</b>	:
<b>PARTNERS LP, et al.,</b>	:
	<b>Case No. 16-11390 (SMB)</b>
	:
<b>Debtors.</b>	:
	<b>(Jointly Administered)</b>
	:
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**DEBTORS' THIRD AMENDED JOINT CHAPTER 11 PLAN**  
**(WITH TECHNICAL MODIFICATIONS)**

Breitburn Energy Partners LP (9953); Breitburn GP LLC (9948); Breitburn Operating LP (5529); Breitburn Operating GP LLC (5525); Breitburn Management Company LLC (2858); Breitburn Finance Corporation (2548); Alamitos Company (9156); Beaver Creek Pipeline, L.L.C. (7887); Breitburn Florida LLC (7424); Breitburn Oklahoma LLC (4714); Breitburn Sawtelle LLC (7661); Breitburn Transpetco GP LLC (7222); Breitburn Transpetco LP LLC (7188); GTG Pipeline LLC (3760); Mercury Michigan Company, LLC (3380); Phoenix Production Company (1427); QR Energy, LP (3069); QRE GP, LLC (2855); QRE Operating, LLC (9097); Terra Energy Company LLC (9616); Terra Pipeline Company LLC (3146); and Transpetco Pipeline Company, L.P. (2620), the above-captioned debtors, as plan proponents, propose the following chapter 11 plan pursuant to section 1121(a) of title 11 of the United States Code.

**ALL HOLDERS OF CLAIMS AND INTERESTS, TO THE EXTENT APPLICABLE, ARE ENCOURAGED TO READ THE PLAN AND THE DISCLOSURE STATEMENT IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.**

**ARTICLE I.**

**DEFINITIONS, INTERPRETATION AND CONSENTS**

**DEFINITIONS.** The following terms used herein shall have the respective meanings defined below (such meanings to be equally applicable to both the singular and plural):

**1.1 7.875% Unsecured Notes** means the 7.875% Senior Notes due April 15, 2022, issued pursuant to the 7.875% Unsecured Notes Indenture in the aggregate principal amount of Eight Hundred Fifty Million Dollars (\$850,000,000).

**1.2 7.875% Unsecured Notes Claim** means, collectively, all Claims arising under the 7.875% Unsecured Notes, including any guaranty Claims arising on account of the 7.875% Unsecured Notes and the 7.875% Unsecured Notes Indenture.

**1.3 7.875% Unsecured Notes Indenture** means that certain Indenture, dated as of January 13, 2012, by and among BBEP and Breitburn Finance, as issuers, the guarantors named therein, and the 7.875% Unsecured Notes Indenture Trustee, including all agreements, notes, instruments, and any other documents delivered pursuant thereto or in connection therewith (in each case, as amended, modified, or supplemented from time to time).

**1.4 7.875% Unsecured Notes Indenture Trustee** means Wilmington Trust Company, solely in its capacity as successor indenture trustee under the 7.875% Unsecured Notes Indenture.

**1.5 8.625% Unsecured Notes** means the 8.625% Senior Notes due October 15, 2020, issued pursuant to the 8.625% Unsecured Notes Indenture in the aggregate principal amount of Three Hundred Five Million Dollars (\$305,000,000).

**1.6 8.625% Unsecured Notes Claim** means, collectively, all Claims arising under the 8.625% Unsecured Notes, including any guaranty Claims arising on account of the 8.625% Unsecured Notes and the 8.625% Unsecured Notes Indenture.

**1.7 8.625% Unsecured Notes Indenture** means that certain Indenture, dated as of October 6, 2010, by and among BBEP and Breitburn Finance, as issuers, the guarantors named therein, and the 8.625% Unsecured Notes Indenture Trustee, including all agreements, notes, instruments, and any other documents delivered pursuant thereto or in connection therewith (in each case, as amended, modified, or supplemented from time to time).

**1.8 8.625% Unsecured Notes Indenture Trustee** means Wilmington Trust Company, solely in its capacity as successor indenture trustee under the 8.625% Unsecured Notes Indenture.

**1.9 Administrative Expenses** means costs or expenses of administration of any of the Chapter 11 Cases arising on or prior to the Effective Date and allowed under section 503(b) of the Bankruptcy Code and entitled to priority pursuant to section 507(a)(2) and 507(b) of the Bankruptcy Code that have not already been paid by the Debtors, including, any actual and necessary costs and expenses of preserving the Debtors' estates, any actual and necessary costs and expenses of operating the Debtors' businesses, any indebtedness or obligations incurred or assumed by the Debtors, as debtors in possession, during the Chapter 11 Cases, including, for the acquisition or lease of property or an

interest in property or the performance of services, any compensation and reimbursement of expenses to the extent allowed by Final Order under sections 330 or 503 of the Bankruptcy Code, any indebtedness or obligations arising under the Backstop Commitment Agreement (including the Put Option Premium, the Breakup Premium (as defined in the Backstop Commitment Agreement), the granting of the Minimum Allocation Rights (and the underlying securities), the indemnification provisions of the Backstop Commitment Agreement, and the Expense Reimbursement (as defined in the Backstop Commitment Agreement), all in accordance with the terms of the Backstop Commitment Agreement) and any fees or charges assessed against the estates of the Debtors under section 1930 of chapter 123 of title 28 of the United States Code.

**1.10 Allowed** means, (a) with reference to any Claim, (i) any Claim against any Debtor that has been listed by such Debtor in the Schedules, as such Schedules may be amended by the Debtors from time to time in accordance with Bankruptcy Rule 1009, as liquidated in amount and not disputed or contingent and for which no contrary proof of Claim has been filed, (ii) any Claim listed on the Schedules or any timely filed proof of Claim, as to which no objection to allowance has been, or subsequently is, interposed in accordance with Section 7.1 hereof or prior to the expiration of such other applicable period of limitation fixed by the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, or as to which any objection has been determined by a Final Order to the extent such Final Order is in favor of the respective holder (but solely in the amount as determined in such Final Order), or (iii) any Claim expressly allowed by the Plan or a Final Order of the Bankruptcy Court; and (b) with reference to any Interest, such Interest is reflected as outstanding (other than any such Interest held by any Debtor or any affiliate of a Debtor) in the stock transfer ledger or similar register of the applicable Debtor on the Distribution Record Date.

**1.11 Avoidance Action** means any action commenced, or that may be commenced, before or after the Effective Date pursuant to chapter 5 of the Bankruptcy Code including sections 544, 545, 547, 548, 549, 550, or 551; *provided*, that Avoidance Actions do not include Released and Settled Claims.

**1.12 Backstop Approval Order** means the Order of the Bankruptcy Court entered on December 1, 2017 (ECF No. 1886) approving the Backstop Commitment Agreement, which order shall be in form and substance satisfactory to the Debtors, the Requisite Consenting Second Lien Creditors, and the Requisite Commitment Parties.

**1.13 Backstop Commitment Agreement** means that certain Amended and Restated Backstop Commitment Agreement, dated as of October 11, 2017, as may be amended or modified from time to time in accordance with the terms thereof and the Backstop Approval Order, pursuant to which the Backstop Parties

have agreed to (a) exercise the Minimum Allocation Rights; and (b) backstop the Rights Offering.

**1.14 Backstop Parties** means, the Commitment Parties (as such term is defined in the Backstop Commitment Agreement).

**1.15 Ballot** means the form(s) distributed to holders of impaired Claims on which is to be indicated the acceptance or rejection of the Plan.

**1.16 Bankruptcy Code** means title 11 of the United States Code, as amended from time to time, as applicable to the Chapter 11 Cases.

**1.17 Bankruptcy Court** means the United States Bankruptcy Court for the Southern District of New York, having subject matter jurisdiction over the Chapter 11 Cases and, to the extent of any reference withdrawal made under section 157(d) of title 28 of the United States Code, the District Court having subject matter jurisdiction over the Chapter 11 Cases.

**1.18 Bankruptcy Rules** means the Federal Rules of Bankruptcy Procedure as promulgated by the United States Supreme Court under section 2075 of title 28 of the United States Code, as amended from time to time, applicable to the Chapter 11 Cases, and any Local Rules of the Bankruptcy Court.

**1.19 BBEP** means Breitburn Energy Partners LP, a Delaware limited partnership, as debtor or debtor in possession, as the context requires.

**1.20 BOLP** means Breitburn Operating LP, a Delaware limited partnership, as debtor or debtor in possession, as the context requires.

**1.21 Breitburn Finance** means Breitburn Finance Corporation, a Delaware corporation, as debtor or debtor in possession, as the context requires.

**1.22 Business Day** means any day other than a Saturday, a Sunday, or any other day on which banking institutions in New York, New York are required or authorized to close by law or executive order.

**1.23 Cash** means legal tender of the United States of America.

**1.24 Cause of Action** means, without limitation, any and all actions, proceedings, causes of action, controversies, liabilities, obligations, rights, rights of setoff, recoupment rights, suits, damages, judgments, accounts, defenses, offsets, powers, privileges, licenses, franchises, Claims, Avoidance Actions, counterclaims, cross-claims, affirmative defenses, and demands of any kind or character whatsoever, whether known or unknown, asserted or unasserted, reduced to judgment or otherwise, liquidated or unliquidated, fixed or contingent, matured or unmatured, disputed or undisputed, secured or unsecured, assertable directly or

derivatively, existing or hereafter arising, in contract or in tort, in law, in equity, or otherwise, whether arising under the Bankruptcy Code or any applicable nonbankruptcy law, based in whole or in part upon any act or omission or other event occurring prior to the Petition Date or during the course of the Chapter 11 Cases, including through the Effective Date. Without limiting the generality of the foregoing, when referring to Causes of Action of the Debtors or their estates, Causes of Action shall include (a) all rights of setoff, counterclaim, or recoupment and Claims on contracts or for breaches of duties imposed by law or equity, (b) Claims (including Avoidance Actions) pursuant to section 362, and chapter 5 of the Bankruptcy Code including sections 510, 542, 543, 544 through 550, or 553, and (c) Claims and defenses such as fraud, mistake, duress, usury, and any other defenses set forth in section 558 of the Bankruptcy Code. A nonexclusive list of Causes of Action shall be set forth in the Plan Supplement.

**1.25 Certified Holder** means any holder of an Allowed Secured Notes Claim that provides a certification to the Debtors or the Disbursing Agent prior to the Distribution Record Date in the form of or substantially in the form of that contained in that certain Noteholder Distribution Certification Form (or as otherwise agreed with the Debtors), which include, without limitation, disclosure of ownership of Existing BBEP Equity Interests by the holder and certain controlling and controlled persons, and verification that such holder (and, in the case such holder is a disregarded entity for U.S. federal income tax purposes, its regarded owner) is and as of the Effective Date will be a “United States person” within the meaning of Section 7701(a)(30) of the Tax Code. For purposes of this definition, (i) a person “controlling or controlled by” a holder includes any individual or entity that controls the holder (such as a general partner, managing member or any other equityholder in a similar managing capacity or that owns controlling voting equity interests or more than 50% of the equity interests in the holder, and in the case of a controlling entity, any person that controls such controlling entity) and any entity controlled (through direct or indirect equity ownership) by the holder, and (ii) the term “Existing BBEP Equity Interests” shall be limited to outstanding Series A Redeemable Preferred Units, Series B Preferred Units and common units of BBEP.

**1.26 Chapter 11 Cases** means the jointly administered cases under chapter 11 of the Bankruptcy Code commenced by the Debtors on the Petition Date in the Bankruptcy Court and currently styled *In re Breitburn Energy Partners LP*, Ch. 11 Case No. 16-11390 (SMB) (Jointly Administered).

**1.27 Charging Lien** means any Lien or other priority in payment to which the Unsecured Notes Indenture Trustee is entitled to under and subject to the terms of the Unsecured Notes Indentures to assert against distributions to be made to holders of Claims under such Unsecured Notes Indentures.

**1.28 Claim** has the meaning set forth in section 101(5) of the Bankruptcy Code.

**1.29 Class** means any group of Claims or Interests classified herein pursuant to section 1123(a)(1) of the Bankruptcy Code.

**1.30 Collateral** means any property or interest in property of the estate of any Debtor subject to a lien, charge, or other encumbrance to secure the payment or performance of a Claim, which lien, charge, or other encumbrance is not subject to a Final Order ordering the remedy of avoidance on any such lien, charge, or other encumbrance under the Bankruptcy Code.

**1.31 Confirmation Date** means the date on which the Clerk of the Bankruptcy Court enters the Confirmation Order.

**1.32 Confirmation Hearing** means the hearing to be held by the Bankruptcy Court regarding confirmation of the Plan, as such hearing may be adjourned or continued from time to time.

**1.33 Confirmation Order** means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code and approving the transactions contemplated thereby, which shall be in form and substance acceptable to the Debtors, the Revolving Credit Facility Agent, the Exit Facility Agent, the DIP Facility Agent, the Requisite Consenting Second Lien Creditors, the Requisite Commitment Parties, and to the extent that any provisions of such order affect Classes 5A, 5B, 6, 7A or 7B they shall be acceptable to the Creditors' Committee and all other provisions of such order shall be reasonably acceptable to the Creditors' Committee.

**1.34 Creditors' Committee** means the statutory committee of unsecured creditors appointed by the U.S. Trustee in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code.

**1.35 Cure Amount** means the payment of Cash or the distribution of other property (as the parties may agree or the Bankruptcy Court may order) as necessary to (a) cure a monetary default as required by section 365(a) of the Bankruptcy Code by the Debtors in accordance with the terms of an executory contract or unexpired lease of the Debtors and (b) permit the Debtors to assume or assume and assign such executory contract or unexpired lease under section 365(a) of the Bankruptcy Code.

**1.36 Debtors** means BBEP; Breitburn GP LLC; BOLP; Breitburn Operating GP LLC; Breitburn Management Company LLC; Breitburn Finance; Alamitos Company; Beaver Creek Pipeline, L.L.C.; Breitburn Florida LLC; Breitburn Oklahoma LLC; Breitburn Sawtelle LLC; Breitburn Transpetco GP LLC; Breitburn Transpetco LP LLC; GTG Pipeline LLC; Mercury Michigan



Company, LLC; Phoenix Production Company; QR Energy, LP; QRE GP, LLC; QRE Operating, LLC; Terra Energy Company LLC; Terra Pipeline Company LLC; and Transpetco Pipeline Company, L.P.

**1.37 DIP Facility** means the revolving senior secured postpetition credit facility approved in the DIP Facility Order, as the same may be amended through the Effective Date.

**1.38 DIP Facility Agent** means Wells Fargo Bank, National Association, solely in its capacity as administrative agent under the DIP Facility Documents, its successors, assigns, or any replacement agent appointed pursuant to the terms of the DIP Facility Documents.

**1.39 DIP Facility Claims** means all Claims held by the DIP Facility Lenders or the DIP Facility Agent arising under or relating to the DIP Facility Documents or the DIP Facility Order, including any and all fees, expenses, and accrued but unpaid interest and fees arising under the DIP Facility Documents.

**1.40 DIP Facility Credit Agreement** means the Debtor-In-Possession Credit Agreement, dated as of May 19, 2016, by and among BOLP as borrower, BBEP as parent guarantor, certain other Debtor subsidiaries of BBEP as additional guarantors, the DIP Facility Agent, and the DIP Facility Lenders, as the same has been or may be further amended, modified, or supplemented from time to time including, without limitation, the First Amendment to Debtor-In-Possession Credit Agreement effective as of December 15, 2016, the Second Amendment to Debtor-In-Possession Credit Agreement effective as of December 2016, the Third Amendment to Debtor-In-Possession Credit Agreement effective as of May 11, 2017, the Fourth Amendment to Debtor-In-Possession Credit Agreement effective as of July 17, 2017, and the Fifth Amendment to Debtor-In-Possession Credit Agreement effective as of August 24, 2017.

**1.41 DIP Facility Documents** means, collectively, the DIP Facility Credit Agreement and all other “Loan Documents” (as defined therein), including all other agreements, documents, and instruments delivered or entered into pursuant thereto or entered into in connection therewith (including any guarantee agreements and collateral documentation) (in each case, as amended, restated, modified, or supplemented from time to time).

**1.42 DIP Facility Lenders** means the lenders party to the DIP Facility Credit Agreement, including any swingline lender, any issuing lender) and any “Lender Derivative Provider” under any “Lender Derivative Contract” (as each such term is defined in the DIP Facility Credit Agreement).

**1.43 DIP Facility Order** means collectively, the *Final Order Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364 and 507, Bankruptcy Rules 2002, 4001, 6004 and 9014 and Local Bankruptcy Rule 4001–2 (I) Authorizing the Debtors to*

*Obtain Postpetition Senior Secured Superpriority Financing, (II) Authorizing the Debtors' Limited Use of Cash Collateral, (III) Granting Adequate Protection to the Prepetition Secured Parties and (IV) Granting Related Relief dated August 19, 2016 (ECF No. 431), as the same has been supplemented from time to time, including, without limitation, pursuant to those orders of the Bankruptcy Court dated December 13, 2016 (ECF No. 837), May 10, 2017 (ECF No. 1252), August 9, 2017 (ECF No. 1496), and August 24, 2017 (ECF No. 1525).*

**1.44 Disallowed** means, with reference to any Claim or a portion of a Claim, any Claim against any Debtor that (a) has been disallowed by a Final Order of the Bankruptcy Court, (b) has been listed by such Debtor in the Schedules, as such Schedules may be amended by the Debtors from time to time in accordance with Bankruptcy Rule 1009, as \$0, contingent, disputed, or unliquidated and as to which no proof of Claim has been filed by the applicable deadline or deemed timely filed pursuant to any Final Order of the Bankruptcy Court, (c) has been agreed to by the holder of such Claim and the applicable Debtor to be equal to \$0 or to be expunged, or (d) has not been listed by such Debtor on the Schedules and as to which no proof of Claim has been filed by the applicable deadline or deemed timely filed pursuant to any Final Order of the Bankruptcy Court.

**1.45 Disbursing Agent** means LegacyCo (or such Entity designated by BBEP and the Requisite Consenting Second Lien Creditors and without the need for any further order of the Bankruptcy Court) in its capacity as a disbursing agent pursuant to Section 5.6 hereof.

**1.46 Disclosure Statement** means the disclosure statement relating to the Plan, including, all exhibits thereto, as approved by the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code.

**1.47 Disputed** means, with respect to a Claim, (a) any Claim, proof of which was timely and properly filed, which is disputed under Section 7.1 of this Plan or as to which the Debtors have interposed and not withdrawn an objection or request for estimation (pursuant to Section 7.6 of this Plan or otherwise) that has not been determined by a Final Order, (b) any Claim, proof of which was required to be filed by order of the Bankruptcy Court but as to which a proof of claim was not timely or properly filed, (c) any Claim that is listed in the Schedules as unliquidated, contingent, or disputed, or (d) any Claim that is otherwise disputed by any of the Debtors or the Reorganized Debtors, which dispute has not been withdrawn, resolved, or overruled by a Final Order.

For the avoidance of doubt, if no proof of Claim has been filed by the applicable deadline and the Claim is not listed on the Schedules or has been or hereafter is listed on the Schedules as \$0, disputed, contingent, or unliquidated, such Claim shall be Disallowed and shall be disregarded for all purposes.



**1.48 Distribution Record Date** means for Class 6 the record date for purposes of voting on the Plan, and for all other purposes the Effective Date, unless otherwise provided in the Rights Offering Procedures, the Plan or designated by the Bankruptcy Court; *provided*, that no Distribution Record Date shall apply to distributions to be made through DTC to holders of publicly held securities unless otherwise specified.

**1.49 District Court** means the United States District Court for the Southern District of New York having subject matter jurisdiction over the Chapter 11 Cases.

**1.50 D&O Liability Insurance Policies** means all unexpired directors', managers', and officers' liability insurance policies (including any "tail policy") of any of the Debtors with respect to directors, managers, officers, and employees of the Debtors.

**1.51 DTC** means The Depository Trust Company.

**1.52 Early Election Procedures** means the Early Election Procedures set forth in the Rights Offering Procedures pursuant to which any holder of Senior Unsecured Notes that is not a Backstop Party and that wishes to participate in the "Early Election" as an Eligible Offeree must by December 13, 2017: (a) commit to participate in the Rights Offering and to accept the Plan; (b) certify that they are an Eligible Offeree, were an Eligible Offeree on the Rights Offering Record Date, and are not a Backstop Party; (c) certify and/or covenant, as applicable, that with respect to any Subscription Right that such Eligible Offeree wishes to participate in the Early Election, that the relevant Senior Unsecured Notes have only been held and shall only be held by an Eligible Offeree from and after the Rights Offering Record Date (November 27, 2017) through December 13, 2017; and (d) provide sufficient evidence in the Debtors' reasonable discretion, in consultation with the Requisite Consenting Second Lien Creditors, the Requisite Commitment Parties, and the Creditors' Committee, of such Eligible Offeree's financial wherewithal to consummate its commitment to exercise its Subscription Rights; *provided*, that, the Early Election Procedures shall not modify the obligations of the Backstop Parties under the Backstop Commitment Agreement.

**1.53 Effective Date** means a Business Day on or after the Confirmation Date selected by the Debtors, subject to the consent of the Requisite Commitment Parties, the Requisite Consenting Second Lien Creditors, and the Exit Facility Agent and in compliance with the Restructuring Support Agreement, on which the conditions to the effectiveness of the Plan specified in Section 9.2 hereof have been satisfied or otherwise effectively waived in accordance with the terms hereof.

**1.54 Eligible Offeree** means that such party is an Eligible Offeree as defined under the Rights Offering Procedures; *provided*, that, with regard to any Subscription Right pursuant to which an Eligible Offeree has opted into the Early

Election Procedures, such Eligible Offeree must certify as to the statements set forth in the Early Election Procedures to be considered an Eligible Offeree.

**1.55 Employee Obligations** means any written contracts, agreements, policies, programs and plans for, among other things, compensation, reimbursement, indemnity, health care benefits, disability benefits, deferred compensation benefits, travel benefits, vacation and sick leave benefits, savings, severance benefits, retirement benefits, welfare benefits, relocation programs, life insurance and accidental death and dismemberment insurance, including written contracts, agreements, policies, programs and plans for bonuses and other incentives or compensation for the directors, officers, and employees of any of the Debtors.

**1.56 Employee Programs Order** means the Bankruptcy Court's *Order Pursuant to 11 U.S.C. §§ 105, 363(b), and 503(c)(3) Approving Debtors' 2017 Key Employee Retention Program and Key Employee Incentive Program* entered on March 6, 2017 (ECF No. 1057).

**1.57 Entity** shall have the meaning set forth in section 101(15) of the Bankruptcy Code.

**1.58 Equity Committee** means the official committee of equity security holders appointed by the U.S. Trustee pursuant to section 1102(a)(2) of the Bankruptcy Code.

**1.59 Exchange Agreement** means that certain agreement, by and among New Permian Corp. and BBEP, substantially in the form included in the Plan Supplement, pursuant to which New Permian Corp. agrees to acquire on the Effective Date all of the New Permian LLC Equity and 7.5% of the LegacyCo Units from BBEP, subject to certain liabilities and obligations, which shall be in form and substance acceptable to the Debtors, the Requisite Consenting Second Lien Creditors, and the Requisite Commitment Parties.

**1.60 Exculpated Parties** means collectively, and in each case in their capacities as such: (a) the Debtors and Reorganized Debtors; (b) the Revolving Credit Facility Agent; (c) the Revolving Credit Facility Lenders; (d) the DIP Facility Agent; (e) the DIP Facility Lenders; (f) the Exit Facility Agent; (g) the Exit Facility Lenders; (h) the Second Lien Noteholders; (i) the Series B Interest Holders; (j) the Secured Notes Indenture Trustee; (k) the Backstop Parties; (l) the Unsecured Notes Indenture Trustee; (m) the ~~Creditors'~~ Statutory Committees and ~~it~~ each of their current and former members; (n) the Unsecured Senior Notes Groups; (o) the Second Lien Group; (p) New Permian Corp.; (q) LegacyCo; (r) with respect to each of the foregoing entities, such entities' predecessors, successors, assigns, subsidiaries, affiliates, managed accounts and funds; and (s) with respect to each of the foregoing entities (a) through (r), such entities' current and former officers and directors, principals, equity holders, members,

partners, managers, employees, subcontractors, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, management companies, fund advisors (and employees thereof), and other professionals, and such entities' respective heirs, executors, estates, servants, and nominees, in each case in their capacity as such.

**1.61 Existing BBEP Equity Interests** means all Interests in BBEP immediately prior to the Effective Date.

**1.62 Exit Facility** means that certain amended and restated loan facility provided to LegacyCo, among others, pursuant to the Exit Facility Documents, including the Exit Facility Credit Agreement which, on the Effective Date, shall be in the original principal amount of \$400 million, as provided for in and shall be consistent with the Exit Facility Term Sheet.

**1.63 Exit Facility Agent** means Wells Fargo Bank, National Association, solely in its capacity as administrative agent under the Exit Facility Documents, its successors, assigns, or any replacement agent appointed pursuant to the terms of the Exit Facility Documents.

**1.64 Exit Facility Credit Agreement** means that certain Fourth Amended and Restated Credit Agreement, which shall be effective on the Effective Date, by and among LegacyCo, among others, the Exit Facility Agent, and the Exit Facility Lenders, substantially in the form contained in the Plan Supplement, which shall be in form and substance acceptable to the Debtors, the Exit Facility Agent, and the Requisite Consenting Second Lien Creditors.

**1.65 Exit Facility Documents** means, collectively, the Exit Facility Credit Agreement and all other "Loan Documents" (as defined therein), including all other agreements, documents, and instruments delivered or entered into pursuant thereto or in connection therewith (including any guarantee agreements and collateral documentation) (in each case, as amended, restated, modified, or supplemented from time to time), each of which shall be, to the extent applicable, consistent with the Exit Facility Term Sheet and substantially in the form contained in the Plan Supplement, and which shall be in form and substance acceptable to the Debtors, the Exit Facility Agent, and the Requisite Consenting Second Lien Creditors.

**1.66 Exit Facility Lenders** means each holder of an Allowed Revolving Credit Facility Claim who on the Effective Date shall become a lender under the Exit Facility Documents, including any swingline lender, any issuing lender and any "Lender Derivative Provider" under any "Lender Derivative Contract" (as each such term is defined in the DIP Facility Credit Agreement).

**1.67 Exit Facility Term Sheet** means that certain term sheet attached hereto as **Exhibit I** that sets forth the principal terms of the Exit Facility.

**1.68 Final Distribution Date** means, with respect to Class 6, a date on or after the Initial Distribution Date and after all Disputed Claims in Class 6 have become either Allowed Claims or Disallowed Claims that is selected by the Disbursing Agent, in its discretion but, in any event, is no later than thirty (30) days thereafter.

**1.69 Final Order** means an order or judgment of the Bankruptcy Court entered by the Clerk of the Bankruptcy Court on the docket in the Chapter 11 Cases which has not been reversed, vacated, or stayed and as to which (a) the time to appeal, petition for certiorari, or move for a new trial, reargument, or rehearing has expired and as to which no appeal, petition for certiorari, or other proceeding for a new trial, reargument, or rehearing shall then be pending or (b) if an appeal, writ of certiorari, new trial, reargument, or rehearing thereof has been sought, such order or judgment of the Bankruptcy Court shall have been affirmed by the highest court to which such order was appealed, or certiorari shall have been denied, or a new trial, reargument, or rehearing shall have been denied or resulted in no modification of such order, and the time to take any further appeal, petition for certiorari, or move for a new trial, reargument, or rehearing shall have expired; *provided*, that no order or judgment shall fail to be a Final Order solely because of the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure has been or may be filed with respect to such order or judgment. The susceptibility of a Claim to a challenge under section 502(j) of the Bankruptcy Code shall not render a Final Order not a Final Order.

**1.70 General Unsecured Claim** means any Claim against any of the Debtors that is (a) not an Administrative Expense, Priority Tax Claim, Revolving Credit Facility Claim, Secured Notes Claim, Other Secured Claim, Unsecured Notes Claim, Ongoing Trade Claim of LegacyCo, Ongoing Trade Claim of New Permian Corp., or Priority Non-Tax Claim, (b) an Allowed Unsecured Notes Claim that is held by a holder that is not an Eligible Offeree, (c) the Second Lien Deficiency Claim, (d) any Claim for damages resulting from or based on the Debtor's rejection of an executory contract or unexpired lease, or (e) otherwise determined by the Bankruptcy Court to be a General Unsecured Claim.

**1.71 Governmental Unit** has the meaning set forth in section 101(27) of the Bankruptcy Code.

**1.72 GUC Cash Pool** means ~~\$1.5~~2.57 million in Cash (or such lesser amount as may be determined by the Bankruptcy Court as set forth in the Confirmation Order).

**1.73 Indemnification Obligation** means each of the Debtors' indemnification obligations in place prior to the Effective Date, whether in the

bylaws, certificates of incorporation or formation, limited liability company agreements, other organizational or formation documents, board resolutions, management or indemnification agreements, or employment or other contracts, for their current and former directors, officers, managers, employees, attorneys, accountants, investment bankers, and other professionals and agents of the Debtors, as applicable.

**1.74 Initial Distribution Date** means a date on or after the Effective Date that is selected by LegacyCo in its discretion but, in any event, is not earlier than fifteen (15) days and no more than thirty (30) days after the Effective Date.

**1.75 Intercompany Claim** means any Claim against a Debtor held by either another Debtor or by a non-Debtor affiliate of a Debtor (excluding any Claims of an individual). For the avoidance of doubt, any Claims against a Debtor held by either another Debtor or by a non-Debtor affiliate of a Debtor that has otherwise been assigned by such Debtor or non-Debtor affiliate to a third-party is not an Intercompany Claim.

**1.76 Intercompany Interest** means an Interest in a Debtor other than an Existing BBEP Equity Interest held by another Debtor or by a non-Debtor affiliate of a Debtor.

**1.77 Interest** means any equity security (as defined in section 101(16) of the Bankruptcy Code) of a Debtor, including all units, shares, common stock, preferred stock, partnership interests, or other instrument evidencing any fixed or contingent ownership interest in any Debtor, including any option, warrant, or other right, contractual or otherwise, to acquire any such interest in a Debtor, whether or not transferable and whether fully vested or vesting in the future, that existed immediately before the Effective Date.

**1.78 Legacy Assets** means the assets of LegacyCo, which shall be all assets of the Debtors and Reorganized Debtors (other than New Permian Corp. and New Permian LLC) other than the Permian Assets and which may include equity interests of a Debtor or Reorganized Debtor (other than New Permian Corp. and New Permian LLC), with such Debtor or Reorganized Debtor (other than New Permian Corp. and New Permian LLC) retaining its assets.

**1.79 Legacy Asset Transfer** has the meaning set forth in Section 6.9 of the Plan.

**1.80 LegacyCo Distribution and Transfer** has the meaning set forth in Section 6.9 of the Plan.

**1.81 LegacyCo** means the newly formed Delaware limited liability company, treated as a partnership for U.S. federal tax purposes and any applicable state or local tax purposes, that will be, as of the Effective Date, the ultimate

parent company of the Reorganized Debtors (other than New Permian Corp. and New Permian LLC), and that, in accordance with the Restructuring Transactions, *inter alia*, will be the issuer of the LegacyCo Units to BBEP pursuant to the Plan and the transferee of the assets of BBEP (including equity interests of subsidiaries); *provided*, that in the sole discretion of the Requisite Consenting Second Lien Creditors, LegacyCo may be treated as a corporation for U.S. federal tax purposes and any applicable state or local tax purposes.

**1.82 LegacyCo Board** means LegacyCo's initial board of managers.

**1.83 Legacy Contributed Assets** means the Legacy Assets excluding any Cash and other assets actually distributed on the Effective Date pursuant to or in connection with the implementation of the Plan.

**1.84 LegacyCo Contribution Agreement** means that certain LegacyCo Contribution Agreement pursuant to which BBEP shall contribute the Legacy Contributed Assets to LegacyCo in exchange for all of the LegacyCo Units and the assumption of certain liabilities and obligations, in form and substance acceptable to the Debtors, the Requisite Consenting Second Lien Creditors, and the Requisite Commitment Parties consistent with the Restructuring Term Sheet.

**1.85 LegacyCo Interests** means the limited liability company equity interests in LegacyCo.

**1.86 LegacyCo LLC Agreement** means the limited liability company agreement of LegacyCo, substantially in the form included in the Plan Supplement and which shall be in form and substance (i) acceptable to the Debtors and the Requisite Consenting Second Lien Creditors and consistent with the Restructuring Term Sheet and (ii) reasonably acceptable to the Exit Facility Agent.

**1.87 LegacyCo Management Incentive Plan** means the long term management incentive plan to be in effect on or after the Effective Date; *provided*, that the Requisite Consenting Second Lien Creditors and the Debtors shall use reasonable good faith efforts to reach agreement on terms of the LegacyCo Management Incentive Plan and to include any such agreed terms in the Plan Supplement.

**1.88 LegacyCo Organizational Documents** means the LegacyCo LLC Agreement and the certificate of formation and/or other organizational documents of LegacyCo, substantially in the form included in the Plan Supplement and which shall be in form and substance (i) acceptable to the Debtors and the Requisite Consenting Second Lien Creditors and consistent with the Restructuring Term Sheet and (ii) reasonably acceptable to the Exit Facility Agent.



**1.89 LegacyCo Units** means the common units of LegacyCo to be issued pursuant to the Plan and as otherwise permitted pursuant to the LegacyCo LLC Agreement.

**1.90 Lien** has the meaning set forth in section 101(37) of the Bankruptcy Code.

**1.91 Minimum Allocation Rights** means 40% of New Permian Corp. Shares at a price per share that will equal aggregate proceeds of \$310,000,000, that are allocated to and shall be exercised by the Backstop Parties pursuant to the Backstop Commitment Agreement.

**1.92 Minimum Cash Balance** means \$10,000,000 minus (i) \$500,000, (ii) any amounts to be paid to holders of Allowed Ongoing Trade Claims of New Permian Corp., and (iii) any amounts to be paid to holders of Allowed Cure Amounts pursuant to Section 8.4(ii).

**1.93 New Organizational Documents** means the LegacyCo Organizational Documents, and, as applicable, the certificates of incorporation, certificates of formation, bylaws, shareholders' agreement, limited liability company agreement, or functional equivalent thereof with respect to each Reorganized Debtor (other than New Permian Corp. and New Permian LLC), which in each case shall be in form and substance acceptable to the Debtors and the Requisite Consenting Second Lien Creditors and consistent with the Restructuring Term Sheet.

**1.94 New Permian Corp.** means a newly formed Delaware corporation that, in accordance with the Restructuring Transactions shall, *inter alia*, be the issuer of the New Permian Corp. Shares pursuant to the Rights Offering and the Plan and shall purchase all of the New Permian LLC Equity from BBEP.

**1.95 New Permian Corp. Board** means New Permian Corp.'s initial board of directors.

**1.96 New Permian Corp. Bylaws** means the Bylaws for New Permian Corp. substantially in the form contained in the Plan Supplement and which shall be acceptable to the Requisite Commitment Parties and consistent with the Restructuring Term Sheet.

**1.97 New Permian Corp. Certificate of Incorporation** means the Certificate of Incorporation of New Permian Corp., substantially in the form contained in the Plan Supplement, and which shall be acceptable to the Requisite Commitment Parties and consistent with the Restructuring Term Sheet and which shall provide that preemptive rights shall be granted to all holders of New Permian Corp. Shares that are accredited investors, including the AUNC Trust (if

accredited), and that the tag-along rights set forth in the Restructuring Term Sheet shall be made available to all holders of New Permian Corp. Shares.

**1.98 New Permian Corp. Management Incentive Plan** means the long-term management incentive plan that may be adopted by the New Permian Corp. Board following the Effective Date.

**1.99 New Permian Corp. Shares** means the shares of common stock of New Permian Corp. (a) to be issued pursuant to the Plan, the Rights Offering, the Put Option Premium, and the Backstop Commitment Agreement and (b) as otherwise permitted to be issued pursuant to the New Permian Corp. Certificate of Incorporation, subject to dilution by (i) shares, if any, issued under the New Permian Corp. Management Incentive Plan on or subsequent to the Effective Date, and (ii) shares, if any, issued on (other than pursuant to clause (a)) or subsequent to the Effective Date.

**1.100 New Permian LLC** means a newly formed Delaware limited liability company, treated as disregarded as an entity separate from its owner for U.S. federal income tax purposes, that, in accordance with the Restructuring Transactions, *inter alia*, will be the issuer of the New Permian LLC Equity to BBEP pursuant to the Plan and the transferee of the Permian Assets.

**1.101 New Permian LLC Equity** means the common units of New Permian LLC to be issued pursuant to the Plan.

**1.102 Ongoing Trade Claim of LegacyCo** means any prepetition general unsecured Claim against any of the Debtors held by a claimant that provides, or will provide, goods and services necessary to the operation of LegacyCo or whose post-Effective Date services will benefit LegacyCo Assets and which claimant will continue to do business with the LegacyCo after the Effective Date, that is (a) not an Administrative Expense, Priority Tax Claim, Revolving Credit Facility Claim, Secured Notes Claim, Other Secured Claim, General Unsecured Claim, Ongoing Trade Claim of New Permian Corp., Priority Non-Tax Claim, or a Second Lien Deficiency Claim, or (b) otherwise determined by the Bankruptcy Court to be an Ongoing Trade Claim of LegacyCo; *provided*, that to the extent a holder of an Ongoing Trade Claim of LegacyCo has not agreed to provide post-Effective Date trade terms reasonably acceptable to LegacyCo, such Ongoing Trade Claim of LegacyCo shall be classified and treated as a General Unsecured Claim.

**1.103 Ongoing Trade Claim of New Permian Corp.** means any prepetition general unsecured Claim against any of the Debtors held by a claimant that will provide goods and services necessary to the operation of New Permian Corp. or whose post-Effective Date services will benefit Permian Assets and which claimant will continue to do business with New Permian Corp. after the Effective Date, that is (a) not an Administrative Expense, Priority Tax Claim, Revolving



Credit Facility Claim, Secured Notes Claim, Other Secured Claim, General Unsecured Claim, Ongoing Trade Claim of LegacyCo, Priority Non-Tax Claim, or a Second Lien Deficiency Claim, or (b) otherwise determined by the Bankruptcy Court to be an Ongoing Trade Claim of New Permian Corp.; *provided*, that to the extent a holder of an Ongoing Trade Claim of New Permian Corp. has not agreed to provide post-Effective Date trade terms reasonably acceptable to New Permian Corp., such Ongoing Trade Claim of New Permian Corp. shall be classified and treated as a General Unsecured Claim.

**1.104 Other Secured Claim** means a Claim that is not a Revolving Credit Facility Claim or Secured Notes Claim (a) secured by Collateral, to the extent of the value of such Collateral (i) as set forth in the Plan, (ii) as agreed to by the holder of such Claim and the Debtors, or (iii) as determined by a Final Order in accordance with section 506(a) of the Bankruptcy Code or (b) secured by the amount of any valid rights of setoff of the holder thereof under section 553 of the Bankruptcy Code.

**1.105 Ordinary Course Professional Order** means the *Order Pursuant to 11 U.S.C. §§ 105(a), 327, 328, and 330 Authorizing Debtors to Employ Professionals Used in the Ordinary Course of Business Effective as of the Petition Date* (ECF No. 589).

**1.106 Permian Assets** means those assets set forth on **Exhibit II** annexed hereto and such other assets related thereto that are assigned to New Permian LLC pursuant to the Permian Contribution Agreement.

**1.107 Permian Asset Transfer** has the meaning set forth in Section 6.9 of the Plan.

**1.108 Permian Contribution Agreement** means that certain Permian Contribution Agreement, substantially in the form included in the Plan Supplement, pursuant to which BBEP shall transfer the Permian Assets to New Permian LLC in exchange for all of the New Permian LLC Equity and the assumption of certain liabilities and obligations, which shall be in form and substance acceptable to the Debtors, the Requisite Consenting Second Lien Creditors, and the Requisite Commitment Parties.

**1.109 Permian Corp. Asset Acquisition** has the meaning set forth in Section 6.9 of the Plan.

**1.110 Permian Stock Value** shall mean the value per share of New Permian Corp. Shares as set forth in the Disclosure Statement based on an aggregate New Permian Corp. Share value of \$807 million.

**1.111 Person** has the meaning set forth in section 101(41) of the Bankruptcy Code.

**1.112 Petition Date** means May 15, 2016, the date on which the Debtors commenced the Chapter 11 Cases.

**1.113 Plan** means this chapter 11 plan, as the same may be amended, supplemented, or modified from time to time in accordance with the provisions of the Bankruptcy Code and the terms hereof.

**1.114 Plan Document** means any of the documents, other than this Plan, to be executed, delivered, assumed, or performed in connection with the occurrence of the Effective Date, including the documents to be included in the Plan Supplement, all of which shall be in form and substance as provided herein and the Restructuring Support Agreement.

**1.115 Plan Supplement** means the forms of certain documents effectuating the transactions contemplated herein, which documents shall be filed with the Clerk of the Bankruptcy Court no later than December 11, 2017, including, but not limited to, (a) the Schedule of Rejected Contracts, (b) a list of retained Causes of Action, (c) the LegacyCo LLC Agreement, (d) the LegacyCo Organizational Documents, (e) the New Permian Corp. Bylaws, (f) the New Permian Corp. Certificate of Incorporation, (g) the Backstop Commitment Agreement, (h) the Exit Facility Credit Agreement, (i) the Transition Services Agreement, (j) the LegacyCo Management Incentive Plan or certain terms thereof (if applicable), (k) the Exchange Agreement, (l) the LegacyCo Contribution Agreement, (m) the Permian Contribution Agreement (n) the Schedule of Assumed Employee Obligations, and (o) a registration rights agreement with respect to New Permian Corp. Shares. Such documents shall be consistent with the terms hereof, the Restructuring Support Agreement and the Restructuring Term Sheet, the Backstop Commitment Agreement, and the Exit Facility Term Sheet, as applicable, and shall be in form and substance acceptable to the Requisite Consenting Second Lien Creditors, subject to the consent rights of the Requisite Commitment Parties for any Plan Supplement document or portion thereof that relates to New Permian Corp. or Permian Assets, as provided herein and in the Restructuring Support Agreement; *provided*, that, through the Effective Date, the Debtors shall have the right to amend documents contained in, and exhibits to, the Plan Supplement in accordance with the terms of the Plan and the Restructuring Support Agreement; *provided*, further, that any documents or agreements incorporating or addressing the terms and conditions for the treatment of Claims in Classes 5A, 5B, 6, 7A or 7B shall be in form and substance reasonably acceptable to the Creditors' Committee. Upon its filing with the Bankruptcy Court, the Plan Supplement may be inspected at the Office of the Clerk of the Bankruptcy Court during normal Bankruptcy Court hours. Holders of Claims and Interests may obtain a copy of the Plan Supplement upon written request to the undersigned counsel. Copies of

the Plan Supplement also will be available on the Voting Agent's website, <https://cases.primeclerk.com/Breitburn/>. For the avoidance of doubt, any consent rights provided to the Creditors' Committee herein shall be in addition to the general rights and remedies of the Creditors' Committee as a statutory committee appointed in the Chapter 11 Cases.

**1.116 Priority Non-Tax Claim** means any Claim, other than an Administrative Expense or a Priority Tax Claim, entitled to priority in payment as specified in section 507(a)(3), (4), (5), (6), (7), or (9) of the Bankruptcy Code.

**1.117 Priority Tax Claim** means any Claim of a Governmental Unit of the kind entitled to priority in payment as specified in sections 502(i) and 507(a)(8) of the Bankruptcy Code.

**1.118 Pro Rata** means the proportion that an Allowed Claim in a particular Class bears to the aggregate amount of Allowed Claims in that Class (except where otherwise described herein).

**1.119 Professional** means an Entity, excluding those Entities entitled to compensation pursuant to the Ordinary Course Professional Order: (a) retained pursuant to an Order of the Bankruptcy Court in accordance with sections 327, 363, or 1103 of the Bankruptcy Code and to be compensated for services rendered pursuant to sections 327, 328, 329, 330, 331, and 363 of the Bankruptcy Code; or (b) awarded compensation and reimbursement by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code; *provided*, that professionals employed by the Revolving Credit Facility Agent, the DIP Facility Agent, the Second Lien Noteholders, the Unsecured Noteholder Group, or the Unsecured Notes Indenture Trustee in their capacity as such, shall not be "Professionals" for the purposes of the Plan.

**1.120 Professional Fee Claims** means all Administrative Expenses for the compensation of Professionals and the reimbursement of expenses incurred by such Professionals through and including the Effective Date to the extent such fees and expenses have not been paid pursuant to any Final Order of the Bankruptcy Court (including, but not limited to, any fees of a Professional held back in accordance with the Bankruptcy Court's order establishing interim compensation procedures for the Professionals or otherwise). To the extent the Bankruptcy Court denies or reduces by a Final Order any amount of a Professional's requested fees and expenses (whether or not paid pursuant to an Order granting interim allowance), then the amount by which such fees or expenses are reduced or denied shall reduce the applicable Professional Fee Claim.

**1.121 Professional Fee Escrow Account** means an interest-bearing account in an amount equal to the Professional Fee Reserve Amount and funded

by the Debtors in Cash on the Effective Date, pursuant to Section 2.2(b) of the Plan.

**1.122 Professional Fee Reserve Amount** means the total amount of Professional Fee Claims estimated in accordance with Section 2.2(c) of the Plan.

**1.123 Put Option Premium** means the Put Option Premium (as defined in the Backstop Commitment Agreement) to be paid to the Backstop Parties as provided in the Backstop Commitment Agreement, and to be paid pursuant to the proviso contained in Section 4.5(b) of the Plan to the extent any other Eligible Offeree makes the election provided for therein.

**1.124 Reinstatement** means (a) leaving unaltered the legal, equitable, and contractual rights to which a Claim or Interest entitles the holder of such Claim or Interest in accordance with section 1124 of the Bankruptcy Code, or (b) if applicable under section 1124 of the Bankruptcy Code: (i) curing all prepetition and postpetition defaults other than defaults relating to the insolvency or financial condition of the applicable Debtor or its status as a debtor under the Bankruptcy Code; (ii) reinstating the maturity date of the Claim; (iii) compensating the holder of such Claim for damages incurred as a result of its reasonable reliance on a contractual provision or such applicable law allowing the Claim's acceleration; and (iv) not otherwise altering the legal, equitable or contractual rights to which the Claim entitles the holder thereof.

**1.125 Released and Settled Claims** means all Claims and Causes of Action made, or which could have been made, on or on behalf of any of the Debtors or non-Debtor subsidiaries against the Second Lien Noteholders, Series B Interest Holders, or the Secured Indenture Trustee, or any of their respective affiliates, agents, attorneys, advisors, professionals, officers, directors, and employees, including the Claims and Causes of Action detailed in the Standing Motion and Claim Objection.

**1.126 Released Parties** means, collectively, and in each case in their capacities as such: (a) the Debtors and Reorganized Debtors; (b) the Revolving Credit Facility Agent; (c) the Revolving Credit Facility Lenders; (d) the DIP Facility Agent; (e) the DIP Facility Lenders; (f) the Exit Facility Agent; (g) the Exit Facility Lenders; (h) the Second Lien Noteholders; (i) the Series B Interest Holders; (j) the Secured Notes Indenture Trustee; (k) the Backstop Parties; (l) the Unsecured Notes Indenture Trustee; (m) the ~~Creditors'~~ Statutory Committees and ~~its~~ each of their current and former members; (n) the Unsecured Senior Notes Groups; (o) the Second Lien Group; (p) LegacyCo; and (q) New Permian Corp.; and with respect to each of the foregoing entities, such entities' predecessors, successors, assigns, subsidiaries, affiliates, managed accounts and funds, current and former officers and directors, principals, equity holders, members, partners, managers, employees, subcontractors, agents, advisory board members, financial

advisors, attorneys, accountants, investment bankers, consultants, representatives, management companies, fund advisors (and employees thereof), and other professionals, and such entities' respective heirs, executors, estates, servants, and nominees, in each case in their capacity as such.

**1.127 Reorganized Debtors** means LegacyCo, New Permian Corp. and New Permian LLC, and each of the other Debtors (excluding BBEP) or any successor thereto, as reorganized pursuant to and under the Plan.

**1.128 Requisite Commitment Parties** has the meaning ascribed to it in the Backstop Commitment Agreement.

**1.129 Requisite Consenting Second Lien Creditors** has the meaning ascribed to it in the Restructuring Support Agreement.

**1.130 Restructuring** means the restructuring of the Debtors, the principal terms of which are set forth in the Plan and the Plan Supplement and subject to the terms of the Restructuring Support Agreement.

**1.131 Restructuring Support Agreement** means that certain Amended and Restated Restructuring Support Agreement (as amended, supplemented or otherwise modified from time to time) dated as of October 11, 2017, by and among the Debtors and the Consenting Creditors (as defined therein).

**1.132 Restructuring Term Sheet** means the term sheet attached as Exhibit D to the Restructuring Support Agreement.

**1.133 Restructuring Transactions** means, collectively, those mergers, amalgamations, consolidations, arrangements, continuances, restructurings, transfers, conversions, dispositions, liquidations, dissolutions, or other corporate transactions to implement the Plan, in form and substance acceptable to the Debtors, the Requisite Consenting Second Lien Creditors, and the Requisite Commitment Parties, and, to the extent such transactions adversely affect the Revolving Credit Facility Claims, the DIP Facility Claims, or the Exit Facility, the Revolving Credit Facility Agent, the DIP Agent, or the Exit Facility Agent, as applicable, including the implementation of the Rights Offering, the implementation of the Minimum Allocation Rights, the distribution of the Subscription Rights to the Rights Offering Participants as of the Rights Offering Record Date, and the issuance of the New Permian Corp. Shares in connection therewith, the Exit Facility, the LegacyCo LLC Agreement, the LegacyCo Organizational Documents, the New Permian Corp. Bylaws, the New Permian Corp. Certificate of Incorporation, and the transactions set forth in Sections 6.9 and 6.14. Notwithstanding anything in this Plan to the contrary, the Restructuring Transactions may be modified or revised by the Requisite Consenting Second Lien Creditors, the Requisite Commitment Parties and the Debtors in their reasonable

discretion to ensure a more tax efficient structure for holders of Secured Notes Claims and the Debtors.

**1.134 Revolver Option** means the right of each holder of a portion of the Exit Facility to convert its term loans thereunder to revolving loans thereunder pursuant to the Revolver Option Procedures.

**1.135 Revolver Option Procedures** means the procedures governing the exercise of the Revolver Option.

**1.136 Revolving Credit Agreement** means that certain Third Amended and Restated Credit Agreement, dated as of November 19, 2014, by and among BOLP, as borrower, certain subsidiaries named therein, as guarantors, the Revolving Credit Facility Lenders, the Revolving Credit Facility Agent, and Wells Fargo Securities, LLC, as sole lead arranger and sole bookrunner (as amended, restated, modified, or supplemented from time to time).

**1.137 Revolving Credit Documents** means, collectively, the Revolving Credit Agreement and all other “Loan Documents” (as defined therein), including all other agreements, documents and instruments delivered or entered into pursuant thereto or in connection therewith (including any guarantee agreements and collateral documentation) (in each case, as amended, restated, modified, or supplemented from time to time).

**1.138 Revolving Credit Facility Agent** means Wells Fargo Bank, National Association, solely in its capacity as administrative agent under the Revolving Credit Documents and, solely for purposes of release, exculpation and injunction hereunder, shall also include Wells Fargo Securities, LLC, as sole lead arranger and sole bookrunner.

**1.139 Revolving Credit Facility Claims** means all Claims arising under or related to the Revolving Credit Documents, including all “Obligations,” including “Obligations” to any “Lender Derivative Provider” under any “Lender Derivative Contract” (as each such term is defined in the Revolving Credit Agreement).

**1.140 Revolving Credit Facility Lenders** means the lenders party to the Revolving Credit Agreement, including any swingline lender, any issuing lender and any “Lender Derivative Provider” under any “Lender Derivative Contract” (as each such term is defined in the Revolving Credit Agreement).

**1.141 Rights Offering** means that certain rights offering pursuant to which each Eligible Offeree is entitled to receive Subscription Rights to acquire 60% of the New Permian Corp. Shares in accordance with the Plan, the Rights Offering Procedures, and the Backstop Commitment Agreement.



**1.142 Rights Offering Participants** means those holders of Unsecured Notes Claims who duly subscribe for New Permian Corp. Shares in accordance with the Rights Offerings Procedures.

**1.143 Rights Offering Aggregate Price** means \$465,000,000, representing an aggregate of 60% of New Permian Corp. Shares.

**1.144 Rights Offering Procedures** means the procedures governing and for the implementation of the Rights Offering, as approved by the Bankruptcy Court pursuant to the order approving the Disclosure Statement, substantially in the form attached to the Disclosure Statement, and which otherwise shall be in form and substance acceptable to the Debtors, the Requisite Consenting Second Lien Creditors, and the Requisite Commitment Parties.

**1.145 Rights Offering Proceeds and Minimum Allocation Rights Proceeds** means the Cash proceeds from the Rights Offering and Minimum Allocation Rights. The Rights Offering Proceeds and Minimum Allocation Rights will total \$775,000,000 comprised of (i) \$465,000,000 from the Rights Offering Aggregate Price, and (ii) \$310,000,000, from the Minimum Allocation Rights.

**1.146 Rights Offering Record Date** means the date established in the Rights Offering Procedures as the record date for determining the Eligible Offerees entitled to receive Subscription Rights and participate in the Rights Offering, which shall be November 27, 2017.

**1.147 Royalty and Working Interests** means the working interests granting the right to exploit oil and gas, and certain other royalty or mineral interests, including but not limited to, landowner's royalty interests, overriding royalty interests, net profit interests, non-participating royalty interests, and production payments.

**1.148 Schedule of Assumed Employee Obligations** means the schedule of Employee Obligations to be assumed by the Debtors pursuant to the Plan, to be filed as part of the Plan Supplement, which schedule shall be in form and substance acceptable to the Requisite Consenting Second Lien Creditors.

**1.149 Schedule of Rejected Contracts** means the schedule of executory contracts and unexpired leases to be rejected by the Debtors pursuant to the Plan, to be filed as part of the Plan Supplement, which schedule shall be in form and substance acceptable to the Requisite Consenting Second Lien Creditors and the Requisite Commitment Parties (as it relates to New Permian Corp. or Permian Assets).

**1.150 Schedules** means the schedules of assets and liabilities and the statements of financial affairs filed by the Debtors under section 521 of the Bankruptcy Code, Bankruptcy Rule 1007, and the Official Bankruptcy Forms of

the Bankruptcy Rules as such schedules and statements have been or may be supplemented or amended from time to time.

**1.151 Second Lien Deficiency Claim** means any unsecured portion of the Secured Notes Claim.

**1.152 Second Lien Group** means those entities disclosed in the *Amended Verified Statement Pursuant to Rule 2019 of Federal Rules of Bankruptcy Procedure* (ECF No. 399) filed on August 16, 2016, in their capacity as holders of Secured Notes, as may be amended or supplemented.

**1.153 Second Lien Noteholders** means the holders of the Secured Notes.

**1.154 Secured Notes** means the 9.25% Senior Secured Second Lien Notes due May 18, 2020, issued pursuant to the Secured Notes Indenture in the aggregate principal amount of Six Hundred Fifty Million Dollars (\$650,000,000).

**1.155 Secured Notes Claims** means all Claims arising under or based upon to the Secured Notes and the Secured Notes Indenture including, principal, makewhole, accrued unpaid pre- and post-petition interest on all outstanding obligations, costs, fees, indemnities, and all other obligations payable under the Secured Notes Indenture.

**1.156 Secured Notes Indenture** means that certain Indenture, dated as of April 8, 2015, by and among BBEP, BOLP, and Breitburn Finance, as issuers, the guarantors named therein, and the Secured Notes Indenture Trustee, including all agreements, notes, instruments, and any other documents delivered pursuant thereto or in connection therewith (in each case, as amended, modified, or supplemented from time to time).

**1.157 Secured Notes Indenture Trustee** means Delaware Trust Company, solely in its capacity as successor indenture trustee and noteholder collateral agent under the Secured Notes Indenture.

**1.158 Securities Act** means the Securities Act of 1933, as amended.

**1.159 Security** means any “security” as such term is defined in section 101(49) of the Bankruptcy Code.

**1.160 Series B Interest Holders** means those holders of Series B Preferred Units.

**1.161 Series B Preferred Units** means the Series B Perpetual Convertible Preferred Units of Existing BBEP Equity Interests.



**1.162 Statutory Committees** means the Creditors' Committee and the Equity Committee.

**1.163 Standing Motion and Claim Objection** means the (I) *Objection to Proof of Claim filed by Delaware Trust Company as Indenture Trustee for the 9.25% Senior Secured Second Lien Notes Due 2020* and (II) *Motion of the Official Committee of Unsecured Creditors for Entry of an Order Conditionally Authorizing the Committee to Prosecute and Settle Certain Claims on Behalf of the Debtors' Estates and Granting Related Relief* filed by the Creditors' Committee on December 19, 2016 (ECF No. 867).

**1.164 Subordinated Claim** means a Claim subject to subordination under section 510 of the Bankruptcy Code.

**1.165 Subscription Rights** means the Subscription Rights as defined in the Backstop Commitment Agreement.

**1.166 Tax Code** means title 26 of the United States Code, as amended from time to time.

**1.167 Transition Services Agreement** means that certain Transition Services Agreement, to be entered into between LegacyCo and New Permian Corp. on the Effective Date, substantially in the form contained in the Plan Supplement and consistent with the Restructuring Term Sheet, which shall be in form and substance acceptable to the Debtors, the Requisite Consenting Second Lien Creditors, and the Requisite Commitment Parties.

**1.168 Unsecured Notes Claim** means, collectively, all Claims, including any guaranty Claims, arising under the 7.875% Unsecured Notes, the 7.875% Unsecured Notes Indenture, the 8.625% Unsecured Notes, and/or the 8.625% Unsecured Notes Indenture.

**1.169 Unsecured Notes Indentures** means the 7.875% Unsecured Notes Indenture and the 8.625% Unsecured Notes Indenture.

**1.170 Unsecured Notes Indenture Trustee** means Wilmington Trust Company, solely in its capacity as successor indenture trustee under each of the 7.875% Unsecured Notes Indenture and the 8.625% Unsecured Notes Indenture.

**1.171 Unsecured Senior Notes Groups** means, collectively (i) the ad hoc group of entities disclosed in the *Amended Verified Statement Pursuant to Bankruptcy Rule 2019* (ECF No. 1452) filed on July 19, 2017, in their capacity as holders of Unsecured Notes Claims, as may be amended or supplemented, and (ii) the ad hoc group of certain other holders of Unsecured Notes Claims represented by White & Case LLP.

**1.172 U.S. Trustee** means the United States Trustee for the Southern District of New York.

**1.173 Voting Agent** means Prime Clerk LLC, the Debtors' voting agent.

**1.174 Voting Deadline** means the date set by the Bankruptcy Court by which all completed Ballots must be received.

**INTERPRETATION; APPLICATION OF DEFINITIONS AND RULES OF CONSTRUCTION.**

For purposes herein: (a) the words "herein," "hereof," "hereto," "hereunder," and other words of similar import refer to the Plan as a whole and not to any particular section, subsection, or clause contained therein, (b) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender, (c) except as otherwise provided, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions, (d) the words "include" and "including," and variations thereof, shall not be deemed to be terms of limitation, and shall be deemed to be followed by the words "without limitation," (e) a term used herein that is not defined herein shall have the meaning assigned to that term in the Bankruptcy Code, (f) the rules of construction contained in section 102 of the Bankruptcy Code shall apply to the Plan, (g) the headings in the Plan are for convenience of reference only and shall not limit or otherwise affect the provisions hereof, (h) in the event that a particular term of the Plan (including any exhibits or schedules hereto) conflicts with a particular term of the definitive documentation required to be implemented pursuant to the terms of the Plan or any settlement or other agreement contemplated hereunder, the definitive documentation shall control and shall be binding on the parties thereto, (i) except as otherwise provided, any reference herein to an existing document or exhibit having been filed or to be filed shall mean that document or exhibit, as it may thereafter be amended, restated, supplemented, or otherwise modified in accordance with the terms of the Plan, (j) any effectuating provisions may be interpreted by LegacyCo, New Permian Corp., New Permian LLC or the other Reorganized Debtors in a manner consistent with the overall purpose and intent of the Plan, all without further notice to or action, order, or approval of the court or any other entity, and such interpretation shall control in all respects, (k) except as otherwise provided, any reference to the Effective Date shall mean the Effective Date or as soon as reasonably practicable thereafter, and (l) any docket number references in the Plan shall refer to the docket number of any document filed with the Bankruptcy Court in the Chapter 11 Cases.

**CERTAIN CONSENT RIGHTS.**

Notwithstanding anything in the Plan to the contrary, any and all consent rights of the Consenting Creditors (as defined in the Restructuring Support Agreement)

set forth in the Restructuring Support Agreement with respect to the form and substance of this Plan, the Plan Supplement, the Plan Documents, and any other Restructuring Document (as defined in the Restructuring Support Agreement), including any amendments, restatements, supplements, or other modifications to such documents, and any consents, waivers, or other deviations under or from any such documents, shall be incorporated herein by this reference (including to the applicable definitions in Article I hereof) and fully enforceable as if stated in full herein until such time as the Restructuring Support Agreement is terminated in accordance with its terms.

## **ARTICLE II.**

### **ADMINISTRATIVE EXPENSES AND PRIORITY TAX CLAIMS**

**2.1 Administrative Expenses.** Except as specified in Section 2.2, unless LegacyCo and a holder of an Allowed Administrative Expense against any of the Debtors agree to a different treatment of such Administrative Expense, on the Effective Date, each holder of an Allowed Administrative Expense shall receive, in full satisfaction of such Allowed Administrative Expense, an amount in Cash equal to the Allowed amount of such Administrative Expense; *provided*, that Allowed Administrative Expenses against any of the Debtors representing liabilities incurred in the ordinary course by the Debtors, as debtors in possession, or liabilities arising under loans or advances to or other obligations incurred by any of the Debtors, as debtors in possession, whether or not incurred in the ordinary course, shall be paid by the Reorganized Debtors (other than New Permian Corp. and New Permian LLC) in the ordinary course, consistent with past practice and in accordance with the terms and subject to the conditions of any agreements governing, instruments evidencing, or other documents relating to such transactions.

### **2.2 Professional Fee Claims.**

(a) All final requests for payment of Professional Fee Claims, including the Professional Fee Claims incurred during the period from the Petition Date through the Effective Date, must be filed and served on the Reorganized Debtors (other than New Permian Corp. and New Permian LLC) no later than thirty (30) days after the Effective Date. All such final requests will be subject to approval by the Bankruptcy Court after notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior orders of the Bankruptcy Court in the Chapter 11 Cases, and once approved by the Bankruptcy Court, promptly paid in full in Cash from the Professional Fee Escrow Account up to its full Allowed amount. If the Professional Fee Escrow Account is insufficient to fund the full Allowed amounts of Professional Fee Claims, remaining unpaid Allowed Professional Fee Claims will be allocated among and paid in full in Cash directly by the Reorganized Debtors (other than New Permian Corp. and New Permian LLC).

(b) Prior to the Effective Date, the Debtors shall establish and fund the Professional Fee Escrow Account with Cash equal to the Professional Fee Reserve Amount. The Professional Fee Escrow Account shall be maintained in trust solely for the Professionals, and shall be treated as a grantor trust pursuant to Treasury Regulation section 1.671-4(a) for U.S. federal income tax purposes (with the Professionals as the grantors thereof). Such funds shall not be considered property of the estates of the Debtors or the Reorganized Debtors. The amount of Professional Fee Claims owing to the Professionals shall be paid in Cash to such Professionals by the Reorganized Debtors (other than New Permian Corp. and New Permian LLC) from the Professional Fee Escrow Account as soon as reasonably practicable after such Professional Fee Claims are Allowed by a Final Order. When all such Allowed amounts owing to Professionals have been paid in full, any remaining amount in the Professional Fee Escrow Account shall promptly be paid to the Reorganized Debtors (other than New Permian Corp. and New Permian LLC), without any further action or order of the Bankruptcy Court.

(c) Professionals shall estimate their unpaid Professional Fee Claims incurred in rendering services to the Debtors or their estates before and as of the Effective Date and shall deliver such estimate to the attorneys for the Debtors and attorneys for the Second Lien Group no later than ten (10) Business Days before the Effective Date; *provided*, that such estimate shall not be deemed to limit the amount of the fees and expenses that are the subject of the Professional's final request for payment of filed Professional Fee Claims. If a Professional does not provide an estimate, the Debtors or Reorganized Debtors (other than New Permian Corp. and New Permian LLC) shall estimate the unpaid and unbilled fees and expenses of such Professional in order for such Professional to be entitled to payment from the Professional Fee Escrow Account. The total amount estimated pursuant to this Section shall comprise the Professional Fee Reserve Amount and such estimate shall be provided to the attorneys for the Debtors and attorneys for the Second Lien Group no later than five (5) Business Days before the Effective Date. The Professional Fee Reserve Amount, as well as the return of any excess funds in the Professional Fee Escrow Account after all Allowed Professional Fee Claims have been paid in full, shall be allocated to the applicable Debtor for whose benefit such Professional Fees Claims were incurred.

(d) Except as otherwise specifically provided in the Plan, from and after the Confirmation Date, the Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented legal, professional, or other fees and expenses incurred by the Debtors. Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Reorganized Debtors may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

**2.3 DIP Facility Claims.** In full and final satisfaction, settlement, release, and discharge of, and in exchange for, the Allowed DIP Facility Claims (subject to

the last sentence of this Section 2.3), such Allowed DIP Facility Claims shall be paid in full in Cash by the Debtors on the Effective Date equal to the Allowed amount of such DIP Facility Claims and all commitments under the DIP Facility Documents shall terminate. Upon the indefeasible payment or satisfaction in full in Cash of the DIP Facility Claims (other than any DIP Facility Claims based on the Debtors' contingent obligations under the DIP Facility Documents for which no claim has been made) in accordance with the terms of this Plan, on the Effective Date, all Liens granted to secure such obligations automatically shall be terminated and of no further force and effect. The Debtors' contingent or unliquidated obligations under the DIP Facility Documents, to the extent not indefeasibly paid in full in Cash on the Effective Date or otherwise satisfied by the Debtors in a manner acceptable to the DIP Facility Agent, any affected DIP Facility Lender, or any other holder of a DIP Facility Claim, as applicable, shall survive the Effective Date and shall not be released or discharged pursuant to this Plan or Confirmation Order, notwithstanding any provision hereof or thereof to the contrary.

**2.4 Priority Tax Claims.** Except to the extent that LegacyCo and a holder of an Allowed Priority Tax Claim against any of the Debtors agree to a different treatment of such Claim, each holder of an Allowed Priority Tax Claim shall receive, at the option of the Debtors or Reorganized Debtors (other than New Permian Corp. and New Permian LLC), as applicable, with the consent of the Requisite Consenting Second Lien Creditors, (a) Cash in an amount equal to such Allowed Priority Tax Claim on the Effective Date, or (b) Cash, in equal semi-annual installments commencing on the first (1st) Business Day following the Effective Date (or as soon thereafter as is reasonably practicable after such Claim becomes an Allowed Priority Tax Claim) and continuing over a period not exceeding five (5) years from and after the Petition Date, together with interest accrued thereon at the applicable nonbankruptcy rate, which as to any Allowed Priority Tax Claim of the Internal Revenue Service on behalf of the United States shall be the applicable rate specified by the Tax Code, as of the Confirmation Date, applied pursuant to section 511 of the Bankruptcy Code, subject to the sole option of the Reorganized Debtors (other than New Permian Corp. and New Permian LLC) to prepay the entire amount of the Allowed Priority Tax Claim. All Allowed Priority Tax Claims against any of the Debtors that are not due and payable on or before the Effective Date shall be paid in the ordinary course as such obligations become due.

### **ARTICLE III.**

#### **CLASSIFICATION OF CLAIMS AND INTERESTS**

**3.1 Formation of Debtor Groups for Convenience Only.** This Plan groups the Debtors together solely for the purpose of describing treatment under this Plan, confirmation of this Plan, and making distributions under this Plan in respect of Claims against and Interests in the Debtors under this Plan. Such groupings shall not affect any Debtor's status as a separate legal entity, change the organizational structure of the Debtors' business enterprise, constitute a change of control of any Debtor for any purpose, cause a merger or consolidation of any legal entities, or cause the transfer of any

assets; and, except as otherwise provided by or permitted under this Plan, all Debtors shall continue to exist as separate legal entities.

**3.2 Classification of Claims and Interests.**

(a) The Plan constitutes a separate chapter 11 plan of reorganization for each Debtor, each of which shall include the classifications set forth below.

(b) A Claim or Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Interest qualifies within the description of such other Classes.

(c) The following table designates the Classes of Claims against and Interests in the Debtors and specifies which of those Classes are (i) impaired or unimpaired by this Plan, (ii) entitled to vote to accept or reject the Plan in accordance with section 1126 of the Bankruptcy Code, and (iii) deemed to reject this Plan. The Debtors reserve the right to assert that the treatment provided to holders of Claims and Interests pursuant to Article III of the Plan renders such holders not “impaired” (within the meaning of such term in section 1124 of the Bankruptcy Code).

<u>Class</u>	<u>Designation</u>	<u>Impairment</u>	<u>Entitled to Vote</u>
Class 1	Priority Non-Tax Claims	Unimpaired	No (deemed to accept)
Class 2	Other Secured Claims	Unimpaired	No (deemed to accept)
Class 3	Revolving Credit Facility Claims	Impaired	Yes
Class 4	Secured Notes Claims	Impaired	Yes
Class 5A/Class 5B	Unsecured Notes Claims	Impaired	Yes
Class 6	General Unsecured Claims	Impaired	Yes
Class 7A	Ongoing Trade Claims of LegacyCo	Unimpaired	No (deemed to accept)
Class 7B	Ongoing Trade Claims of New Permian Corp.	Unimpaired	No (deemed to accept)
Class 8	Intercompany Claims	Unimpaired	No (deemed to accept)
Class 9	Subordinated Claims	Impaired	No (deemed to reject)
Class 10	Intercompany Interests	Unimpaired	No (deemed to accept)
Class 11	Existing BBEP Equity Interests	Impaired	No (deemed to reject)

**3.3 Separate Classification of Other Secured Claims.** Although all Other Secured Claims have been placed in one Class for purposes of nomenclature within this Plan, each Other Secured Claim, to the extent secured by a Lien on Collateral different from the Collateral securing another Other Secured Claim, shall be treated as being in a separate sub-Class for the purposes of receiving distributions under this Plan.

**3.4 Nonconsensual Confirmation.** In the event any impaired Class of Claims entitled to vote on the Plan does not accept the Plan by the requisite statutory



majority under section 1126(c) of the Bankruptcy Code, then the Debtors reserve the right to undertake to have the Bankruptcy Court confirm the Plan under section 1129(b) of the Bankruptcy Code.

**3.5 Debtors' Rights in Respect of Unimpaired Claims.** Except as otherwise provided in this Plan, nothing under this Plan shall affect the rights of the Reorganized Debtors in respect of any Claim that is not "impaired" (within the meaning of such term in section 1124 of the Bankruptcy Code), including all rights in respect of legal and equitable defenses to, or setoffs or recoupments against, any such Claim.

#### ARTICLE IV.

##### TREATMENT OF CLAIMS AND INTERESTS

**4.1 Class 1 – Priority Non-Tax Claims.** Except to the extent that a holder of an Allowed Priority Non-Tax Claim agrees to a different treatment of such Claim, which different treatment shall be acceptable to the Requisite Consenting Second Lien Creditors, on the Effective Date, each holder of an Allowed Priority Non-Tax Claim against any of the Debtors shall receive, in full satisfaction of such Claim, at the option of the Debtors, with the consent of the Requisite Consenting Second Lien Creditors: (a) Cash in an amount equal to the Allowed amount of such Claim, or (b) other treatment consistent with section 1129(a)(9) of the Bankruptcy Code; *provided*, that Priority Non-Tax Claims that arise in the ordinary course of the Debtors' business, shall be paid in the ordinary course of business, and in accordance with the terms and subject to the conditions of any orders or agreements governing, instruments evidencing, or other documents relating to such transactions without further action by the holders of such Priority Non-Tax Claims or further approval by the Bankruptcy Court.

**4.2 Class 2 – Other Secured Claims.** Except to the extent that a holder of an Allowed Other Secured Claim agrees to a different treatment of such Claim, which different treatment shall be acceptable to the Requisite Consenting Second Lien Creditors and, to the extent that such different treatment adversely affects the Exit Facility, the Exit Facility Agent, each holder of an Allowed Other Secured Claim against any of the Debtors shall receive, at the option of the Debtors, with the consent of the Requisite Consenting Second Lien Creditors and, to the extent that such treatment adversely affects the Exit Facility, the Exit Facility Agent, and in full satisfaction of such Claim, either (a) Cash in an amount equal to one hundred percent (100%) of the unpaid amount of such Allowed Other Secured Claim, (b) such treatment that leaves unaltered the legal, equitable, and contractual rights to which the holder of such Allowed Other Secured Claim is entitled, or (c) such other distribution as necessary to satisfy the requirements of section 1124 of the Bankruptcy Code. In the event an Other Secured Claim against any of the Debtors is treated under clause (a) of this Section, the liens securing such Other Secured Claim shall be deemed released immediately upon payment.

**4.3 Class 3 – Revolving Credit Facility Claims.** The Revolving Credit Facility Claims shall be deemed Allowed in the amount of \$747,316,435.62 with respect to principal and two interest rate derivative obligations plus such amounts as may be owing for any other outstanding “Obligations” (as such term is defined in the Revolving Credit Agreement) thereunder, including any accrued or hereafter accruing and unpaid interest thereon and any additional amounts, charges, fees and expenses (including any attorneys’, accountants’, appraisers’ and financial advisors’ fees and expenses that are chargeable or reimbursable under the Revolving Credit Documents) now or hereafter due under the Revolving Credit Documents (collectively, the “**Allowed Revolving Credit Facility Claims**”).

(a) Each holder of an Allowed Revolving Credit Facility Claim shall receive, on the Effective Date, in full and final satisfaction thereof: (i) Cash in an amount equal to such holders’ Pro Rata share of the Allowed Revolving Credit Facility Claims minus the original principal amount of the Exit Facility on the Effective Date, \$400 million, and (ii) such holder’s Pro Rata share of the Exit Facility; *provided*, that all Revolving Credit Facility Claims arising under any “Lender Derivative Contract” (as such term is defined in the Revolving Credit Agreement) shall be indefeasibly paid in full in Cash and shall not be included in the distributions or calculation of Pro Rata share in the immediately preceding clauses (i) and (ii).

(b) Each holder of an Allowed Revolving Credit Facility Claim shall also have the right pursuant to the Revolver Option and the Revolver Option Procedures to convert all (but not less than all) of its amount of the Exit Facility received pursuant to Section 4.3(a)(ii) to an equal amount of a revolving credit facility as provided in the Exit Facility Term Sheet and the Exit Facility Documents.

(c) LegacyCo shall pay in full in Cash (other than as provided in Section 4.3(a)(ii) above) all amounts payable with respect to the Revolving Credit Documents as provided in the DIP Facility Order.

**4.4 Class 4 – Secured Notes Claim.**

(a) The Secured Notes Claims shall be deemed Allowed solely for purposes of this Plan in the aggregate amount of \$793,300,000, plus accrued unpaid pre and postpetition default interest on all outstanding obligations, costs, fees, indemnities, and all other obligations payable under the Secured Notes Indenture.

(b) On the Effective Date, each holder of an Allowed Secured Notes Claim that is a Certified Holder shall receive, in accordance with the Restructuring Transactions, in full satisfaction of such Claim, its Pro Rata share of 92.5% of the LegacyCo Units, which may be subject to dilution by the LegacyCo Management Incentive Plan.

(c) In addition to the foregoing, there shall be a Cash distribution on the Initial Distribution Date to the Secured Notes Indenture Trustee (the “**Class 4 Cash**”).



**Distribution**”) in an amount equal to the Secured Notes Indenture Trustee’s reasonable and documented fees and expenses (but not including the reasonable and documented fees and expenses of counsel to Secured Notes Indenture Trustee, which shall be paid pursuant to the DIP Facility Order) incurred in connection with the Chapter 11 Cases, not to exceed \$75,000 so long as the Effective Date occurs on or before February 15, 2018; *provided*, however, that (i) the Secured Notes Indenture Trustee shall be entitled to exercise its charging lien solely against such Class 4 Cash Distribution; *provided*, further, that if the Class 4 Cash Distribution is less than \$75,000 (for any reason), such excess Cash shall be retained by LegacyCo.

#### **4.5 Class 5A/Class 5B – Unsecured Notes Claims.**

(a) The 7.875% Unsecured Notes Claims shall be deemed Allowed in the aggregate principal amount outstanding as of the Petition Date plus all accrued and unpaid interest owed as of the Petition Date. The 8.625% Unsecured Notes Claims shall be deemed Allowed in the aggregate principal amount outstanding as of the Petition Date plus all accrued and unpaid interest owed as of the Petition Date.

(b) Class 5A. Each holder of an Allowed Unsecured Notes Claim that is an Eligible Offeree as of the Rights Offering Record Date, shall receive, in accordance with the Rights Offering and the Rights Offering Procedures, in full satisfaction of such Claim, the right to participate in the Rights Offering; *provided* that, any Eligible Offeree that is not a Backstop Party and has elected to participate in the Rights Offering on or before December 13, 2017 in accordance with the Early Election Procedures, will receive on the Effective Date their Pro Rata share (based on the respective Backstop Commitment Amounts (which includes the amounts committed in the Minimum Allocation Rights and the Rights Offering) of the Backstop Parties and the respective subscription amounts as to the rights exercised by Eligible Offerees by December 13, 2017) of the Put Option Premium. Any holder of an Allowed Unsecured Notes Claim that is an Eligible Offeree and elects not to participate in the Rights Offering shall receive no distribution whatsoever on account of its Allowed Unsecured Notes Claim; *provided*, that, if the Plan is subsequently amended at any time to provide for a consensual distribution to holders of Existing BBEP Equity Interests, then such holders shall receive a distribution in the amount agreed upon among the Debtors, the Requisite Consenting Second Lien Creditors, the Requisite Commitment Parties, and the Creditors’ Committee that is no less favorable than any distribution to holders of Existing BBEP Equity Interests.

(c) Class 5B. Each holder of an Allowed Unsecured Notes Claim as of the Rights Offering Record Date that certifies, to the reasonable satisfaction of the Debtors in consultation with the Requisite Commitment Parties and the Creditors’ Committee, and subject to the rights of the Requisite Commitment Parties under Section 7.D of the Rights Offering Procedures, that it is not an Eligible Offeree (a **“Receiving AUNC Holder”**) shall receive (i) through the AUNC Trust (as defined in Section 6.20) a number of shares of New Permian Corp. Shares having a value, based on the Permian Stock Value, equal to 4.5% of its Allowed Unsecured Notes Claim (~~a **“Receiving AUNC**~~

~~Holder~~) and (ii) Cash in the amount of 7.44% (or such lesser percentage as may be determined by the Bankruptcy Court as set forth in the Confirmation Order) of its Allowed Unsecured Notes Claim. Notwithstanding the foregoing, any Receiving AUNC Holder ~~shall have the option to that~~ elected on the Rights Exercise Form (as defined in the Rights Offering Procedures) to receive Cash instead of New Permian Corp. Shares shall receive Cash in the amount of ~~4.5%~~ 11.94% (or such lesser percentage as may be determined by the Bankruptcy Court as set forth in the Confirmation Order) of its Allowed Unsecured Notes Claim with respect to any Senior Unsecured Notes held by it that have been held only by an Entity that is not an Eligible Offeree during the period from and after the Rights Offering Record Date through the Effective Date; *provided*, that, ~~the sum of (i) the~~ aggregate value of New Permian Corp. Shares (based on the Permian Stock Value) and Cash distributed to the Receiving AUNC Holders ~~and (ii) the aggregate amount of Cash distributed to those Receiving AUNC Holders electing to receive Cash as provided in this Section 4.5(c),~~ shall not exceed \$5,424,265 (the, “AUNC Cap”), and to the extent that the AUNC Cap would otherwise be exceeded ~~by~~, the distribution to those receiving New Permian Corp. Shares and Cash as provided in this Section 4.5(c) each shall be reduced ratably so as to eliminate such excess.

(d) In addition to the foregoing, there shall be a Cash distribution on the Initial Distribution Date to Class 5A and Class 5B (the “**Additional Class 5A/5B Cash Distribution**”) in an amount equal to the Unsecured Notes Indenture Trustee’s reasonable and documented fees and expenses incurred in connection with the Chapter 11 Cases, not to exceed \$1,050,000 as to both Class 5A and Class 5B; *provided*, further, that (i) the Unsecured Notes Indenture Trustee shall be entitled to exercise its charging lien solely against such Additional Class 5A/5B Cash Distribution, (ii) the Unsecured Notes Indenture Trustee shall, fifteen (15) days prior to the Confirmation Hearing, deliver to the attorneys for the Debtors, the Unsecured Senior Notes Groups, the Second Lien Group, and the Creditors’ Committee (the “**Reviewing Parties**”) invoices (including an estimate of fees to be incurred thereafter through the Effective Date) which sets forth and documents the reasonable fees and expenses of the Unsecured Notes Indenture Trustee and its counsel and agents, which invoices may be redacted to preserve privilege and/or confidentiality, (iii) after delivery of the invoices, the Reviewing Parties shall have five (5) Business Days to review such invoices and raise any objection, in writing, to the reasonableness of the fees and expenses, and (iv) if the Unsecured Notes Indenture Trustee and the Reviewing Parties are unable to resolve such an objection on a consensual basis within five (5) Business Days after such written objection has been submitted to the Unsecured Notes Indenture Trustee, then one or more of the Reviewing Parties may file with the Court such objection and the Court shall adjudicate the matter at the Confirmation Hearing; *provided*, further, that if the Additional Class 5A/5B Cash Distribution is less than \$1,050,000 (for any reason), such excess Cash shall be retained by LegacyCo. Under no circumstances shall the aggregate amount of the fees and expenses sought by the Unsecured Notes Indenture Trustee exceed \$1,050,000.

(e) For the avoidance of doubt, holders of Class 5A and Class 5B Unsecured Notes Claims shall not have any right to receive (or elect to receive) any recovery provided for Class 6 General Unsecured Claims in the Plan.

Any New Permian Corp. Shares issued to a Receiving AUNC Holder shall be issued to the AUNC Trust (as defined in Section 6.20 of the Plan). New Permian Corp. Shares issued pursuant to Section 4.5(c) of the Plan shall dilute all other New Permian Corp. Shares issued pursuant to the Plan, but are subject to dilution from any New Permian Corp. Shares issued on (other than pursuant to the Plan) or after the Effective Date, including pursuant to any New Permian Corp. Management Incentive Plan or similar arrangement.

**4.6 Class 6 – General Unsecured Claims.** Except to the extent a holder of an Allowed General Unsecured Claim and the Debtors or the Reorganized Debtors, as applicable, agree to less favorable treatment, each holder of an Allowed General Unsecured Claim shall receive, on the Initial Distribution Date and Final Distribution Date, as applicable, in full satisfaction of such Claim, its Pro Rata share of the GUC Cash Pool (such Pro Rata Share to be calculated taking into account any Claims in Class 6 that receive New Permian Corp. Shares as provided below); *provided*, that, any holder of an Allowed General Unsecured Claim in Class 6 with an Allowed Claim equal to or more than \$1 million who is able to hold New Permian Corp. Shares through the facilities of DTC ~~shall have the right to~~ and who elected on its Ballot to receive New Permian Corp. Shares instead of its Pro Rata Share of the GUC Cash Pool shall receive on the Initial Distribution Date and Final Distribution Date a distribution of (i) New Permian Corp. Shares through DTC having a value, based on the Permian Stock Value, equal to 4.5% of its Allowed General Unsecured Claim (any such electing holder, a “Receiving GUC Holder”) instead of its Pro Rata share of the GUC Cash Pool and (ii) Cash in the amount of 7.44% (or such lesser percentage as may be determined by the Bankruptcy Court as set forth in the Confirmation Order) of its Allowed General Unsecured Claim; *provided*, further, that the aggregate amount of such New Permian Corp. Shares distributed to Receiving GUC Holders shall not exceed in the aggregate New Permian Corp. Shares having a Permian Stock Value of \$817,240 (the “GUC Stock Cap”). To the extent that the New Permian Corp. Shares that would otherwise be issued under this Section 4.6 of the Plan exceeds the GUC Stock Cap, the distribution to those receiving New Permian Corp. Shares under this Section 4.6 shall be reduced ratably so as to eliminate such excess. The amount of Cash from the GUC Cash Pool that otherwise would have been distributed to any ~~such Receiving GUC h~~ Holder of a General Unsecured Claim that elects to receive New Permian Corp. Shares shall be distributed to New Permian Corp.

Any New Permian Corp. Shares issued to holders of Allowed General Unsecured Claims shall be issued through DTC. New Permian Corp. Shares issued pursuant to Section 4.6 of the Plan shall dilute all other New Permian Corp. Shares issued pursuant to the Plan, but are subject to dilution from any New Permian Corp. Shares issued on (other than

pursuant to the Plan) or after the Effective Date, including pursuant to any New Permian Corp. Management Incentive Plan or similar arrangement.

**4.7 Class 7A – Ongoing Trade Claims of LegacyCo.**

(a) Except to the extent that a holder of an Allowed Ongoing Trade Claim of LegacyCo and the Debtors or Reorganized Debtors (other than New Permian Corp. and New Permian LLC), as applicable, with the consent of the Requisite Consenting Second Lien Creditors, agree to less favorable treatment, each holder of an Allowed Ongoing Trade Claim of LegacyCo shall receive Cash from the Rights Offering Proceeds and Minimum Allocation Rights Proceeds, in an amount equal to such Allowed Ongoing Trade Claim of LegacyCo on the Effective Date.

(b) To the extent that an Ongoing Trade Claim of LegacyCo: (i) will benefit New Permian Corp. post-Effective Date or benefits Permian Assets (whether before or after the Effective Date) and (ii) will benefit LegacyCo or benefits Legacy Assets (whether before or after the Effective Date), such Ongoing Trade Claim of LegacyCo shall be paid its Cash distribution as a Class 7A Claim and New Permian Corp. shall reimburse LegacyCo for its pro rata share of all such amounts pursuant to the terms of the Transition Services Agreement.

**4.8 Class 7B – Ongoing Trade Claims of New Permian Corp.**

Except to the extent that a holder of an Allowed Ongoing Trade Claim of New Permian Corp. and New Permian Corp. with the consent of the Requisite Commitment Parties, agree to less favorable treatment, each holder of an Allowed Ongoing Trade Claim of New Permian Corp. shall receive Cash, payable from the Rights Offering Proceeds and Minimum Allocation Rights Proceeds in an amount equal to such Allowed Ongoing Trade Claim of New Permian Corp. on the Effective Date.

**4.9 Class 8 – Intercompany Claims.** All Allowed Intercompany Claims shall either be (i) canceled (or otherwise eliminated) and receive no distribution under the Plan or (ii) Reinstated, in each case as determined by the Debtors or the Reorganized Debtors (other than New Permian Corp. and New Permian LLC), as applicable, with the consent of the Requisite Consenting Second Lien Creditors.

**4.10 Class 9 – Subordinated Claims.** Subordinated Claims are subordinated pursuant to this Plan and section 510 of the Bankruptcy Code. The holders of Subordinated Claims shall not receive or retain any property under this Plan on account of such Claims, and the obligations of the Debtors and the Reorganized Debtors on account of Subordinated Claims shall be discharged.

**4.11 Class 10 – Intercompany Interests.** All Allowed Intercompany Interests shall either be (i) canceled (or otherwise eliminated) and receive no distribution under the Plan or (ii) Reinstated, in each case as determined by the Debtors or the

Reorganized Debtors (other than New Permian Corp. and New Permian LLC), as applicable, with the consent of the Requisite Consenting Second Lien Creditors.

**4.12 Class 11 – Existing BBEP Equity Interests.** On the Effective Date, all Existing BBEP Equity Interests shall be canceled without further action by or order of the Bankruptcy Court and all holders of Existing BBEP Equity Interests shall not receive or retain any property under this Plan.

## ARTICLE V.

### PROVISIONS GOVERNING DISTRIBUTIONS

**5.1 Distributions Generally.** The Disbursing Agent shall make all distributions to the appropriate holders of Allowed Claims in accordance with the terms of this Plan.

**5.2 Plan Funding.** Distributions of Cash shall be funded from the Rights Offering Proceeds and Minimum Allocation Rights Proceeds or the Debtors' or the Reorganized Debtors' Cash on hand, as applicable, as of the applicable date of such distribution as set forth herein.

**5.3 No Postpetition or Default Interest on Claims.** Except as otherwise specifically provided for in this Plan or the Confirmation Order, or another order of the Bankruptcy Court or required by the Bankruptcy Code, postpetition and/or default interest shall not accrue or be paid on any Claims, and no holder of a Claim shall be entitled to interest accruing on such Claim on or after the Petition Date; *provided*, that this Section 5.3 shall not apply to the Secured Notes Claims.

**5.4 Date of Distributions.** Unless otherwise provided in this Plan, any distributions and deliveries to be made under this Plan shall be made on the Effective Date; *provided*, that the Reorganized Debtors (other than New Permian Corp. and New Permian LLC) may implement periodic distribution dates to the extent they determine them to be appropriate.

**5.5 Distribution Record Date.** As of the close of business on the Distribution Record Date, the various lists of holders of Claims in each Class, as maintained by the Debtors or their agents, shall be deemed closed, and there shall be no further changes in the record holders of any Claims after the Distribution Record Date. None of the Debtors, the Reorganized Debtors, or the Disbursing Agent shall have any obligation to recognize any transfer of a Claim occurring after the close of business on the Distribution Record Date. In addition, with respect to payment of any Cure Amounts or disputes over any Cure Amounts, none of the Debtors, the Reorganized Debtors, or the Disbursing Agent shall have any obligation to recognize or deal with any party other than the non-Debtor party to the applicable executory contract or unexpired lease, even if such



non-Debtor party has sold, assigned, or otherwise transferred its Claim for a Cure Amount.

**5.6 Disbursing Agent.** All distributions under this Plan shall be made by the Disbursing Agent, on behalf of the applicable Debtor (unless otherwise provided herein), on and after the Effective Date as provided herein. The Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties. The Reorganized Debtors shall use all commercially reasonable efforts to provide the Disbursing Agent (if other than the Reorganized Debtors) with the amounts of Claims and the identities and addresses of holders of Claims, in each case, as set forth in the Debtors' or Reorganized Debtors' books and records. The Reorganized Debtors shall cooperate in good faith with the Disbursing Agent (if other than the Reorganized Debtors) to comply with the reporting and withholding requirements outlined in Section 5.17 of this Plan.

**5.7 Delivery of Distributions.**

(a) The Disbursing Agent will make the applicable distribution under this Plan and, subject to Bankruptcy Rule 9010, will make all distributions to any holder of an Allowed Claim as and when required by this Plan at: (i) the address of such holder on the books and records of the Debtors or their agents; or (ii) at the address in any written notice of address change delivered to the Debtors or the Disbursing Agent, including any addresses included on any transfers of Claim filed pursuant to Bankruptcy Rule 3001. In the event that any distribution to any holder is returned as undeliverable, no distribution or payment to such holder shall be made unless and until the Disbursing Agent has been notified of the then current address of such holder, at which time or as soon thereafter as reasonably practicable, such distribution shall be made to such holder without interest. Neither the Unsecured Notes Indenture Trustee nor the Secured Notes Indenture Trustee shall incur any liability on account of the making of any distribution under the Plan except for gross negligence or willful misconduct.

(b) Except as otherwise provided in the Plan, all distributions to Holders of Secured Notes Claims shall be made by the Reorganized Debtors (other than New Permian Corp. and New Permian LLC) to the Holders of Secured Notes Claims of record as of the Distribution Record Date.

(c) The Disbursing Agent, with the Unsecured Notes Indenture Trustee's cooperation, shall make the distributions, if any, on account of the Class 5A and Class 5B Claims, provided that the Unsecured Notes Indenture Trustee's Charging Lien shall not attach to any property to be distributed by the Unsecured Notes Indenture Trustee or in respect of the Unsecured Notes Claims, except as expressly provided in Section 4.5(d) of the Plan. The Unsecured Notes Indenture Trustee shall have no duties or responsibility relating to any form of distribution that is not DTC eligible and the Disbursing Agent, the Debtors or the Reorganized Debtors, as applicable, shall seek the cooperation of DTC so that any distribution on account of an Allowed Unsecured Notes

Claim that is held in the name of, or by a nominee of, DTC, shall be made through the facilities of DTC on the Effective Date or as soon as practicable thereafter. The Reorganized Debtors (other than New Permian Corp. and New Permian LLC) shall reimburse the Unsecured Notes Indenture Trustee for any reasonable and documented fees and expenses (including the reasonable and documented fees and expenses of its counsel and agents) incurred after the Effective Date solely in connection with actions explicitly requested by the Reorganized Debtors (other than New Permian Corp. and New Permian LLC) necessary for implementation of the Plan; *provided*, that, for the avoidance of doubt, nothing in the Plan or Confirmation Order shall be considered or construed as an explicit request by the Reorganized Debtors authorizing the incurrence of fees and expenses by the Unsecured Notes Indenture Trustee.

(d) The Secured Notes Indenture Trustee's Charging Lien shall not attach to any property to be distributed by the Secured Notes Indenture Trustee or in respect of the Secured Notes Claims, except as expressly provided in Section 4.4(c) of the Plan. The Reorganized Debtors (other than New Permian Corp. and New Permian LLC) shall reimburse the Secured Notes Indenture Trustee for any reasonable and documented fees and expenses (including the reasonable and documented fees and expenses of its counsel and agents) incurred after the Effective Date solely in connection with actions explicitly requested in writing by the Reorganized Debtors (other than New Permian Corp. and New Permian LLC) necessary for implementation of the Plan; *provided*, that, for the avoidance of doubt, nothing in the Plan or Confirmation Order shall be considered or construed as an explicit written request by the Reorganized Debtors authorizing the incurrence of fees and expenses by the Secured Notes Indenture Trustee.

**5.8 Unclaimed Property.** One year from the later of (a) the Effective Date and (b) the date that is ten (10) Business Days after the date a Claim is first Allowed, all distributions payable on account of Claims that are not deliverable, or have not responded to a request for information to make such delivery, and remain unclaimed shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code and shall revert to the Reorganized Debtors (other than New Permian Corp. and New Permian LLC) or their successors or assigns, and all claims of any other Entity (including the holder of a Claim in the same Class) to such distribution shall be discharged and forever barred. The Reorganized Debtors and the Disbursing Agent shall have no obligation to attempt to locate any holder of an Allowed Claim other than by reviewing the Debtors' books and records and filings with the Bankruptcy Court.

**5.9 Satisfaction of Claims.** Unless otherwise provided herein, any distributions and deliveries to be made on account of Allowed Claims under this Plan shall be in complete and final satisfaction, settlement, and discharge of and exchange for such Allowed Claims.



**5.10 Manner of Payment under Plan.** Except as specifically provided herein, at the option of the Reorganized Debtors, any Cash payment to be made under this Plan may be made by a check or wire transfer.

**5.11 Fractional Shares and De Minimis Cash Distributions.**

(a) No fractional New Permian Corp. Shares or LegacyCo Units shall be distributed. When any distribution would otherwise result in the issuance of a number of New Permian Corp. Shares or LegacyCo Units that is not a whole number, the New Permian Corp. Shares or LegacyCo Units subject to such distribution shall be rounded to the next higher or lower whole number as follows: (a) fractions equal to or greater than 1/2 shall be rounded to the next higher whole number; and (b) fractions less than 1/2 shall be rounded to the next lower whole number. The total number of New Permian Corp. Shares or LegacyCo Units to be distributed on account of Allowed Claims will be adjusted as necessary to account for the rounding provided for herein. No consideration will be provided in lieu of New Permian Corp. Shares or LegacyCo Units that are rounded down.

(b) None of the Reorganized Debtors or the Disbursing Agent shall have any obligation to make a distribution that is less than one (1) New Permian Corp. Share, (1) LegacyCo Unit, or Fifty Dollars (\$50.00) in Cash.

**5.12 No Distribution in Excess of Amount of Allowed Claim.**

Notwithstanding anything to the contrary in this Plan, no holder of an Allowed Claim shall receive, on account of such Allowed Claim, distributions in excess of the Allowed amount of such Claim, plus any postpetition interest on such Claim, except to the extent such interest is permitted by Section 5.3 of the Plan.

**5.13 Allocation of Distributions Between Principal and Interest.**

Except as otherwise required by law, consideration received in respect of an Allowed Claim shall be allocable first to the principal amount of the Claim (as determined for U.S. federal income tax purposes) and then, to the extent of any excess, to the remainder of the Claim, including any Claim for accrued but unpaid interest.

**5.14 Exemption from Securities Laws.**

The issuance of and the distribution under this Plan of (a) the LegacyCo Units issued pursuant to Section 4.4(b) of the Plan, and (b) the New Permian Corp. Shares (i) comprising the Put Option Premium and (ii) pursuant to Sections 4.5(c) or 4.6 of the Plan, shall be exempt from registration under the Securities Act and any other applicable securities laws to the fullest extent permitted by section 1145 of the Bankruptcy Code. These Securities may be resold without registration under the Securities Act or other federal securities laws pursuant to the exemption provided by section 4(a)(1) of the Securities Act, unless the holder is an “underwriter” with respect to such Securities, as that term is defined in section 1145(b) of the Bankruptcy Code. In addition, such section 1145 exempt Securities generally may be resold without registration under state securities laws pursuant to various exemptions provided by the respective laws of the several states.

The availability of the exemption under section 1145 of the Bankruptcy Code or any other applicable securities laws shall not be a condition to the occurrence of the Effective Date.

The issuance and sale, as applicable, of the New Permian Corp. Shares pursuant to the Rights Offering and to the Backstop Parties under the Backstop Commitment Agreement (including the New Permian Corp. Shares issued pursuant to the Minimum Allocation Rights) are being made in reliance on the exemption from registration set forth in section 4(a)(2) of the Securities Act and Regulation D thereunder. Such Securities will be considered “restricted securities” and may not be transferred except pursuant to an effective registration statement or under an available exemption from the registration requirements of the Securities Act, such as, under certain conditions, the resale provisions of Rule 144 of the Securities Act.

Should New Permian Corp. elect, on or after the Effective Date, for any portion of the ownership of the New Permian Corp. Shares to be held through the facilities of the DTC, New Permian Corp. shall not be required to provide any further evidence other than the Plan or Confirmation Order with respect to the treatment of such applicable portion of the New Permian Corp. Shares, and such Plan or Confirmation Order shall be deemed to be legal and binding obligations of the Reorganized Debtors in all respects.

The DTC shall be required to accept and conclusively rely upon the Plan and Confirmation Order in lieu of a legal opinion regarding whether the New Permian Corp. Shares are exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services.

Notwithstanding anything to the contrary in the Plan, no entity (including, for the avoidance of doubt, the DTC) may require a legal opinion regarding the validity of any transaction contemplated by the Plan, including, for the avoidance of doubt, whether the New Permian Corp. Shares are exempt from registration and/or eligible for DTC book entry delivery, settlement, and depository services.

**5.15 Setoffs and Recoupments.** Each Debtor or Reorganized Debtor, as applicable, or such Entity’s designee, may, in consultation with the Second Lien Group, pursuant to section 553 of the Bankruptcy Code or applicable nonbankruptcy law, offset or recoup against any Allowed Claim (other than any Allowed Revolving Facility Claims, DIP Facility Claims, Allowed Secured Notes Claim or Allowed Unsecured Notes Claim) and the distributions to be made pursuant to this Plan on account of such Allowed Claim (other than distributions to be made to holders of Allowed Revolving Facility Claims, DIP Facility Claims, Allowed Secured Notes Claims, or Allowed Unsecured Notes Claims) any and all Claims, rights, and Causes of Action that such Debtor or Reorganized Debtor or its successors may hold against the holder of such Allowed Claim; *provided*, that neither the failure to effect a setoff or recoupment nor the allowance of any Claim hereunder will constitute a waiver or release by a Debtor or Reorganized Debtor or its successor of any

Claims, rights, or Causes of Action that any such entity or its successor or assign may possess against such holder.

**5.16 Rights and Powers of Disbursing Agent.**

(a) The Disbursing Agent shall be empowered to: (i) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under this Plan; (ii) make all applicable distributions or payments provided for under this Plan; (iii) employ professionals to represent it with respect to its responsibilities; and (iv) exercise such other powers (A) as may be vested in the Disbursing Agent by order of the Bankruptcy Court (including any order issued after the Effective Date) or pursuant to this Plan or (B) as deemed by the Disbursing Agent to be necessary and proper to implement the provisions of this Plan.

(b) To the extent the Disbursing Agent is an Entity other than a Debtor or Reorganized Debtor, except as otherwise ordered by the Bankruptcy Court and subject to the written agreement of LegacyCo, the amount of any reasonable fees and expenses incurred by the Disbursing Agent on or after the Effective Date (including taxes) and any reasonable compensation and expense reimbursement Claims (including for reasonable attorneys' and other professional fees and expenses) made by the Disbursing Agent shall be paid in Cash by LegacyCo.

**5.17 Withholding and Reporting Requirements.**

(a) In connection with this Plan and all distributions made hereunder, the Reorganized Debtors and the Disbursing Agent shall comply with all applicable withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority, and all distributions under this Plan shall be subject to any such withholding or reporting requirements. In the case of a non-Cash distribution that is subject to withholding, the distributing party may withhold an appropriate portion of such distributed property and sell such withheld property to generate Cash necessary to pay over the withholding tax. Any amounts withheld pursuant to the preceding sentence shall be deemed to have been distributed to and received by the applicable recipient for all purposes of this Plan.

(b) Notwithstanding the above, each holder of an Allowed Claim that is to receive a distribution under this Plan shall have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed on such holder by any federal, state, local, or foreign taxing authority, including income, withholding, and other tax obligations, on account of such distribution. The Reorganized Debtors and the Disbursing Agent have the right, but not the obligation, to not make a distribution until such holder has made arrangements satisfactory to any issuing or disbursing party for payment of any such tax obligations.

(c) The Reorganized Debtors and the Disbursing Agent may require, as a condition to receipt of a distribution, that the holder of an Allowed Claim provide any

information necessary to allow the distributing party to comply with any such withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority. If the Reorganized Debtors or the Disbursing Agent make such a request and the holder fails to comply before the date that is 180 days after the request is made, the amount of such distribution shall irrevocably revert to the applicable Reorganized Debtor and any Claim in respect of such distribution shall be discharged and forever barred from assertion against such Reorganized Debtor or its respective property.

## ARTICLE VI.

### MEANS FOR IMPLEMENTATION AND EXECUTION OF THE PLAN

**6.1 General Settlement of Claims and Interests.** The Plan shall be deemed a motion to approve the good-faith compromise and settlement pursuant to which the Debtors and the holders of Claims against and/or Interests in the Debtors settle all Claims, Interests, and Causes of Action pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, on the Effective Date, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims and Interests and controversies resolved pursuant to the Plan. The Confirmation Order shall constitute the Court's approval of the compromise, settlement, and release of all such Claims, Interests, and Causes of Action, as well as a finding by the Bankruptcy Court that all such compromises, settlements, and releases are mutual and bi-directional and are in the best interests of the Debtors, their estates, and the holders of Claims, Interests, and Causes of Action, and is fair, equitable, and reasonable. In accordance with the provisions of the Plan, pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, without any further notice to or action, order, or approval of the Bankruptcy Court, after the Effective Date, the Reorganized Debtors, as applicable, may compromise and settle all Claims and Causes of Action against, and Interests in, the Debtors and their estates. The compromises, settlements, and releases described herein shall be deemed nonseverable from each other and from all other terms of the Plan. Subject to Article V of the Plan, all distributions made to holders of Allowed Claims in any Class are intended to be and shall be final.

### **6.2 Continued Corporate Existence.**

(a) Except as otherwise provided in this Plan (including pursuant to the Restructuring Transactions), the Debtors (other than BBEP) shall continue to exist after the Effective Date as Reorganized Debtors in accordance with the applicable laws of the respective jurisdictions in which they are incorporated or organized and pursuant to the New Organizational Documents. On or after the Effective Date, without prejudice to the rights of any party to a contract or other agreement with any Reorganized Debtor, each Reorganized Debtor may, in its sole discretion, take such action as permitted by applicable law and such Reorganized Debtor's organizational documents, as such Reorganized Debtor may determine is reasonable and appropriate, including, causing: (i) a

Reorganized Debtor to be merged into another Reorganized Debtor or an affiliate of a Reorganized Debtor; (ii) a Reorganized Debtor to be dissolved; (iii) the legal name of a Reorganized Debtor to be changed; or (iv) the closure of a Reorganized Debtor's Chapter 11 Case on the Effective Date or any time thereafter.

(b) On the Effective Date, the Reorganized Debtors may take all actions as may be necessary or appropriate to effect any transaction described in, approved by, or necessary or appropriate to effectuate this Plan, including: (i) the execution and delivery of appropriate agreements or other documents of merger, consolidation, restructuring, conversion, disposition, transfer, dissolution, or liquidation containing terms that are consistent with the terms of this Plan and the Plan Documents and that satisfy the requirements of applicable law and any other terms to which the applicable entities may agree; (ii) 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 this Plan and having other terms to which the applicable parties agree; (iii) the filing of appropriate certificates or articles of incorporation and amendments thereto, reincorporation, merger, consolidation, conversion, or dissolution pursuant to applicable law; (iv) the Restructuring Transactions; and (v) all other actions that the applicable entities determine to be necessary or appropriate, including, making filings or recordings that may be required by applicable law.

### **6.3 Authorization, Issuance, and Delivery of LegacyCo Units and New Permian Corp. Shares**

(a) On and after the Effective Date, LegacyCo is authorized to issue, or cause to be issued, and shall issue the LegacyCo Units to BBEP in accordance with the LegacyCo Contribution Agreement for distribution and transfer in accordance with the terms of this Plan, the Exchange Agreement, and the Backstop Commitment Agreement without the need for any further corporate, limited liability company, or equity holder action.

(b) On the Effective Date, New Permian LLC is authorized to issue, or cause to be issued, and shall issue the New Permian LLC Equity to BBEP in accordance with the Permian Contribution Agreement, and BBEP is authorized to transfer the New Permian LLC Equity, in accordance with the terms of this Plan, the Exchange Agreement and the Backstop Commitment Agreement without the need for any further corporate, limited liability company, or equity holder action.

(c) On the Effective Date, and in accordance with the Backstop Commitment Agreement, the Rights Offering Procedures, the Restructuring Term Sheet and this Plan, New Permian Corp. shall issue the New Permian Corp. Shares in accordance herewith and therewith.

#### **6.4 Cancellation of Existing Securities and Agreements.**

(a) Except for the purpose of enabling holders of Allowed Claims to receive a distribution under the Plan as provided herein and except as otherwise set forth in this Plan, the Plan Supplement or the Confirmation Order, on the Effective Date, all 7.875% Unsecured Notes and the 7.875% Unsecured Notes Indenture, all 8.625% Unsecured Notes and the 8.625% Unsecured Notes Indenture, all Secured Notes and the Secured Notes Indenture (in each case, only upon receipt of all the distributions set forth in this Plan on account of Unsecured Notes Claims or Secured Notes Claims, as applicable), and all agreements, instruments, and other documents evidencing any prepetition Claim or Existing BBEP Equity Interest and any rights of any holder in respect thereof shall be deemed canceled, discharged, and of no force or effect. The holders of or parties to such canceled instruments, Securities, and other documentation will have no rights arising from or related to such instruments, Securities, or other documentation or the cancellation thereof, except the rights provided for pursuant to this Plan.

(b) The Unsecured Notes Indenture Trustee shall be released and discharged from all duties and responsibilities under the respective Unsecured Notes Indentures; *provided*, that notwithstanding the releases at Section 10.9 of the Plan, entry of the Confirmation Order or the occurrence of the Effective Date, each of the Unsecured Notes Indentures and any such Unsecured Notes Indenture or agreement that governs the rights of the holder of a Claim or Interest shall continue in effect to the extent necessary to: (i) enforce the rights, Claims, and interests of the Unsecured Notes Indenture Trustee thereto vis-a-vis any parties other than the Released Parties; (ii) allow the holders of Allowed Unsecured Notes Claims, as applicable, to receive distributions under the Plan, to the extent provided for under the Plan; (iii) maintain and exercise the Unsecured Notes Indenture Trustee's respective Charging Liens solely to the extent provided for in Section 4.5(d) of the Plan; (iv) appear to be heard in the Chapter 11 Cases or in any proceedings in this Court or any other court; (v) preserve any rights of the Unsecured Notes Indenture Trustee to payment of fees, expenses, and indemnification obligations from or on any money or property to be distributed in respect of the Allowed Unsecured Notes Claims, solely to the extent provided in Section 4.5(d) of this Plan; (vi) permit the Unsecured Notes Indenture Trustee to seek compensation and reimbursement of any reasonable and documented fees and expenses (including the reasonable and documented fees and expenses of its counsel and agents) incurred after the Effective Date in connection with the implementation of the Plan, solely to the extent provided in Section 5.7(c) of this Plan; and (vii) enforce any obligation owed to the Unsecured Notes Indenture Trustee under the Plan.

(c) The Secured Notes Indenture Trustee shall be released from all duties under the Secured Notes Indenture; *provided*, that notwithstanding entry of the Confirmation Order or the occurrence of the Effective Date, the Secured Notes Indenture shall continue in effect to the extent necessary to: (i) enforce the rights, Claims, and interests of the Secured Notes Indenture Trustee thereto vis-a-vis any parties other than the Released Parties; (ii) allow the holders of Allowed Secured Notes Claims, as



applicable, to receive distributions under the Plan from the Secured Notes Indenture Trustee or from any other source, to the extent provided for under the Plan; (iii) maintain and exercise the Secured Notes Indenture Trustee's Charging Lien solely to the extent provided for in Section 4.4(c) of the Plan (iv) appear to be heard in the Chapter 11 Cases or in any proceedings in this Court or any other court; (v) preserve any rights of the Secured Notes Indenture Trustee to payment of fees, expenses, and indemnification obligations from or on any money or property to be distributed in respect of the Allowed Secured Notes Claims, solely to the extent provided in Section 4.4(c) of this Plan; (vi) permit the Secured Notes Indenture Trustee to seek compensation and reimbursement of any reasonable and documented fees and expenses (including the reasonable and documented fees and expenses of its counsel and agents) incurred after the Effective Date in connection with the implementation of the Plan, solely to the extent provided in Section 5.7(d) of this Plan and (vii) enforce any obligation owed to the Secured Notes Indenture Trustee under the Plan.

**6.5 Cancellation of Certain Existing Security Agreements.** Upon the full payment or other satisfaction of an Allowed Other Secured Claim, or promptly thereafter, the holder of such Allowed Other Secured Claim shall deliver to the Debtors or Reorganized Debtors (other than New Permian Corp. and New Permian LLC), as applicable, any Collateral or other property of a Debtor held by such holder, together with any termination statements, instruments of satisfaction, or releases of all security interests with respect to its Allowed Other Secured Claim that may be reasonably required to terminate any related financing statements, mortgages, mechanics' or other statutory Liens, or lis pendens, or similar interests or documents.

**6.6 Rights Offering and Minimum Allocation Rights.**

(a) Following approval by the Bankruptcy Court of the Rights Offering Procedures, the Debtors on behalf of New Permian Corp. shall commence and consummate the Rights Offering in accordance therewith. The New Permian Corp. Shares shall be issued to the Eligible Offerees that exercise their respective Subscription Rights pursuant to the Rights Offering Procedures and the Plan. The consummation of the Rights Offering is conditioned on the occurrence of the Effective Date, and any other condition specified in the Backstop Commitment Agreement. Amounts held by the Rights Offering Subscription Agent (as defined in the Backstop Commitment Agreement) with respect to the Rights Offering prior to the Effective Date shall not be entitled to any interest on account of such amounts and no Eligible Offeree participating in the Rights Offering shall have any rights in the New Permian Corp. Shares until the Rights Offering is consummated.

(b) In accordance with the Backstop Commitment Agreement and subject to the terms and conditions thereof, each of the Backstop Parties has agreed, severally but not jointly, to (i) exercise its Minimum Allocation Rights, and (ii) purchase, on or prior to the Effective Date, its respective Final BCA Percentage (as defined in the



Backstop Commitment Agreement) of the Unsubscribed Securities (as defined in the Backstop Commitment Agreement).

(c) In exchange for providing the commitment to exercise the Minimum Allocation Rights and the backstop commitment for the Rights Offering, the Backstop Parties will receive the Put Option Premium in accordance with the terms of the Backstop Commitment Agreement, the Backstop Approval Order and the Plan.

(d) The Debtors shall offer the Minimum Allocation Rights to the Commitment Parties in accordance with the Backstop Commitment Agreement, pursuant to documentation acceptable to the Debtors, the Requisite Commitment Parties and the Requisite Consenting Second Lien Creditors.

**6.7 New Permian Corp. Certificate of Incorporation.** On or prior to the Effective Date, and in accordance with the Backstop Commitment Agreement, New Permian Corp. will file the New Permian Corp. Certificate of Incorporation with the Secretary of State of the State of Delaware. The New Permian Corp. Certificate of Incorporation shall be consistent with section 1123(a)(6) of the Bankruptcy Code. Pursuant to section 1123(a)(6) of the Bankruptcy Code, the New Permian Corp. Certificate of Incorporation will prohibit the issuance of non-voting equity securities. The New Permian Corp. Certificate of Incorporation shall be deemed adopted by the New Permian Corp. Board as of the Effective Date. After the Effective Date, New Permian Corp. may amend and restate the New Permian Corp. Certificate of Incorporation and other constituent documents as permitted by the laws of the State of Delaware and the New Permian Corp. Certificate of Incorporation. If approved by the Requisite Commitment Parties, New Permian Corp. shall adopt a registration rights agreement to be effective on the Effective Date. The New Permian Corp. Certificate of Incorporation, the New Permian Corp. Bylaws and such registration rights agreement shall be binding on New Permian Corp. and all parties receiving, and all holders of, New Permian Corp. Common Shares.

**6.8 Exit Facility.** On the Effective Date, the Exit Facility Documents shall be executed and delivered by the Reorganized Debtors (other than New Permian Corp. and New Permian LLC), and the Reorganized Debtors (other than New Permian Corp. and New Permian LLC), shall be authorized to execute, deliver, and enter into such documents without the need for any further action.

**6.9 Restructuring Transactions.**

(a) On or prior to the Effective Date (or as soon as practicable thereafter), the following transactions shall occur in the following order, and the Debtors or Reorganized Debtors (as applicable) may take all actions necessary or appropriate to effectuate such transactions:

(i) After entry of the Confirmation Order but prior to the Effective Date, and in anticipation of the Permian Corp. Asset Acquisition, the

Backstop Parties pursuant to the Backstop Commitment Agreement shall (A) form New Permian Corp., (B) cause New Permian Corp. to conduct the Rights Offering, and (C) cause New Permian Corp. to enter into the Exchange Agreement with BBEP pursuant to which New Permian Corp. shall agree to acquire all of the New Permian LLC Equity on and subject to the occurrence of the Effective Date in consideration for conducting the Rights Offering, \$775 million (less the amount of the Minimum Cash Balance), an amount of New Permian Corp. Shares necessary to satisfy distributions pursuant to Sections 4.5(c) and 4.6 with respect to Allowed Claims as of the Effective Date, and the assumption of the obligation to issue New Permian Corp. Shares with respect to, or on account of, Disputed General Unsecured Claims as to which the holder elected to receive New Permian Corp. Shares.

(ii) On the Effective Date and in accordance with the provisions hereof, the Backstop Commitment Agreement and the Rights Offering, New Permian Corp. shall close the Rights Offering. Immediately thereafter, the Rights Offering and Minimum Allocation Rights Proceeds shall be released to New Permian Corp. and New Permian Corp. shall issue New Permian Corp. Shares to those Eligible Offerees that have validly exercised the Subscription Rights and to the Backstop Parties, as applicable, including in respect of the Minimum Allocation Rights and the Put Option Premium. Concurrent therewith (but not prior to), New Permian Corp. shall also issue, and on behalf of BBEP distribute, New Permian Corp. Shares pursuant to Sections 4.5(c) and 4.6, as applicable, with respect to Allowed Claims as of the Effective Date (other than any shares to be held back in respect of Disputed General Unsecured Claims in accordance with Article VII).

(iii) On the Effective Date, (A) BBEP shall contribute the Legacy Contributed Assets to LegacyCo in exchange for LegacyCo Units representing all of the equity capital of LegacyCo pursuant to the LegacyCo Contribution Agreement (the “**Legacy Asset Transfer**”), and (B) BBEP shall contribute the Permian Assets to New Permian LLC in exchange for all of the New Permian LLC Equity pursuant to in the Permian Contribution Agreement (the “**Permian Asset Transfer**”). Such transfers shall be accompanied by the assumption by LegacyCo or New Permian LLC, as applicable, of certain liabilities and obligations as provided in the LegacyCo Contribution Agreement or Permian Contribution Agreement, as applicable, this Plan or the Confirmation Order, or as otherwise agreed between BBEP and LegacyCo or New Permian LLC, as applicable. Immediately after the Legacy Asset Transfer and the Permian Asset Transfer, BBEP shall be the sole member of LegacyCo and New Permian LLC. Each of LegacyCo and New Permian LLC shall be disregarded as an entity separate from BBEP for U.S. federal income tax purposes at all times on or before the Effective Date (including immediately after the Legacy Asset Transfer and the Permian Asset Transfer), unless, as to LegacyCo, the Requisite Consenting Second Lien Creditors determine (in their sole discretion) that LegacyCo elect to be

treated as a corporation for U.S. federal income tax purposes (the “**Corporation Election**”).

(iv) On the Effective Date, BBEP shall simultaneously (A)(i) distribute 92.5% of the LegacyCo Units received in consideration for the Legacy Asset Transfer to holders of Allowed Secured Notes Claims in satisfaction and discharge of their Claims as provided in Section 4.4(b), and (ii) transfer 7.5% of the LegacyCo Units received in consideration for the Legacy Asset Transfer to New Permian Corp. pursuant to the Exchange Agreement (the “**LegacyCo Distribution and Transfer**”), and (B) transfer to New Permian Corp. pursuant to the Exchange Agreement all of the New Permian LLC Equity received in consideration for the Permian Asset Transfer. Pursuant to the Exchange Agreement, and in consideration for the foregoing transfers to New Permian Corp., New Permian Corp. shall pay to BBEP \$775 million (less the amount of the Minimum Cash Balance), an amount of New Permian Corp. Shares necessary to satisfy distributions pursuant to Sections 4.5(c) and 4.6 with respect to Allowed Claims as of the Effective Date, and the assumption of the obligation to issue New Permian Corp. Shares with respect to, or on account of, Disputed General Unsecured Claims as to which the holder elected to receive New Permian Corp. Shares (the “**Permian Corp. Asset Acquisition**”). Upon formation, and at the time of the Legacy Asset Transfer, LegacyCo shall be treated as a disregarded entity for U.S. federal income tax purposes, such that BBEP will still be regarded prior to the LegacyCo Distribution and Transfer as owning the LegacyCo Contributed Assets, unless the Requisite Consenting Second Lien Creditors effect the Corporation Election. Accordingly, for U.S. federal income tax purposes, the Debtors, LegacyCo, all holders of Allowed Secured Notes Claims and New Permian Corp. shall (absent the Corporation Election) treat the LegacyCo Distribution and Transfer as (i) a distribution and transfer of the Legacy Contributed Assets, subject to certain liabilities and obligations, in a taxable exchange to the holders of Allowed Secured Notes Claims and New Permian Corp., followed by (ii) the contribution of the Legacy Contributed Assets, subject to such liabilities and obligations, by the holders of Allowed Secured Notes Claims and New Permian Corp. to LegacyCo with LegacyCo being treated as a newly formed partnership for U.S. federal income tax purposes, unless otherwise required pursuant to a “final determination” to the contrary within the meaning of section 1313(a) of the Tax Code. Upon formation, and at the time of the Permian Corp. Asset Acquisition, New Permian LLC shall be treated as a disregarded entity for U.S. federal income tax purposes, such that BBEP will still be regarded prior to the Permian Corp. Asset Acquisition as owning the Permian Assets (which will be transferred to New Permian LLC pursuant to the Permian Contribution Agreement). Accordingly, for U.S. federal income tax purposes, the Debtors, New Permian LLC and New Permian Corp. shall treat the Permian Corp. Asset Acquisition as a taxable purchase of the underlying Permian Assets unless

otherwise required pursuant to a “final determination” to the contrary within the meaning of section 1313(a) of the Tax Code.

(v) BBEP shall use the Cash consideration received pursuant to the Exchange Agreement (together with any Cash otherwise available) to satisfy any Cash distributions and other payments to be made on the Effective Date pursuant to or in connection with the Plan and Confirmation Order.

(b) On or after the Effective Date, the Reorganized Debtors may take all actions consistent with this Plan as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Restructuring Transactions under and in connection with this Plan with the consent of the Requisite Consenting Second Lien Creditors and Requisite Commitment Parties.

#### **6.10 Board of Directors.**

(a) The LegacyCo Board shall be composed of the chief executive officer of the Debtors as of the date immediately preceding the Effective Date and such other members selected by the Requisite Consenting Second Lien Creditors in their sole discretion; *provided*, that New Permian Corp. shall have the right to appoint an observer to the LegacyCo Board subject to the conditions in the Restructuring Term Sheet. The identities of the members of the LegacyCo Board and the initial Boards of Directors of the Reorganized Debtors shall be disclosed at or prior to the Confirmation Hearing.

(b) The New Permian Corp. Board shall be selected in accordance with the terms of the Restructuring Term Sheet.

#### **6.11 Corporate Action.**

(a) **LegacyCo Organizational Documents.** On the Effective Date, each of the Reorganized Debtors (other than New Permian Corp. and New Permian LLC) will file their respective charters that are part of their New Organizational Documents with the applicable Secretaries of State and/or other applicable authorities in its respective state of incorporation or formation in accordance with the applicable laws of the respective state of incorporation or formation. The New Organizational Documents shall be consistent with section 1123(a)(6) of the Bankruptcy Code. Pursuant to section 1123(a)(6) of the Bankruptcy Code the New Organizational Documents will prohibit the issuance of non-voting equity securities. The LegacyCo Organizational Documents shall be deemed adopted by the LegacyCo Board as of the Effective Date. After the Effective Date, the Reorganized Debtors (other than New Permian Corp. and New Permian LLC) may amend and restate their respective New Organizational Documents and other constituent documents as permitted by the laws of their respective states of incorporation and their respective New Organizational Documents.

(b) On the Effective Date, the adoption, filing, approval, and ratification, as necessary, of all corporate or related actions contemplated herein with

respect to each of the Reorganized Debtors shall be deemed authorized and approved by each of the Reorganized Debtors, their respective boards of directors, managers, equity holders, members, or partners, as applicable, in all respects, in each case to the extent required by applicable nonbankruptcy law. Without limiting the foregoing, such actions include (i) the adoption and filing of the New Organizational Documents for each of the Reorganized Debtors, (ii) the adoption and approval of the LegacyCo LLC Agreement and the LegacyCo Organizational Documents, which shall be adopted and affirmed by the board of LegacyCo Board, (iii) the election or appointment, as applicable, of directors and officers for the Reorganized Debtors, and (iv) the issuance of the LegacyCo Units.

(c) All matters provided for herein involving the corporate structure of any Debtor or Reorganized Debtor, or any corporate or related action required by any Debtor or Reorganized Debtor in connection herewith, shall be deemed to have occurred and shall be in effect, without any requirement of further action by the Security holders or directors of such Debtor or Reorganized Debtor or by any other stakeholder, and with like effect as though such action had been taken unanimously by the Security holders and directors, managers, members, or partners, of each Debtor or Reorganized Debtor, as applicable.

**6.12 LegacyCo Management Incentive Plan.** The LegacyCo Board may adopt the LegacyCo Management Incentive Plan on or after the Effective Date.

**6.13 New Permian Corp. Management Incentive Plan.** New Permian Corp. may adopt the New Permian Corp. Management Incentive Plan, which shall be in form and substance acceptable to the New Permian Corp. Board in its sole discretion.

**6.14 Effectuating Documents and Further Transactions.** Each of the officers of each of the Debtors is (and each of the officers of each of the Reorganized Debtors shall be) authorized and directed to execute, deliver, file, or record such contracts, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate and further evidence the terms and provisions hereof, without the need for any approvals, authorizations, or consents.

**6.15 Separability.** Notwithstanding the combination of separate plans of reorganization for the Debtors set forth in this Plan for purposes of economy and efficiency, this Plan constitutes a separate chapter 11 plan for each Debtor. Accordingly, if the Bankruptcy Court does not confirm this Plan with respect to one or more Debtors, it may still confirm this Plan with respect to any other Debtor that satisfies the confirmation requirements of section 1129 of the Bankruptcy Code.

**6.16 Director, Officer, Manager, and Employee Liability Insurance.** Prior to and after the Effective Date, none of the Debtors or the Reorganized Debtors shall terminate or otherwise reduce the coverage under any directors' and officers' liability insurance policies (including any "tail policy") with respect to conduct occurring on or prior to the Effective Date, and all officers, directors, managers, and employees of the Debtors who served in such capacity at any time after May 15, 2015 shall be entitled to

the full benefits of such policies for the full six-year term of such policies regardless of whether such officers, directors, managers, or employees remain in such positions after the Effective Date.

**6.17 Preservation of Royalty and Working Interests.**

Notwithstanding any other provision in the Plan, on and after the Effective Date, all Royalty and Working Interests shall be preserved and remain in full force and effect in accordance with the terms of the granting instruments or other governing documents applicable to such Royalty and Working Interests, and no Royalty and Working Interests shall be compromised or discharged by the Plan. For the avoidance of doubt and notwithstanding anything to the contrary in the preceding sentence, any right to payment arising from a Royalty and Working Interest, if any, shall (to the extent not otherwise paid pursuant to a Final Order of the Court) be treated as an Ongoing Trade Claim of LegacyCo or an Ongoing Trade Claim of New Permian Corp., as applicable, under this Plan and shall not be subject to any discharge and/or release provided hereunder.

**6.18 Hart-Scott-Rodino Antitrust Improvements Act.**

Any LegacyCo Units or New Permian Corp. Shares to be distributed under this Plan to an Entity required to file a premerger notification and report form under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, shall not be distributed until the notification and waiting periods applicable under such Act to such Entity have expired or been terminated.

**6.19 Post-Effective Date Tax Filings and Audits.**

Following the Effective Date, LegacyCo shall have full and exclusive authority and responsibility in respect of all taxes and tax filings of BBEP (including any audits or other proceedings) and any other liquidating Debtors, to the same extent as if LegacyCo were the Debtors. Without limiting the foregoing, on the Effective Date, a power of attorney authorizing LegacyCo to correspond with any tax authority on behalf of such Debtors and to sign, negotiate, settle, and administer any tax returns or other tax filings, and collect any tax refunds, shall be provided to LegacyCo. LegacyCo shall use commercially reasonable efforts to (i) file all tax returns and related filings consistent with the intended tax treatment of the Restructuring Transactions, and (ii) not take any tax position inconsistent therewith and (iii) if any such tax returns or related filings or tax position is challenged, diligently defend such matters.

**6.20 AUNC Trust.**

The New Permian Corp. Shares to be issued to Receiving AUNC Holders pursuant to Section 4.5(c) of the Plan shall be issued to a trust that shall engage in no business other than holding such shares and engaging in the activities incidental thereto (the “AUNC Trust”). The AUNC Trust shall be structured so as not to be subject to the Securities Act of 1933, the Securities Exchange Act of 1934, or the Investment Company Act of 1940.

The interests in the AUNC Trust shall be held by the Receiving AUNC Holders and on a Pro Rata basis based on their respective holdings of the New Permian Corp. Shares.



The interests in the AUNC Trust may not be transferred at any time and shall be totally passive. The Trustee of the AUNC Trust, the terms of the Trustee's engagement, and the documents governing the AUNC Trust, shall be reasonably acceptable to the Requisite Commitment Parties, the Creditors' Committee, and, after the Effective Date, New Permian Corp. On the seventh anniversary of the AUNC Trust, the trust shall terminate and the shares of New Permian Corp. held by the AUNC Trust shall be distributed to the beneficiaries of the AUNC Trust.

From and after the Effective Date, New Permian Corp. shall be responsible for up to \$300,000 of fees and expenses of the AUNC Trust in the aggregate as and when incurred. New Permian Corp. shall otherwise not be responsible for any fees, expenses or other liabilities or monetary obligations arising under the AUNC Trust.

Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary (including the receipt of an adverse determination by the IRS upon audit if not contested by trustee of the AUNC Trust), for all United States federal income tax purposes, all parties (including, without limitation, the Debtors, LegacyCo, New Permian Corp. and all holders of Allowed Claims) shall treat the AUNC Trust as a "trust" within the meaning of Treas. Reg. § 301.7701-4(c), and shall treat the transfer of New Permian Corp. Shares to the AUNC Trust as (i) a direct transfer to Receiving AUNC Holders for whose benefit such shares were issued, followed by (ii) the transfer by such persons to the AUNC Trust in exchange for their beneficial interest therein. Accordingly, except in the event of contrary definitive guidance, AUNC Trust beneficiaries shall generally be treated for United States federal income tax purposes as the grantors and owners of their respective portions of the underlying assets of the AUNC Trust. The foregoing treatment shall also apply, to the extent permitted by applicable law, for state and local income tax purposes, and for purposes of securities laws.

## **ARTICLE VII.**

### **PROCEDURES FOR DISPUTED CLAIMS**

**7.1 Objections to Claims.** The Reorganized Debtors (other than New Permian Corp. and New Permian LLC) shall be entitled to object to Claims. Any objections to Claims shall be served and filed on or before the later of (i) one-hundred and eighty (180) days after the Effective Date and (ii) such later date as may be fixed by the Bankruptcy Court (as the same may be extended by the Bankruptcy Court for cause shown).

**7.2 Resolution of Disputed Administrative Expenses and Disputed Claims.** On and after the Effective Date, the Reorganized Debtors (other than New Permian Corp. and New Permian LLC), in consultation with the Second Lien Group, shall have the authority to compromise, settle, otherwise resolve, or withdraw any objections to Administrative Expenses or Claims and to compromise, settle, or otherwise resolve any disputed Administrative Expenses and Disputed Claims without approval of the



Bankruptcy Court, other than with respect to Administrative Expenses relating to compensation of professionals.

**7.3 Payments and Distributions with Respect to Disputed Claims.**

Notwithstanding anything herein to the contrary, if any portion of a Claim is a Disputed Claim, no payment or distribution provided hereunder shall be made on account of such Claim unless and until such Disputed Claim becomes an Allowed Claim, and in the case of a Disputed Claim as to which the holder elected to receive a distribution of New Permian Corp. Shares, such shares shall not be issued by New Permian Corp. until such Claim has been resolved.

**7.4 Distributions After Allowance.** After such time as a Disputed Claim becomes, in whole or in part, an Allowed Claim, the holder thereof shall be entitled to distributions, if any, to which such holder is then entitled as provided in this Plan. Such distributions shall be made as soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing such Disputed Claim (or portion thereof) becomes a Final Order. To the extent a Disputed Claim as to which the holder elected to receive a distribution of New Permian Corp. Shares is disallowed, the shares that would otherwise have been distributed in respect of such Claim shall be reallocated as if such Claim had been disallowed as of the Effective Date and, in accordance with the Restructuring Transactions, distributed by New Permian Corp. as soon as practicable after the date that the order or judgment of the Bankruptcy Court disallowing such Disputed Claim (or portion thereof) becomes a Final Order.

**7.5 Disallowance of Claims.** Any Claims held by Entities from which property is recoverable under sections 542, 543, 550, or 553 of the Bankruptcy Code or that is a transferee of a transfer avoidable under section 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code, as determined by a Final Order, shall be deemed disallowed pursuant to section 502(d) of the Bankruptcy Code, and holders of such Claims may not receive any distributions on account of such Claims until such time as such Causes of Action against that Entity have been settled or a Final Order with respect thereto has been entered and all sums due, if any, to the Debtors by that Entity have been turned over or paid to the Debtors or the Reorganized Debtors. All proofs of claim filed on account of an indemnification obligation to a current or former director, officer, or employee shall be deemed satisfied and expunged from the claims register as of the Effective Date to the extent such indemnification obligation is assumed (or honored or reaffirmed, as the case may be) pursuant to the Plan, without any further notice to or action, order, or approval of the Bankruptcy Court. Except as otherwise provided herein, all proofs of claim filed after the Effective Date shall be disallowed and forever barred, estopped, and enjoined from assertion, and shall not be enforceable against any Reorganized Debtor, without the need for any objection by the Reorganized Debtors or any further notice to or action, order, or approval of the Bankruptcy Court.

**7.6 Estimation.** The Debtors or Reorganized Debtors (other than New Permian Corp. and New Permian LLC), in consultation with the Second Lien Group,

may determine, resolve and otherwise adjudicate all contingent Claims, unliquidated Claims and Disputed Claims in the Bankruptcy Court or such other court of the Debtors' or Reorganized Debtors' choice having jurisdiction over the validity, nature or amount thereof. The Debtors or the Reorganized Debtors (other than New Permian Corp. and New Permian LLC), in consultation with the Second Lien Group, may at any time request that the Bankruptcy Court estimate any contingent, unliquidated, or Disputed Claim pursuant to section 502(c) of the Bankruptcy Code for any reason or purpose, regardless of whether any of the Debtors or the Reorganized Debtors have previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection. The Bankruptcy Court shall retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including, during the pendency of any appeal relating to any such objection. If the Bankruptcy Court estimates any contingent Claim, unliquidated Claim or Disputed Claim, that estimated amount shall constitute the maximum limitation on such Claim, and the Debtors or the Reorganized Debtors (other than New Permian Corp. and New Permian LLC) may pursue supplementary proceedings to object to the ultimate allowance of such Claim; *provided*, that such limitation shall not apply to Claims requested by the Debtors to be estimated for voting purposes only. All of the aforementioned objection, estimation and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court. Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any holder of a Claim that has been estimated pursuant to section 502(c) of the Bankruptcy Code or otherwise be entitled to seek reconsideration of such Claim unless the holder of such Claim has filed a motion requesting the right to seek such reconsideration on or before twenty (20) calendar days after the date such Claim is estimated by the Bankruptcy Court.

**7.7 Interest.** To the extent that a Disputed Claim becomes an Allowed Claim after the Effective Date, the holder of such Claim shall not be entitled to any interest that accrued thereon from and after the Effective Date.

## **ARTICLE VIII.**

### **EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

#### **8.1 General Treatment.**

(a) As of and subject to the occurrence of the Effective Date and the payment of any applicable Cure Amount, all executory contracts and unexpired leases of the Reorganized Debtors that do not relate to Employee Obligations shall be deemed assumed, unless such contract or lease (i) was previously assumed or rejected by the Debtors, pursuant to a Final Order of the Bankruptcy Court, (ii) previously expired or terminated pursuant to its own terms or by agreement of the parties thereto, (iii) is the subject of a motion to reject filed by the Debtors on or before the Confirmation Date, or

(iv) is specifically designated as a contract or lease to be rejected on the Schedule of Rejected Contracts.

(b) As of and subject to the occurrence of the Effective Date and the payment of any applicable Cure Amount, all executory contracts of BBEP shall be deemed assumed and assigned to LegacyCo or New Permian LLC, as applicable, or otherwise rejected pursuant to the terms of the Plan.

(c) As of and subject to the occurrence of the Effective Date, all executory contracts related to Employee Obligations shall be deemed rejected, unless such contract (a) previously expired or terminated pursuant to its own terms or by agreement of the parties thereto, (b) is the subject of a motion to reject filed by the Debtors on or before the Confirmation Date, or (c) is specifically designated as a contract to be assumed on the Schedule of Assumed Employee Obligations.

(d) Subject to the occurrence of the Effective Date, entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of the assumptions, assumptions and assignments, or rejections provided for in this Plan pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Each executory contract and unexpired lease assumed or assumed and assigned pursuant to this Plan shall vest in and be fully enforceable by the applicable Reorganized Debtor in accordance with its terms, except as modified by the provisions of this Plan, any order of the Bankruptcy Court authorizing and providing for its assumption or assumption and assignment, or applicable law.

## **8.2 Determination of Cure Disputes and Deemed Consent.**

(a) Any monetary defaults under an assumed or assumed and assigned executory contract or unexpired lease, shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount, as reflected in the applicable cure notice, in Cash on the Effective Date, subject to the limitations described below, or on such other terms as the parties to such executory contracts or unexpired leases and the Debtors may otherwise agree.

(b) At least fourteen (14) days before the Confirmation Hearing, the Debtors shall distribute, or cause to be distributed, cure notices to the applicable third parties. **Any objection by a counterparty to an executory contract or unexpired lease to the proposed assumption, assumption and assignment, or related Cure Amount must be filed, served, and actually received by the Debtors at least seven (7) days before the Confirmation Hearing.** Any counterparty to an executory contract or unexpired lease that fails to object timely to the proposed assumption, assumption and assignment, or Cure Amount will be deemed to have assented to such assumption, assumption and assignment, or Cure Amount. Notwithstanding anything herein to the contrary, in the event that any executory contract or unexpired lease is removed from the Schedule of Rejected Contracts after such 14-day deadline, a cure notice with respect to such executory contract or unexpired lease will be sent promptly to the counterparty

thereof and a noticed hearing set to consider whether such executory contract or unexpired lease can be assumed or assumed and assigned, as applicable.

(c) In the event of an unresolved dispute regarding (i) any Cure Amount, (ii) the ability of the Reorganized Debtors or any assignee to provide “adequate assurance of future performance” (within the meaning of section 365 of the Bankruptcy Code) under the executory contract or unexpired lease to be assumed, or (iii) any other matter pertaining to assumption, assignment, or the Cure Amounts required by section 365(b)(1) of the Bankruptcy Code, such dispute shall be resolved by a Final Order of the Bankruptcy Court (which may be the Confirmation Order).

(d) If the Bankruptcy Court determines that the Cure Amount with respect to any executory contract or unexpired lease is greater than the amount set forth in the applicable cure notice, the Debtors or Reorganized Debtors, as applicable, will have the right to add such executory contract or unexpired lease to the Schedule of Rejected Contracts, in which case such executory contract or unexpired lease will be deemed rejected as of the Effective Date.

(e) Assumption or assumption and assignment of any executory contract or unexpired lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims against any Debtor or defaults by any Debtor, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed executory contract or unexpired lease at any time before the date that the Debtors assume or assume and assign such executory contract or unexpired Lease. Any proofs of claim filed with respect to an executory contract or unexpired lease that has been assumed or assumed and assigned shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.

**8.3 Rejection Damages Claims. In the event that the rejection of an executory contract or unexpired lease hereunder results in damages to the other party or parties to such contract or lease, any Claim for such damages, if not heretofore evidenced by a timely filed proof of Claim, shall be forever barred and shall not be enforceable against the Debtors or the Reorganized Debtors, or their respective estates, properties or interests in property, unless a proof of Claim is filed with the Bankruptcy Court and served upon the Debtors or the Reorganized Debtors, as applicable, no later than thirty (30) days after the later of (i) the Confirmation Date or (ii) the effective date of the rejection of such executory contract or unexpired lease, as set forth on the Schedule of Rejected Contracts or order of the Bankruptcy Court. The Confirmation Order shall constitute the Bankruptcy Court’s approval of the rejection of all the leases and contracts identified in the Schedule of Rejected Contracts.**

**8.4 Payment of Cure Amounts. To the extent that a Cure Amount relates to a contract or lease that (i) solely benefits Legacy Assets (whether before or after**

the Effective Date) or will solely benefit LegacyCo, or (ii) solely benefits Permian Assets (whether before or after the Effective Date) or will solely benefit New Permian Corp., such Cure Amount shall be paid its Cash distribution from the Rights Offering Proceeds and Minimum Allocation Rights. To the extent that a Cure Amount relates to a contract that (A) will benefit New Permian Corp. post-Effective Date or benefits Permian Assets (whether before or after the Effective Date) and (B) will benefit LegacyCo post-Effective Date or benefits Legacy Assets (whether before or after the Effective Date), such Cure Amount shall also be paid its Cash distribution from the Rights Offering Proceeds and Minimum Allocation Rights; *provided*, that New Permian Corp. shall reimburse LegacyCo for its pro rata share of all such amounts pursuant to the terms of the Transition Services Agreement.

**8.5 Survival of the Debtors' Indemnification Obligations.** Any and all obligations of the Debtors pursuant to their corporate charters, bylaws, limited liability company agreements, memorandum and articles of association, or other organizational documents (including all Indemnification Obligations) to indemnify current and former officers, directors, agents, or employees with respect to all present and future actions, suits, and proceedings against the Debtors or such officers, directors, agents, or employees based upon any act or omission for or on behalf of the Debtors shall not be discharged, impaired, or otherwise affected by this Plan; *provided*, that the Reorganized Debtors shall not indemnify any persons for any claims or Causes of Action arising out of or relating to any act or omission that is a criminal act or constitutes fraud, gross negligence or willful misconduct. All such obligations shall be deemed and treated as executory contracts that are assumed by the Debtors under this Plan and shall continue as obligations of the Reorganized Debtors (other than New Permian Corp. and New Permian LLC). Any claim based on the Debtors' obligations herein shall not be a Disputed Claim or subject to any objection, in either case, by reason of section 502(e)(1)(B) of the Bankruptcy Code. None of the Reorganized Debtors will amend and/or restate their respective governance documents before or after the Effective Date to terminate or adversely affect any obligations to provide such indemnification rights or such directors', officers', employees', or agents' indemnification rights and New Permian Corp. shall reimburse LegacyCo for such amounts to the extent set forth in the Transition Services Agreement.

**8.6 Employee Obligations.** The Reorganized Debtors (other than New Permian Corp. and New Permian LLC) shall honor all of the Employee Obligations in accordance with the Schedule of Assumed Employee Obligations; *provided*, that (i) the consummation of the transactions contemplated by the Plan shall not, in and of themselves, constitute a "change in control" with respect to any of the Employee Obligations and (ii) subject to and in accordance with the Employee Programs Order, the KEIP (as defined in the Employee Programs Order) shall terminate on the Effective Date and the participants in such program shall vest in and be entitled to the payments and compensation as expressly provided under the KEIP. Notwithstanding anything in the Employee Programs Order to the contrary, the KERP and the KEP (as such terms are defined in the Employee Programs Order), shall continue in full force and effect through

December 31, 2017. Subject to clause (ii) above, to the extent that any of the Employee Obligations constitute executory contracts, pursuant to sections 365 and 1123 of the Bankruptcy Code, each of them will be deemed rejected as of the Effective Date unless identified in the Schedule of Assumed Employee Obligations and shall be treated in accordance with this Article 8.

**8.7 Insurance Policies.** All insurance policies (including all D&O Liability Insurance Policies and tail coverage liability insurance) to which any Debtor is a party as of the Effective Date shall be deemed to be and treated as executory contracts and shall be assumed by the applicable Debtors or Reorganized Debtor and shall continue in full force and effect thereafter in accordance with their respective terms. All other insurance policies shall vest in the Reorganized Debtors.

**8.8 Reservation of Rights.**

(a) The Debtors, with the consent of the Requisite Consenting Second Lien Creditors, may amend the Schedule of Assumed Employee Obligations and the Schedule of Rejected Contracts (with the consent of the Requisite Commitment Parties only to the extent that a contract relates to New Permian Corp. or the Permian Assets) and any cure notice through 4:00 p.m. (Eastern Time) on the Business Day immediately prior to the commencement of the Confirmation Hearing in order to (i) add, delete, or reclassify any executory contract or unexpired lease or amend a proposed assignment and/or (ii) amend the proposed Cure Amount; *provided*, that if the Confirmation Hearing is adjourned for a period of more than two (2) consecutive calendar days, the Debtors' right to amend such schedules and notices shall be extended to 4:00 p.m. (Eastern Time) on the Business Day immediately prior to the adjourned date of the Confirmation Hearing, with such extension applying in the case of any and all subsequent adjournments of the Confirmation Hearing; *provided* further, that solely with respect to the Schedule of Assumed Employee Obligations, the Debtors (with the consent of the Second Lien Group) may at any time through and including the Effective Date, amend such schedule to remove any executory contract listed therein and add any such executory contract to the Schedule of Rejected Contracts.

(b) Neither the exclusion nor the inclusion by the Debtors of any contract or lease on any exhibit, schedule, or other annex to this Plan or in the Plan Supplement, nor anything contained in this Plan, will constitute an admission by the Debtors that any such contract or lease is or is not an executory contract or unexpired lease or that the Debtors or the Reorganized Debtors or their respective affiliates has any liability thereunder.

(c) Except as explicitly provided in this Plan, nothing herein shall waive, excuse, limit, diminish, or otherwise alter any of the defenses, claims, Causes of Action, or other rights of the Debtors or the Reorganized Debtors under any executory or non-executory contract or unexpired or expired lease.



(d) Nothing in this Plan will increase, augment, or add to any of the duties, obligations, responsibilities, or liabilities of the Debtors or the Reorganized Debtors, as applicable, under any executory or non-executory contract or unexpired or expired lease.

(e) If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of its assumption under this Plan, the Debtors or Reorganized Debtors, as applicable, shall have thirty (30) days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

**8.9 Modifications, Amendments, Supplements, Restatements, or Other Agreements.** Unless otherwise provided in the Plan, each executory contract or unexpired lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such executory contract or unexpired lease, and executory contracts and unexpired leases related thereto, if any, including easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated under the Plan.

## ARTICLE IX.

### EFFECTIVENESS OF THE PLAN

**9.1 Conditions Precedent to Confirmation of the Plan.** The following are conditions precedent to confirmation of the Plan:

(a) An order finding that the Disclosure Statement contains adequate information pursuant to section 1125 of the Bankruptcy Code shall have been entered by the Court;

(b) The proposed Confirmation Order shall be in form and substance acceptable to the Debtors, the Requisite Commitment Parties, the Requisite Consenting Second Lien Creditors, the Revolving Credit Facility Agent, the DIP Facility Agent, the Exit Facility Agent, and to the extent that any provisions of the Confirmation Order affect Classes 5A, 5B, 6, 7A or 7B they shall be acceptable to the Creditors' Committee and all other provisions of the Confirmation Order shall be reasonably acceptable to the Creditors' Committee; and

(c) The Backstop Commitment Agreement and Restructuring Support Agreement shall be in full force and effect and binding on all parties thereto, and shall not have been terminated by the parties thereto.

**9.2 Conditions Precedent to the Effective Date.** The following are conditions precedent to the Effective Date of the Plan:



(a) The Confirmation Order shall be in full force and effect, and no stay thereof shall be in effect;

(b) The Backstop Commitment Agreement shall be in full force and effect and binding on the parties thereto and any conditions precedent to the respective obligations of the parties thereto shall have been satisfied or waived in accordance with the terms thereof, and New Permian Corp. shall have received proceeds of at least \$775 million pursuant to the Rights Offering and the Minimum Allocation Rights;

(c) The Put Option Premium shall have been paid to the parties entitled thereto;

(d) The Restructuring Support Agreement shall not have been terminated by the parties thereto;

(e) The Debtors shall have implemented the Restructuring Transactions and all transactions contemplated by this Plan and the Restructuring Support Agreement, in a manner materially consistent in all respects with the Restructuring Support Agreement and the Plan and in accordance with Section 6.9 hereto;

(f) The Plan Supplement, including the Plan Documents, shall have been filed in form and substance as provided in the Restructuring Support Agreement;

(g) The conditions to effectiveness of the Exit Facility Credit Agreement shall have been satisfied or waived in accordance with the terms thereof, and such agreement shall be in full force and effect and binding on all parties thereto;

(h) The Debtors shall have received any authorizations, consents, regulatory approvals, rulings, letters, no-action letters, opinions, or documents that are necessary to implement the Plan (including, but not limited to, to implement or effectuate any of the Restructuring Transactions) and are required by law, regulation, or order;

(i) The LegacyCo Organizational Documents shall be in full force and effect;

(j) Each of the New Permian Corp. Certificate of Incorporation and New Permian Corp. Bylaws shall be in full force and effect;

(k) The AUNC Trust shall have been created and the trust agreement for the AUNC Trust and any related documents necessary for the administration of the AUNC Trust shall have been executed and be in full force and effect;

(l) Any other documents, instruments, and agreements necessary to effectuate the Plan shall have been effected or executed; and

(m) The Plan shall not have been materially amended, altered or modified from the Plan as confirmed by the Confirmation Order, unless such material amendment, alteration or modification has been made in accordance with Section 12.6 of the Plan.

**9.3 Satisfaction of Conditions.** Except as otherwise provided herein, any actions required to be taken on the Effective Date shall take place and shall be deemed to have occurred simultaneously, and no such action shall be deemed to have occurred prior to the taking of any other such action. If the Debtors determine that any of the conditions precedent set forth in Sections 9.1 or 9.2 hereof cannot be satisfied and the occurrence of such conditions is not waived pursuant to Section 9.4, then the Debtors shall file a notice of the failure of the Effective Date with the Bankruptcy Court.

**9.4 Waiver of Conditions.** The conditions set forth in Sections 9.1 or 9.2 may be waived or modified only by the Debtors with the prior written consent of the Requisite Consenting Second Lien Creditors, the Requisite Commitment Parties, to the extent that any such waiver or modification adversely affects the treatment or rights of holders of Claims in Classes 5A, 5B, 6, 7A or 7B, the Creditors' Committee, and, to the extent such waiver or modification adversely affects the Revolving Credit Facility Claims, the DIP Facility Claims or the Exit Facility, the Revolving Credit Facility Agent, the DIP Agent or the Exit Facility Agent, as applicable, without notice, leave, or order of the Bankruptcy Court or any formal action other than proceedings to confirm or consummate the Plan.

**9.5 Effect of Non-Occurrence of Effective Date.** If the Effective Date does not occur on or before the Outside Date (as defined in the Restructuring Support Agreement), then: (a) the Plan will be null and void in all respects; (b) nothing contained in the Plan or the Disclosure Statement shall: (i) constitute a waiver or release of any Claims, Interests, or Causes of Action by an Entity; (ii) prejudice in any manner the rights of any Debtor or any other Entity; or (iii) constitute an admission, acknowledgment, offer, or undertaking of any sort by any Debtor or any other Entity; *provided*, that all provisions of the Backstop Commitment Agreement (including the obligation to pay the "Breakup Premium," as that term is defined in the Backstop Commitment Agreement, in accordance with the terms and conditions of the Backstop Commitment Agreement) that survive termination of that agreement shall remain in effect in accordance with the terms thereof.

## ARTICLE X.

### EFFECT OF CONFIRMATION

**10.1 Released and Settled Claims.** Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, the Plan incorporates an integrated compromise, settlement and release of the Released and Settled Claims, to achieve a beneficial and efficient resolution of these Chapter 11 Cases for all parties in interest. The

entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, as of the Effective Date, of the compromise or settlement of all such Released and Settled Claims and the Court's determination that such compromises and settlements are in the best interests of the Debtors, their estates, the Reorganized Debtors, creditors and all other parties in interest, and are fair, equitable and within the range of reasonableness. The compromises, settlements and releases described herein shall be deemed nonseverable from each other and from all other terms of the Plan. On the Effective Date, the Standing Motion and Claim Objection shall be and shall be deemed to be dismissed with prejudice.

**10.2 Binding Effect.** Except as otherwise provided in section 1141(d)(3) of the Bankruptcy Code, and subject to the occurrence of the Effective Date, on and after the entry of the Confirmation Order, the provisions of this Plan shall bind every holder of a Claim against or Interest in any Debtor and inure to the benefit of and be binding on such holder's respective successors and assigns, regardless of whether the Claim or Interest of such holder is impaired under this Plan and whether such holder has accepted this Plan.

**10.3 Vesting of Assets.** Upon the Effective Date, pursuant to sections 1141(b) and (c) of the Bankruptcy Code, all of the Permian Assets of the Debtors shall vest in New Permian LLC and all other assets and property of the Debtors shall vest in the Reorganized Debtors (other than New Permian Corp. and New Permian LLC), as applicable, free and clear of all Claims, Liens, charges, and other interests, except as otherwise provided herein. The Reorganized Debtors may operate their businesses and use, acquire, and dispose of property free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules and in all respects as if there were no pending cases under any chapter or provision of the Bankruptcy Code, except as otherwise provided herein.

**10.4 Release and Discharge of Debtors.** Upon the Effective Date and in consideration of the distributions to be made hereunder, except as otherwise expressly provided herein, each holder (as well as any representatives, trustees, or agents on behalf of each holder) of a Claim or Existing BBEP Equity Interest and any affiliate of such holder shall be deemed to have forever waived, released, and discharged the Debtors, to the fullest extent permitted by section 1141 of the Bankruptcy Code, of and from any and all Claims, Existing BBEP Equity Interests, rights, and liabilities that arose prior to the Effective Date. Upon the Effective Date, all such Persons shall be forever precluded and enjoined, pursuant to section 524 of the Bankruptcy Code, from prosecuting or asserting any such discharged Claim against or terminated Existing BBEP Equity Interest in the Debtors.

**10.5 Term of Injunctions or Stays.** Unless otherwise provided herein or in a Final Order of the Bankruptcy Court, all injunctions or stays arising under or entered during the Chapter 11 Cases under section 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect

until the later of the Effective Date and the date indicated in the order providing for such injunction or stay.

**10.6 Injunction Against Interference with Plan.** Upon entry of the Confirmation Order, all holders of Claims and Interests and other parties in interest, along with their respective present or former employees, agents, officers, directors, principals, and affiliates, shall be enjoined from taking any actions to interfere with the implementation or consummation of the Plan; *provided*, that nothing herein or in the Confirmation Order shall preclude, limit, restrict or prohibit any party in interest from seeking to enforce the terms of the Plan, the Confirmation Order, or any other agreement or instrument entered into or effectuated in connection with the consummation of the Plan.

**10.7 Injunction.**

[Intentionally Omitted]

**10.8 Exculpation.** Subject to section 1125(e) of the Bankruptcy Code, no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from, any Claim, Interest, obligation, suit, judgment, damage, demand, debt, right, Cause of Action, Released and Settled Claim, loss, remedy, or liability for any claim (including, but not limited to, any claim for breach of any fiduciary duty or any similar duty) in connection with or arising out of the administration of the Chapter 11 Cases; the negotiation and pursuit of the Exit Facility Documents, the Backstop Commitment Agreement, the DIP Facility, the LegacyCo Management Incentive Plan, the New Permian Corp. Management Incentive Plan, the Disclosure Statement, the Plan, the Restructuring Transactions, the Rights Offering, the LegacyCo Contribution Agreement, the Exchange Agreement, the Permian Contribution Agreement, the creation of New Permian Corp., Legacy Co. or the AUNC Trust (including the Plan Documents, the Restructuring Support Agreement, and the trust agreement creating the AUNC Trust), or any agreement, transaction, or document related to any of the foregoing, or the solicitation of votes for, or confirmation of, this Plan; the funding of this Plan; the occurrence of the Effective Date; the administration of this Plan or the property to be distributed under this Plan; any membership in (including, but not limited to, on an *ex officio* basis), participation in, or involvement with the ~~Creditors'~~Statutory Committees; the structuring, negotiation, performance, or conducting of, participation in, or entry into, the Rights Offering and/or the Backstop Commitment Agreement (including, but not limited to, payment or receipt of the Put Option Premium), including by any member of the ~~Creditors'~~Statutory Committees; the issuance of Securities under or in connection with this Plan; or the transactions in furtherance of any of the foregoing; except for Claims related to any act or omission that is determined in a Final Order by a court of competent jurisdiction to have constituted breach of fiduciary duty, actual fraud or willful misconduct, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to this

**Plan.** This exculpation shall be in addition to, and not in limitation of, all other releases, indemnities, exculpations, and any other applicable law or rules protecting such Exculpated Parties from liability.

#### **10.9 Releases.**

(a) *Releases by the Debtors.* As of the Effective Date, except for the rights that remain in effect from and after the Effective Date to enforce this Plan and the Plan Documents, for good and valuable consideration, the adequacy of which is hereby confirmed, including, the service of the Released Parties to facilitate the reorganization of the Debtors, the implementation of the Restructuring, and except as otherwise provided in this Plan or in the Confirmation Order, the Released Parties are deemed forever released and discharged by the Debtors, the Reorganized Debtors, and the Debtors' estates, in each case on behalf of themselves and their respective successors, assigns, and representatives and any and all other Entities who may purport to assert any Cause of Action or Released and Settled Claim derivatively, by or through the foregoing Entities, from any and all claims, interests, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, Released and Settled Claim, losses, remedies, or liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors, the Reorganized Debtors, or the Debtors' estates, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, that the Debtors, the Reorganized Debtors, or the Debtors' estates 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 Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any Security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in this Plan, the business or contractual arrangements between any Debtor and any Released Party (including, the Revolving Credit Documents and the Indentures), the DIP Facility, the Restructuring, the restructuring of any Claim or Interest before or during the Chapter 11 Cases, the Restructuring Transactions, the Rights Offering, the Exchange Agreement, the LegacyCo Contribution Agreement, the Permian Contribution Agreement, the creation of New Permian Corp., Legacy Co. or the AUNC Trust, the negotiation, formulation, or preparation of the Disclosure Statement, and this Plan and related agreements, instruments, and other documents (including the Plan Documents, the Restructuring Support Agreement and the trust agreement creating the AUNC Trust), the solicitation of votes with respect to this Plan, the Backstop Commitment Agreement, or the Rights Offering, any membership (including, but not limited to, on an *ex officio* basis), participation in, or involvement with the **Creditors' Statutory** Committees, the structuring, negotiation, performance, or conducting of, participation in, or entry into, the Rights Offering and/or the Backstop Commitment Agreement (including, but not limited to, payment or receipt of the Put Option Premium), including by any

member of the **Creditors' Statutory** Committees, or any other act or omission, transaction, agreement, event, or other occurrence, except for Claims related to any act or omission that is determined in a Final Order by a court of competent jurisdiction to have constituted actual fraud or willful misconduct, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to this Plan.

(b) *Releases by Holders of Claims and Interests.* As of the Effective Date, except for the rights that remain in effect from and after the Effective Date to enforce the Plan and the Plan Documents, for good and valuable consideration, the adequacy of which is hereby confirmed, including, the service of the Released Parties to facilitate the reorganization of the Debtors and the implementation of the Restructuring, and except as otherwise provided in the Plan or in the Confirmation Order, the Released Parties, are deemed forever released and discharged by (i) subject to the penultimate sentence of this Section 10.9(b) of the Plan, holders of all Claims who vote to either accept or reject the Plan but do not opt out of granting the releases set forth herein (a “**Release Opt-Out**”), (ii) the Revolving Credit Facility Agent, (iii) the Unsecured Notes Indenture Trustee, (iv) the Secured Notes Indenture Trustee, (v) the DIP Facility Agent, and (vi) the Statutory Committees from any and all claims, interests, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, Released and Settled Claims, losses, remedies, and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors, and any claims for breach of any fiduciary duty (or any similar duty), whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, that such holders or their affiliates (to the extent such affiliates can be bound) 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 Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any Security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party (including, the Revolving Credit Documents and the Indentures), the DIP Facility, the Restructuring, the restructuring of any Claim or Interest before or during the Chapter 11 Cases, the Restructuring Transactions, the Rights Offering, the Exchange Agreement, the LegacyCo Contribution Agreement, the Permian Contribution Agreement, the creation of New Permian Corp., LegacyCo, or the AUNC Trust, the negotiation, formulation, or preparation of the Disclosure Statement, the Plan and related agreements, instruments, and other documents (including the Plan Documents, the Restructuring Support Agreement and the trust agreement creating the AUNC Trust), the solicitation of votes with respect to the Plan, the Backstop Commitment Agreement, or the Rights Offering, any membership in (including, but not limited to, on an *ex officio* basis), participation in, or involvement with the **Creditors' Statutory** Committees, the structuring, negotiation, performance, or



conducting of, participation in, or entry into, the Rights Offering and/or the Backstop Commitment Agreement (including, but not limited to, payment or receipt of the Put Option Premium), including by any member of the ~~Creditors'~~Statutory Committees, or any other act or omission, except for Claims related to any act or omission that is determined in a Final Order by a court of competent jurisdiction to have constituted actual fraud or willful misconduct, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. For the avoidance of doubt, notwithstanding the foregoing, a Release Opt-Out solely means that such holder (i) is electing to not release the Released Parties other than the Debtors, and (ii) shall not impair, limit or effect in any way the exculpation of the Exculpated Parties as set forth in Section 10.8 of the Plan. For the avoidance of doubt, the foregoing releases shall not release the indemnification rights of the (i) Secured Notes Indenture Trustee under the Secured Notes Indentures and any related documentation, and (ii) the Unsecured Notes Indenture Trustee under the Unsecured Notes Indentures and any related documentation.

(c) *Release of Liens.* Except as otherwise specifically provided in the Plan or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, including the Exit Facility Documents, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the secured claim that is Allowed as of the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the estates shall be fully released and discharged, and all of the right, title, and interest of any holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Reorganized Debtors and their successors and assigns, in each case, without any further approval or order of the Bankruptcy Court and without any action or filing being required to be made by the Debtors.

(d) *Waiver of Statutory Limitations on Releases.* The releases contained in Article X of the Plan are effective regardless of whether those released matters are presently known, unknown, suspected or unsuspected, foreseen or unforeseen.

**10.10 Injunction Related to Releases and Exculpation.** The Confirmation Order shall 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, losses, or liabilities released pursuant to this Plan, including, the claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, and liabilities released or exculpated in this Plan.

**10.11 Subordinated Claims.** The allowance, classification, and treatment of all Allowed Claims and Interests and the respective distributions and

treatments thereof under this Plan take into account and conform to the relative priority and rights of the Claims and Interest in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, sections 510(a), 510(b), or 510(c) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Debtors reserve the right to reclassify any Allowed Claim (other than any Allowed Revolving Facility Claims, DIP Facility Claims, Allowed Secured Notes Claim or Allowed Unsecured Notes Claim) or Interest in accordance with any contractual, legal, or equitable subordination relating thereto.

**10.12 Avoidance Actions.** From and after the Effective Date, the Reorganized Debtors shall waive the right to prosecute any avoidance, equitable subordination, or recovery actions that belong to the Debtors under chapter 5 of the Bankruptcy Code including sections 105, 502(d), 510, 542 through 551, and 553.

**10.13 Retention of Causes of Action/Reservation of Rights.**

(a) Except as otherwise provided in Section 10.9 hereof, nothing herein or in the Confirmation Order shall be deemed to be a waiver or the relinquishment of any rights or Causes of Action that the Debtors or the Reorganized Debtors may have or which the Reorganized Debtors may choose to assert on behalf of their respective estates under any provision of the Bankruptcy Code or any applicable nonbankruptcy law, including (i) any and all Claims against any Person or Entity, to the extent such Person or Entity asserts a crossclaim, counterclaim, and/or Claim for setoff which seeks affirmative relief against the Debtors, the Reorganized Debtors, or their officers, directors, or representatives and (ii) for the turnover of any property of the Debtors' estates; *provided*, that neither the Debtors nor the Reorganized Debtors shall preserve, retain, commence, prosecute or otherwise reserve any Claims or Cause of Action against (i) any Second Lien Noteholder, (ii) any Series B Interest Holder, (iii) the Secured Indenture Trustee, (iv) the Unsecured Senior Notes Groups (or any member thereof), (v) the Backstop Parties, or (vi) any of the forgoing Entities' respective affiliates, agents, attorneys, advisors, professionals, officers, directors, and employees, including the Released and Settled Claims.

(b) Nothing herein or in the Confirmation Order shall be deemed to be a waiver or relinquishment of any rights or Causes of Action, right of setoff, or other legal or equitable defense that the Debtors had immediately prior to the Petition Date, against or with respect to any Claim left unimpaired by the Plan. The Reorganized Debtors shall have, retain, reserve, and be entitled to assert all such claims, Causes of Action, rights of setoff, and other legal or equitable defenses that they had immediately prior to the Petition Date fully as if the Chapter 11 Cases had not been commenced, and all of the Reorganized Debtors' legal and equitable rights with respect to any Claim left unimpaired by the Plan may be asserted after the Confirmation Date to the same extent as if the Chapter 11 Cases had not been commenced.

(c) The Reorganized Debtors reserve (or receive) and shall retain the applicable Causes of Action notwithstanding the rejection of any executory contract or unexpired lease during the Chapter 11 Cases or pursuant to the Plan. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Causes of Action that a Debtor may hold against any Entity shall vest in the Reorganized Debtors in accordance with the terms hereof. The Reorganized Debtors shall 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 such Causes of Action and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court.

**10.14 Preservation of Causes of Action.** No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against them as any indication that the Debtors or the Reorganized Debtors will not pursue any and all available Causes of Action against them. The Debtors and the Reorganized Debtors expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided herein.

**10.15 Special Provisions for Governmental Units.** Solely with respect to Governmental Units, nothing herein shall limit or expand the scope of discharge, release, or injunction to which the Debtors or the Reorganized Debtors are entitled under the Bankruptcy Code. Further, nothing herein, including Sections 10.8 and 10.9 hereof, shall discharge, release, enjoin, or otherwise bar (a) any liability of the Debtors or the Reorganized Debtors to a Governmental Unit arising on or after the Confirmation Date with respect to events occurring on or after the Confirmation Date, (b) any liability to a Governmental Unit that is not a Claim, (c) any valid right of setoff or recoupment of a Governmental Unit, (d) any police or regulatory action by a Governmental Unit, (e) any environmental liability to a Governmental Unit that the Debtors, the Reorganized Debtors, any successors thereto, or any other Person or Entity may have as an owner or operator of real property after the Effective Date, and (f) any liability to a Governmental Unit on the part of any Persons or Entities other than the Debtors or the Reorganized Debtors, *provided*, that nothing in this Section 10.15 shall affect the Debtors' releases in Section 10.9 hereof, nor shall anything herein enjoin or otherwise bar any Governmental Unit from asserting or enforcing, outside the Bankruptcy Court, any of the matters described in clauses (a) through (f) above.

**10.16 Protections Against Discriminatory Treatment.** Consistent with section 525 of the Bankruptcy Code and the Supremacy Clause of the U.S. Constitution, all Entities, including Governmental Units, shall not discriminate against the Reorganized Debtors or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Reorganized Debtors, or another Entity with whom the Reorganized Debtors have been associated, solely because each Debtor has been a debtor under chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter

11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.

**10.17 Document Retention.** On and after the Effective Date, the Reorganized Debtors may maintain documents in accordance with the Debtors' standard document retention policy, as may be altered, amended, modified, or supplemented by the Reorganized Debtors.

## ARTICLE XI.

### RETENTION OF JURISDICTION

**11.1 Jurisdiction of Bankruptcy Court.** On and after the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction of all matters arising under, arising out of, or related to the Chapter 11 Cases and the Plan pursuant to, and for the purposes of, sections 105(a) and 1142 of the Bankruptcy Code and for, among other things, the following purposes:

(a) To hear and determine motions for the assumption, assumption and assignment, or rejection of executory contracts or unexpired leases and the allowance of Claims resulting therefrom;

(b) To determine any motion, adversary proceeding, application, contested matter, and other litigated matter pending on or commenced before or after the Confirmation Date, including, any proceeding with respect to a Cause of Action or Avoidance Action;

(c) To ensure that distributions to holders of Allowed Claims are accomplished as provided herein;

(d) To consider Claims or the allowance, classification, priority, compromise, estimation, or payment of any Claim, including any Administrative Expenses;

(e) To enter, implement, or enforce such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, reversed, revoked, modified, or vacated;

(f) To issue injunctions, enter and implement other orders, and take such other actions as may be necessary or appropriate to restrain interference by any Person with the consummation, implementation, or enforcement of the Plan, the Confirmation Order, or any other order of the Bankruptcy Court;

(g) To hear and determine any application to modify the Plan in accordance with section 1127 of the Bankruptcy Code and to remedy any defect or omission or reconcile any inconsistency in the Plan, the Disclosure Statement, or any order

of the Bankruptcy Court, including the Confirmation Order, in such a manner as may be necessary to carry out the purposes and effects thereof;

(h) To hear and determine all applications under sections 330, 331, and 503(b) of the Bankruptcy Code for awards of compensation for services rendered and reimbursement of expenses incurred prior to the Confirmation Date;

(i) To hear and determine disputes arising in connection with or related to the interpretation, implementation, or enforcement of the Plan, the Confirmation Order, any transactions or payments contemplated herein, or any agreement, instrument, or other document governing or relating to any of the foregoing;

(j) To hear and determine disputes arising in connection with Disputed Claims;

(k) To take any action and issue such orders as may be necessary to construe, enforce, implement, execute, and consummate the Plan or to maintain the integrity of the Plan following consummation;

(l) To recover all assets of the Debtors and property of the Debtors' estates, wherever located;

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

(n) To hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code (including the expedited determination of taxes under section 505(b) of the Bankruptcy Code);

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

(p) To hear and determine any other matters related hereto and not inconsistent with the Bankruptcy Code and title 28 of the United States Code;

(q) To resolve any disputes concerning whether a Person or entity had sufficient notice of the Chapter 11 Cases, the Disclosure Statement, any solicitation conducted in connection with the Chapter 11 Cases, any bar date established in the Chapter 11 Cases, or any deadline for responding or objecting to a Cure Amount, in each case, for the purpose for determining whether a Claim or Interest is discharged hereunder or for any other purpose;

(r) To determine any other matters or adjudicate any disputes that may arise in connection with or are related to the Plan, the Disclosure Statement, the Confirmation Order, the Plan Supplement, or any document related to the foregoing; *provided* that the Court shall not retain jurisdiction over disputes concerning documents

contained in the Plan Supplement that have a jurisdictional, forum selection or dispute resolution clause that refers disputes to a different court;

(s) To hear and determine all disputes involving the existence, nature, or scope of the Debtors' discharge, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred prior to or after the Effective Date;

(t) To hear and determine any rights, claims, or causes of action held by or accruing to the Debtors or the Reorganized Debtors pursuant to the Bankruptcy Code or any federal or state statute or legal theory;

(u) To enforce all orders, judgments, injunctions, releases, exculpations, indemnifications, and rulings entered in connection with the Chapter 11 Cases;

(v) To hear any other matter not inconsistent with the Bankruptcy Code; and

(w) To enter a final decree closing the Chapter 11 Cases.

To the extent that the Bankruptcy Court is not permitted under applicable law to preside over any of the forgoing matters, the reference to the "Bankruptcy Court" in this Article XI shall be deemed to be replaced by the "District Court." Nothing in this Article XI shall expand the exclusive jurisdiction of the Bankruptcy Court beyond that provided by applicable law.

## ARTICLE XII.

### MISCELLANEOUS PROVISIONS

**12.1 Dissolution of Statutory Committees.** On the Effective Date, the Statutory Committees shall dissolve, the current and former members of the Statutory Committees, including any *ex officio* members, and their respective officers, employees, counsel, advisors and agents, shall be released and discharged of and from all further authority, duties, responsibilities and obligations related to and arising from and in connection with the Chapter 11 Cases, except for the limited purpose of prosecuting (i) requests for allowances of compensation and reimbursement of expenses incurred prior to the Effective Date or (ii) any appeals of the Confirmation Order.

**12.2 Substantial Consummation.** On the Effective Date, the Plan shall be deemed to be substantially consummated under sections 1101 and 1127(b) of the Bankruptcy Code.



**12.3 Exemption from Transfer Taxes.**

(a) Pursuant to section 1146(a) of the Bankruptcy Code, the issuance, transfer, or exchange of any Security or property hereunder or in connection with the transactions contemplated hereby, the creation, filing, or recording of any mortgage, deed of trust, or other security interest, the making, assignment, filing, or recording of any lease or sublease, or the making or delivery of any deed, bill of sale, or other instrument of transfer under, in furtherance of, or in connection with the Plan, including, the distribution of the LegacyCo Units, or any agreements of consolidation, deeds, bills of sale, or assignments executed in connection with any of the transactions contemplated herein, shall constitute a “transfer under a plan” within the purview of section 1146 of the Bankruptcy Code and shall not be subject to or taxed under any law imposing a stamp tax or similar tax, to the maximum extent provided by section 1146(a) of the Bankruptcy Code. To the maximum extent provided by section 1146(a) of the Bankruptcy Code and applicable nonbankruptcy law, the Restructuring Transactions shall not be taxed under any law imposing a stamp tax or similar tax.

**12.4 Expedited Tax Determination.** The Reorganized Debtors may request an expedited determination of taxes under section 505(b) of the Bankruptcy Code for all returns filed for or on behalf of the Debtors or the Reorganized Debtors for all taxable periods of the Debtors through the Effective Date.

**12.5 Payment of Statutory Fees.** On the Effective Date, and thereafter as may be required, each of the Debtors shall (a) pay all the respective fees payable pursuant to section 1930 of chapter 123 of title 28 of the United States Code, together with interest, if any, pursuant to section 3717 of title 31 of the United States Code, until the earliest to occur of the entry of (i) a final decree closing such Debtor’s Chapter 11 Case, (ii) a Final Order converting such Debtor’s Chapter 11 Case to a case under chapter 7 of the Bankruptcy Code, or (iii) a Final Order dismissing such Debtor’s Chapter 11 Case, and (b) be responsible for the filing of consolidated post-confirmation quarterly status reports with the Bankruptcy Court in accordance with Rule 3021–1 of the Southern District of New York Local Bankruptcy Rules, which status reports shall include reports on the disbursements made by each of the Debtors.

**12.6 Plan Modifications and Amendments.** The Plan may be amended, modified, or supplemented by the Debtors or the Reorganized Debtors, as applicable, with the consent of the Requisite Consenting Second Lien Creditors, the Requisite Commitment Parties, to the extent that it adversely affects the treatment or rights of holders of Claims in Classes 5A, 5B, 6, 7A or 7B, the Creditors’ Committee, and, to the extent it adversely affects the Revolving Credit Facility Claims, the DIP Facility Claims or the Exit Facility, the Revolving Credit Facility Agent, the DIP Facility Agent or the Exit Facility Agent, as applicable, in the manner provided for by section 1127 of the Bankruptcy Code or as otherwise permitted by law without additional disclosure pursuant to section 1125 of the Bankruptcy Code, except as the Bankruptcy Court may otherwise direct; provided that any such alteration, amendment or modification is consistent with the

Restructuring Support Agreement. In addition, after the Confirmation Date, so long as such action does not materially and adversely affect the treatment of holders of Claims hereunder, the Debtors may, with the consent of the Requisite Consenting Second Lien Creditors and the Requisite Commitment Parties, and, to the extent such action adversely affects the Revolving Credit Facility Claims, the DIP Facility Claims or the Exit Facility, the Revolving Credit Facility Agent, the DIP Facility Agent or the Exit Facility Agent, as applicable, institute proceedings in the Bankruptcy Court to remedy any defect or omission or reconcile any inconsistencies in the Plan or the Confirmation Order with respect to such matters as may be necessary to carry out the purposes and effects of the Plan and any holder of a Claim that has accepted the Plan shall be deemed to have accepted the Plan as so amended, modified, or supplemented. Prior to the Effective Date, the Debtors may make appropriate technical adjustments and modifications to the Plan without further order or approval of the Bankruptcy Court; *provided*, that such technical adjustments and modifications do not materially and adversely affect the treatment of holders of Claims and that any such technical adjustment or modification is consistent with the Restructuring Support Agreement. Notwithstanding any provision of this Plan to the contrary or that is silent on the issue of consent rights, all documents, exhibits, and schedules related the Plan or Restructuring Transactions including, the Plan, Disclosure Statement, Confirmation Order, the Plan Documents, the Plan Supplement, and the Exit Facility Documents must be acceptable to the Requisite Consenting Second Lien Creditors and the Requisite Commitment Parties.

#### **12.7 Revocation or Withdrawal of Plan.**

(a) The Debtors may revoke, withdraw, or delay consideration of the Plan prior to the Confirmation Date, either entirely or with respect to one or more of the Debtors, and to file subsequent amended plans of reorganization. If the Plan is revoked, withdrawn, or delayed with respect to fewer than all of the Debtors, such revocation, withdrawal, or delay shall not affect the enforceability of the Plan as it relates to the Debtors for which the Plan is not revoked, withdrawn, or delayed. If the Debtors revoke the Plan in its entirety, the Plan shall be deemed null and void. In such event, nothing herein shall be deemed to constitute a waiver or release of any Claim by or against the Debtors or any other Person or to prejudice in any manner the rights of the Debtors or any other Person in any further proceedings involving the Debtors.

(b) Notwithstanding the foregoing Section 12.7(a), if the Debtors take any action to attempt to withdraw such Plan from the docket of the Bankruptcy Court or the Debtors refuse, for any reason, to take any and all commercial reasonable actions to implement or support the Restructuring Transactions, then: (a) immediately, at such time and without any further order of the Court, the Debtors will no longer be proponents of this the Plan and the Second Lien Group and the Unsecured Notes Group will become proponents of this Plan; *provided*, that if the exclusive periods of the Debtors have not been terminated as of such time, the Debtors shall remain nominal proponents of the Plan solely for the purposes of section 1121 until the expiration or termination of such exclusive periods; and (b) any and all provisions and consent rights or requirement that

any document or transaction be “acceptable” or other terms under this Plan referencing “Weil,” the “Debtor,” or the “Debtors” are, and shall continue to be, in full force and effect with respect to the Consenting Creditors (as defined under the Restructuring Support Agreement) as if such provisions were written without reference to “Weil,” the “Debtor,” or the “Debtors.”

**12.8 Courts of Competent Jurisdiction.** If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising out of the Plan, such abstention, refusal, or failure of jurisdiction shall have no effect upon and shall not control, prohibit, or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such matter.

**12.9 Severability.** If, prior to entry of the Confirmation Order, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court, in each case at the election and request of the Debtors, with the consent of the Requisite Consenting Second Lien Creditors and Requisite Commitment Parties, and, to the extent such term or provision affects the Revolving Credit Facility Claims, the DIP Facility Claims or the Exit Facility, the Revolving Facility Agent, the DIP Facility Agent or the Exit Facility Agent, as applicable, may alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan shall remain in full force and effect and shall in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and provide that each term and provision hereof, as it may have been altered or interpreted in accordance with the foregoing, is (a) valid and enforceable pursuant to its terms; (b) integral to the Plan and may not be deleted or modified except in accordance with the terms of the Plan; and (c) nonseverable and mutually dependent.

**12.10 Governing Law.** Except to the extent the Bankruptcy Code or other U.S. federal law is applicable, or to the extent a schedule hereto, or a schedule in the Plan Supplement expressly provides otherwise, the rights, duties, and obligations arising hereunder shall be governed by, and construed and enforced in accordance with, the laws of the State of New York, without giving effect to the principles of conflicts of law thereof to the extent they would result in the application of the laws of any other jurisdiction.

**12.11 Schedules.** The schedules and exhibits to the Plan and the Plan Supplement are incorporated into, and are part of, the Plan as if set forth herein.

**12.12 Successors and Assigns.** All the rights, benefits, and obligations of any Person named or referred to herein shall be binding on, and inure to the benefit of, the heirs, executors, administrators, successors, and/or assigns of such Person.

**12.13 Time.** In computing any period of time prescribed or allowed herein, unless otherwise set forth herein or determined by the Bankruptcy Court, the provisions of Bankruptcy Rule 9006 shall apply.

**12.14 Notices.** To be effective, all notices, requests, and demands to or upon the Debtors, the Second Lien Group, the Creditors' Committee, the Equity Committee, or the Revolving Credit Facility Agent shall be in writing (including by facsimile or electronic transmission) and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered, or in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed as follows:

<p><b>If to the Debtors, to:</b> Breitburn Energy Partners LP 707 Wilshire Boulevard Suite 4600 Los Angeles, California 90017 Attn: Gregory Brown, General Counsel Telephone: (213) 225-5900, Ext. 294 Telecopier: (213) 225-5917 E-mail: gbrown@breitburn.com</p>	<p>Weil, Gotshal &amp; Manges LLP 767 Fifth Avenue New York, New York 10153 Attn: Ray C. Schrock, P.C., Stephen Karotkin Telephone: (212) 310-8000 Telecopier: (212) 310-8007 E-mail: ray.schrock@weil.com, stephen.karotkin@weil.com</p>
<p><b>If to the Second Lien Group, to:</b> Kirkland &amp; Ellis LLP 601 Lexington Avenue New York, NY 10022 Attn: Christopher Marcus, P.C. Telephone: (212) 446-4800 Telecopier: (212) 446-4900 E-mail: christopher.marcus@kirkland.com</p>	<p>Kirkland &amp; Ellis LLP 300 North LaSalle Chicago, IL 60654 Attention: Steven N. Serajeddini Telephone: (312) 862-2000 Telecopier: (312) 862-2200 E-mail address: steven.serajeddini@kirkland.com</p>
<p><b>If to the Requisite Commitment Parties, to:</b> Akin Gump Strauss Hauer &amp; Feld LLP One Bryant Park New York, NY 10036 Attn: Ira Dizengoff Telephone: (212) 872-1096 Facsimile: (212) 872-1002 Email: idizengoff@akingump.com</p>	<p>Akin Gump Strauss Hauer &amp; Feld LLP 1333 New Hampshire Avenue, N.W. Washington, DC 20036 Attn: Scott Alberino, Daniel Fisher Telephone: (202) 887-4121 Facsimile: (202) 887-4288 Email: salberino@akingump.com, dfisher@akingump.com</p>
<p><b>If to the Creditors' Committee, to:</b> Milbank, Tweed, Hadley &amp; McCloy LLP 2029 Century Park East, 33rd Floor Los Angeles, CA 90067 Attn: Gregory Bray, Esq., Paul Aronzon, Telephone: (424) 386-4000 Telecopier: (213) 629-5063 E-mail: gbray@milbank.com, paronzon@milbank.com</p>	<p>White &amp; Case LLP 1221 Avenue of the Americas New York, NY 10020 Attn: Harrison Denman Telephone: (212) 819-2567 Facsimile: (212) 354-8113 Email: hdenman@whitecase.com</p>
<p><b>If to the Revolving Credit Facility Agent, to:</b> Wells Fargo Bank, N.A. 1000 Louisiana St. 9th Floor – Energy Group Houston, TX 77002 Attn: Michael A. Tribolet Telephone: (713) 319-1326</p>	<p><b>If to the Equity Committee, to:</b> Proskauer Rose LLP Eleven Times Square New York, NY 10036 Attn: Martin J. Bienenstock, Vincent Indelicato Telephone: (212) 969-3000 Telecopier: (212) 969-2900 E-mail: mbienenstock@proskauer.com, vindelicato@proskauer.com</p>
<p><b>If to the Revolving Credit Facility Agent, to:</b> Wells Fargo Bank, N.A. 1000 Louisiana St. 9th Floor – Energy Group Houston, TX 77002 Attn: Michael A. Tribolet Telephone: (713) 319-1326</p>	<p>Winston &amp; Strawn LLP 333 S. Grand Avenue, 38th Floor Los Angeles, CA 90071 Attn: Eric E. Sagerman, Justin E. Rawlins, Telephone: (213) 615-1700 Telecopier: (213) 615-1750 Email: esagerman@winston.com, jrawlins@winston.com</p>

Email: Michael.A.Tribolet@wellsfargo.com	and
and	Winston & Strawn LLP
Wells Fargo Bank, National Association	200 Park Avenue
Wells Fargo Law Department	New York, NY 10166-4193
333 S. Grand Avenue, Suite 1040	Attn: David Neier, Carey D. Schreiber
Los Angeles, CA 90071	Telephone: (212) 294-6700
Attn: David S. Rauch, Esq.	Facsimile: (212) 294-4700
Telephone: (213) 253-6569	Email: dneier@winston.com, cschreiber@winston.com
Facsimile: (213) 628-9918	
Email: david.s.rauch@wellsfargo.com	

After the occurrence of the Effective Date, the Reorganized Debtors have authority to send a notice to Entities that in order to continue to receive documents pursuant to Bankruptcy Rule 2002, such Entities must file a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the occurrence of the Effective Date, the Reorganized Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities that have filed such renewed requests.

**12.15 Reservation of Rights.** Except as otherwise provided herein, this Plan shall be of no force or effect unless the Bankruptcy Court enters the Confirmation Order. None of the filing of this Plan, any statement or provision of this Plan, or the taking of any action by the Debtors with respect to this Plan shall be or shall be deemed to be an admission or waiver of any rights of the Debtors with respect to any Claims or Interests prior to the Effective Date.

Dated: New York, New York

~~January 10~~ March 13, 2018

Respectfully submitted,

BREITBURN ENERGY PARTNERS LP

By: /s/ Halbert S. Washburn

Name: Halbert S. Washburn

Title: Chief Executive Officer

BREITBURN GP LLC  
BREITBURN OPERATING LP  
BREITBURN OPERATING GP LLC  
BREITBURN MANAGEMENT COMPANY LLC  
BREITBURN FINANCE CORPORATION  
ALAMITOS COMPANY  
BEAVER CREEK PIPELINE, L.L.C.  
BREITBURN FLORIDA LLC  
BREITBURN OKLAHOMA LLC  
BREITBURN SAWTELLE LLC  
BREITBURN TRANSPETCO GP LLC  
BREITBURN TRANSPETCO LP LLC  
GTG PIPELINE LLC  
MERCURY MICHIGAN COMPANY, LLC  
PHOENIX PRODUCTION COMPANY  
QR ENERGY, LP  
QRE GP, LLC  
QRE OPERATING, LLC  
TERRA ENERGY COMPANY LLC  
TERRA PIPELINE COMPANY LLC  
TRANSPETCO PIPELINE COMPANY, L.P