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AND DEBTOR IN POSSESSION

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

)		
In re:)	Chapter 11 Case	
)		
WELLFLEX ENERGY SOLUTIONS, LLC,)	Case No. 16-41049-mxm-11	
)		
)		
Debtor.)		

**DISCLOSURE STATEMENT PURSUANT TO SECTION 1125 OF THE UNITED STATES
BANKRUPTCY CODE WITH RESPECT TO CHAPTER 11 PLAN OF LIQUIDATION OF
WELLFLEX ENERGY SOLUTIONS, LLC**

Dated: September 14, 2016.

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Wellflex Energy Solutions, LLC (the “Debtor”), the debtor in the above-captioned chapter 11 case, hereby submits this Disclosure Statement Pursuant to Section 1125 of the United States Bankruptcy Code with Respect to the Chapter 11 Plan of Liquidation of Wellflex Energy Solutions, LLC (the “Disclosure Statement”). This Disclosure Statement is to be used in connection with the solicitation of votes on the Chapter 11 Plan of Liquidation of Wellflex Energy Solutions, LLC dated August __, 2016 (the “Plan”). A copy of the Plan is attached hereto as **Exhibit “A”**. Unless otherwise defined herein, terms used herein have the meanings ascribed thereto in the Plan (see Article I of the Plan).

For a general summary of the proposed treatment of Claims or Interests under the Plan, please see the chart below.

I. NOTICE TO HOLDERS OF CLAIMS

A. Generally

The purpose of this Disclosure Statement is to enable Creditors whose Claims are impaired to make an informed decision in exercising their right to vote to accept or reject the Plan.

THIS DISCLOSURE STATEMENT CONTAINS INFORMATION THAT MAY BEAR UPON YOUR DECISION TO ACCEPT OR REJECT THE PLAN. PLEASE READ THIS DOCUMENT WITH CARE.

On [REDACTED], 2016, the Bankruptcy Court entered an order pursuant to section 1125 of the Bankruptcy Code (the “Disclosure Statement Order”) approving this Disclosure Statement as containing information of a kind, and in sufficient detail, adequate to enable a hypothetical, reasonable investor, typical of the solicited holders of Claims against and Interests in the Debtor, to make an informed judgment with respect to the acceptance or rejection of the Plan. A copy of the Disclosure Statement Order is included in the materials accompanying this Disclosure Statement. APPROVAL OF THIS DISCLOSURE STATEMENT BY THE BANKRUPTCY COURT DOES NOT CONSTITUTE A DETERMINATION BY THE BANKRUPTCY COURT REGARDING THE FAIRNESS OR MERITS OF THE PLAN.

The statements contained in the Disclosure Statement are made as of the date hereof unless another time is specified, and neither delivery of the Disclosure Statement nor any exchange of rights made in connection with the Plan shall, under any circumstances, create an implication that there has not been any change in the information set forth herein since the date the Disclosure Statement and the materials relied on in preparation of the Disclosure Statement were compiled.

For the convenience of Creditors and parties in interest, this Disclosure Statement summarizes the terms of the Plan, but the Plan itself qualifies all summaries. This Disclosure Statement is qualified in its entirety by the terms of the Plan. If any inconsistency exists between the Plan and the Disclosure Statement, the terms of the Plan are controlling.

Each Claimant should consult the Claimant’s individual attorney, accountant and/or financial advisor as to the effect of the Plan on such Claimant.

Each holder of a Claim or Interest entitled to vote to accept or reject the Plan should read this Disclosure Statement and the Plan in their entirety before voting. No solicitation of votes to accept or reject the Plan may be made except pursuant to this Disclosure Statement and section 1125 of the Bankruptcy Code. Except for the Debtor’s estate and her professionals, no person has

been authorized to use or promulgate any information concerning the Debtor, the Debtor's business, or the Plan, other than the information contained herein, in connection with the solicitation of votes to accept or reject the Plan. No holder of a Claim entitled to vote on the Plan should rely upon any information relating to the Debtor, the Debtor's business, or the Plan other than that contained in this Disclosure Statement and the exhibits hereto. Unless otherwise indicated, the source of all information set forth herein was previously provided by the Debtor or by the independent executor of her probate estate.

The Disclosure Statement may not be relied on for any purpose other than to determine whether to vote in favor of or against the Plan and related options and elections, and nothing contained herein shall constitute an offer to sell or purchase a security as defined by state or Federal securities law or an admission of any fact or liability by any party, or be admissible in any proceeding involving the Debtor or any other party, or be deemed conclusive evidence of the tax or other legal effects of the reorganization of the Debtor on holders of Claims or Interests. Certain of the information contained in the Disclosure Statement, by its nature, is forward looking, contains estimates and assumptions which may prove to be wrong, and contains forecasts which may prove to be wrong or which may be materially different from actual results.

After carefully reviewing this Disclosure Statement, including the attached exhibits, please indicate your acceptance or rejection of the Plan by voting in favor of or against the Plan on the enclosed Ballot and returning the same to the address set forth on the Ballot, in the enclosed return envelope so that it will be received by no later than 5:00 P.M., CENTRAL TIME, ON [REDACTED], 2016.

If you do not vote to accept the Plan, or if you are the holder of an unimpaired Claim or Interest, you may be bound by the Plan if it is accepted by the requisite holders of Claims or Interests. See "Confirmation of the Plan – Solicitation of Votes; Vote Required for Class Acceptance" beginning on page [REDACTED] and "Cramdown" beginning on page [REDACTED] of this Disclosure Statement.

TO BE SURE YOUR BALLOT IS COUNTED, YOUR BALLOT MUST BE RECEIVED NO LATER THAN 5:00 P.M., CENTRAL TIME, ON [REDACTED], 2016. For detailed voting instructions and the name, address, and phone number of the person you may contact if you have questions regarding the voting procedures, see "Confirmation of the Plan – Solicitation of Votes; Voting Procedures – Parties In Interest Entitled to Vote" beginning on page [REDACTED] of this Disclosure Statement.

Pursuant to section 1128 of the Bankruptcy Code, the Bankruptcy Court has scheduled a hearing to consider confirmation of the Plan (the "Confirmation Hearing"), on [REDACTED], 2016 at [REDACTED].m., Central Time, in the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division. The Bankruptcy Court has directed that objections, if any, to confirmation of the Plan be filed and served on or before [REDACTED], 2016, in the manner described under the caption, "Confirmation of the Plan – Confirmation Hearing" beginning on page [REDACTED] of this Disclosure Statement.

THE DEBTOR'S CHIEF FINANCIAL OFFICER AND PROPOSED LIQUIDATING AGENT SUPPORTS CONFIRMATION OF THE PLAN AND URGES ALL HOLDERS OF IMPAIRED CLAIMS AND INTERESTS TO VOTE TO ACCEPT THE PLAN.

B. Summary of Treatment under the Plan

The following is an estimate of the numbers and amounts of classified Claims and Interests

to receive treatment under the Plan, and a summary of the proposed treatment of such Claims and Interests under the Plan. Reference should be made to the entire Disclosure Statement and to the Plan for a complete description of the classification and treatment of Claims and Interests.

The Bar Date for filing proofs of claim was July 7, 2016. The table below is drawn from the Debtor's Schedules and filed proofs of Claim. The final universe of Claims, as actually Allowed, may differ from this table.

Class	Treatment
<p><u>Class 1</u> – Priority (Non-Tax) Claims</p> <p>Estimated Amount: \$0.00</p> <p>Estimated Number of Holders: 0</p>	<p>Impaired</p> <p>Priority (Non-Tax) Claims shall be paid and treated as follows:</p> <p>Each holder of an Allowed Priority Non-Tax Claim shall receive (a) the full amount of such holder's Allowed Claim in one Cash payment on or before the Initial Distribution Date or (b) such other treatment as may be agreed upon in writing by the holder of such Priority Non-Tax Claim and the Debtor.</p> <p>No Priority (Non-Tax) Claims were filed in the Debtor's bankruptcy case prior to the Bar Date. Moreover, all Priority (Non-Tax) Claims reflected on the Debtor's Schedule E were paid pursuant to the Bankruptcy Court's <i>Order Authorizing Debtor (1) To Fund Payments to PEO for Payments to Debtor's and PEO's Co-Employees, (2) To Pay Benefits and Reimburse Expenses to Co-Employees, and (3) To Reinstate and Assume Agreement with PEO</i> [Docket No. 34]. Accordingly, the Debtor does not believe that there are any valid Priority (Non-Tax) Claims against its estate and expects that this will be an empty Class. However, in the event any such Priority (Non-Tax) Claims are determined to exist and are Allowed by the Bankruptcy Court, they shall be classified as Class 1 Claims and paid and treated as set forth herein.</p> <p>Estimated Recovery: 100%</p>
<p><u>Class 2A</u> – Secured Claim of IPFS</p> <p>Estimated Amount: \$27,810.34</p> <p>Estimated Number of Holders: 1</p>	<p>Impaired</p> <p>The Secured Claim of IPFS shall be paid and treated as follows:</p> <p>IPFS has a Secured Claim arising from a Premium Financing Agreement (the "<u>IPFS Agreement</u>")</p>

Class	Treatment
	<p>whereby IPFS financed the premiums for certain of the Debtor’s insurance policies (collectively, the “Policies”). Per the terms of the IPFS Agreement, the Debtor granted IPFS a security interest in (a) all money that is or may be due to the Debtor because of a loss under any Policy that reduces the unearned premiums (subject to the interest of any applicable mortgagee or loss payee); (b) any unearned premium under the Policies; (c) dividends which may become due to the Debtor in connection with any of the Policies; and (d) interests arising under a state guarantee fund (collectively, the “IPFS Collateral”). Following the sale of the Debtor’s Assets to the Purchaser, the Policies were cancelled. At the time of cancellation, one installment payment to IPFS in the approximate amount of \$27,810.34 remained unpaid. Thus, IPFS shall be entitled to recover this amount, together with any applicable interest, fees, and collection costs authorized under the IPFS Agreement, out of the IPFS Collateral, including, <i>inter alia</i>, any unearned premium under the Policies, in full and complete satisfaction of its Secured Claim. On the Effective Date, IPFS shall be entitled to exercise all of its state law and contractual rights and remedies with respect to the IPFS Collateral, including, without limitation, the collection of the IPFS Collateral directly from the Debtor’s insurer(s) to the full extent authorized by the IPFS Agreement and applicable non-bankruptcy law. To the extent the amount of IPFS’s Allowed Claim exceeds the value of the IPFS Collateral, IPFS’s Unsecured deficiency Claim shall be treated in the same manner as Class 3 Unsecured (General) Claims, and IPFS shall share <i>pari passu</i> with the holders of Allowed Class 3 Claims in the distribution of Net Cash.</p> <p>Estimated Recovery: 100% of Secured Claim¹</p>
<u>Class 2B</u> – Other Secured Claims	<p>Unimpaired</p> <p>Other Secured Claims shall be paid and treated as</p>

¹ IPFS shall receive the IPFS Collateral in full satisfaction of its Secured Claim. However, to the extent the value of the IPFS Collateral is less than the amount of IPFS’s Allowed Claim (i.e., if the amount that IPFS is able to recover from the Debtor’s insurer(s) for, *inter alia*, unearned premiums is less than the amount of IPFS’s Allowed Claim), the estimated recovery for IPFS’s Unsecured deficiency Claim would be approximately 3 to 4 percent (see Class 3 Unsecured (General) Claims below).

Class	Treatment
<p>Estimated Amount: \$0.00</p> <p>Estimated Number of Holders: 0</p>	<p>follows:</p> <p>Each Allowed Secured Claim shall be placed within a separate subclass of this Class 2B. Accordingly, each such Class 2B Claim shall, for purposes of accepting or rejecting the Plan and for receiving distributions under the Plan, be treated as though in a separate Class. On or before the Effective Date, except to the extent that a holder of an Allowed Secured Claim agrees to less favorable treatment, each holder of an Allowed Secured Claim shall, at the Liquidating Agent’s option and sole discretion, receive one of the following treatments: (i) payment in full in cash from the Distribution Account; (ii) the Collateral securing such Allowed Secured Claim; or (iii) other treatment that renders such Allowed Secured Claim unimpaired in accordance with section 1124 of the Bankruptcy Code.</p> <p>In light of the sale of substantially all of the Debtor’s Assets to the Purchaser pursuant to the Bankruptcy Court’s <i>Order Authorizing the Sale of Substantially All of the Debtor’s Assets Free and Clear of Liens, Claims, Encumbrances, and Other Interests</i> [Docket No. 93] (the “<u>Sale Order</u>”), the Debtor does not believe that any valid Secured Claims remain against its estate other than the Secured Claim of IPFS, which is classified in Class 2A. Thus, it is expected that this will be an empty Class. However, to the extent any other valid Secured Claims are determined to exist and Allowed by the Bankruptcy Court, such Secured Claims shall be treated as set forth in this Section 4.03.</p> <p>Estimated Recovery: 100%</p>
<p><u>Class 3</u> – Unsecured (General) Claims</p> <p>Estimated Amount: \$2,225,000.00</p> <p>Estimated Number of Holders: 97</p>	<p>Impaired</p> <p>Unsecured (General) Claims shall be paid and treated as follows:</p> <p>Except to the extent that a holder of an Allowed Unsecured (General) Claim agrees to different, less favorable treatment, each holder of an Allowed Unsecured (General) Claim shall receive its pro rata share of Net Cash on or before the Initial Distribution Date.</p> <p>Estimated Recovery: 3 to 4%</p>

Class	Treatment
<p>Class 4 – Interests in the Debtor</p> <p>Estimated Amount: N/A</p> <p>Total Holders: 6</p>	<p>Impaired</p> <p>All Interests in the Debtor shall be extinguished and shall cease to exist as of the Effective Date. The holder(s) of such Interests shall not receive or retain any property on account of such Interests under the Plan.</p> <p>Estimated Recovery: 0%</p>

The total universe of Claims, as ultimately Allowed, may be greater or smaller than as reflected in the above analysis.

II. EXPLANATION OF CHAPTER 11

A. Overview of Chapter 11

Chapter 11 is the principal reorganization chapter of the Bankruptcy Code. Pursuant to chapter 11, the debtor-in-possession attempts to reorganize its business for the benefit of the debtor, its creditors, and other parties in interest. The Debtor's chapter 11 case commenced with the filing of a voluntary chapter 11 petition on March 13, 2016.

The commencement of a chapter 11 case creates an estate comprising all the legal and equitable interests of the debtor in property as of the date the petition is filed. Sections 1101, 1107, and 1108 of the Bankruptcy Code provide that a debtor may continue to operate its business and remain in possession of its property as a "debtor in possession" unless the bankruptcy court orders the appointment of a trustee. In the present chapter 11 case, the Debtor remained in possession of her property and continued to operate her business as a debtor-in-possession.

The filing of a chapter 11 petition also triggers the automatic stay provisions of the Bankruptcy Code. Section 362 of the Bankruptcy Code provides, *inter alia*, for an automatic stay of all attempts to collect pre-petition claims from the debtor or otherwise interfere with its property or business. Except as otherwise ordered by the bankruptcy court, the automatic stay remains in full force and effect until the effective date of a confirmed plan of reorganization.

The formulation of a plan of reorganization is the principal purpose of a chapter 11 case. The plan sets forth the means for satisfying the claims against and interests in the debtor. Generally, unless a trustee is appointed, only the debtor may file a plan during the first 120 days of a chapter 11 case (the "Exclusive Period"). However, section 1121(d) of the Bankruptcy Code permits the court to extend or reduce the Exclusive Period upon a showing of "cause." After the Exclusive Period has expired, a creditor or any other party in interest may file a plan, unless the debtor has filed a plan within the Exclusive Period, in which case, the debtor is generally given 60 additional days (the "Solicitation Period") during which it may solicit acceptances of its plan. The Solicitation Period may also be extended or reduced by the court upon a showing of "cause."

B. Plan of Reorganization

Although referred to as a plan of reorganization, a plan may provide anything from a complex restructuring of a debtor's business and its related obligations to a simple liquidation of

the debtor's assets. In the Debtor's chapter 11 case, the Plan provides that (a) the Assets of the Debtor will vest in the Liquidating Agent for purposes of implementing the Plan and (b) the Liquidating Agent will distribute the proceeds from the sale of the Debtor's Assets to creditors in accordance with the terms of the Plan.

After a plan of reorganization has been filed, the holders of impaired claims against or interests in a debtor are permitted to vote to accept or reject the plan. Before soliciting acceptances of the proposed plan, section 1125 of the Bankruptcy Code requires the debtor to prepare a disclosure statement containing adequate information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment about the plan. This Disclosure Statement is presented to holders of Claims against and Interests in the Debtor to satisfy the requirements of section 1125 of the Bankruptcy Code.

If all classes of claims and interests accept a plan of reorganization, the bankruptcy court may nonetheless still not confirm the plan unless the court independently determines that the requirements of section 1129 of the Bankruptcy Code have been satisfied. Section 1129 sets forth the requirements for confirmation of a plan and, among other things, requires that a plan meet the "best interests of creditors" test and be "feasible." The "best interests of creditors" test generally requires that the value of the consideration to be distributed to the holders of claims and interests under a plan may not be less than those parties would receive if the debtor were liquidated pursuant to a hypothetical liquidation occurring under chapter 7 of the Bankruptcy Code. Under the "feasibility" requirement, the court generally must find that there is a reasonable probability that the debtor will be able to meet its obligations under its plan without the need for further financial reorganization.

The Debtor's estate and Liquidating Agent believe that the Plan satisfies all the applicable requirements of section 1129(a) of the Bankruptcy Code, including, in particular, the "best interests of creditors" test and the "feasibility" requirement. The Debtor's estate and Liquidating Agent support confirmation of the Plan and urge all holders of impaired Claims to accept the Plan.

Chapter 11 does not require that each holder of a claim against or interest in a debtor vote in favor of a plan of reorganization in order for the bankruptcy court to confirm the plan. At a minimum, however, the plan must be accepted by a majority in number and two-thirds in amount of those claims actually voting in at least one class of impaired claims under the plan. The Bankruptcy Code also defines acceptance of the plan by a class of interests (equity securities) as acceptance by holders of two-thirds of the number of shares actually voting. In the present case, only the holders of Claims or Interests who actually vote will be counted as either accepting or rejecting the Plan.

In addition, classes of claims or interests that are not "impaired" under a plan of reorganization are conclusively presumed to have accepted the plan and thus are not entitled to vote. Accordingly, acceptances of a plan will generally be solicited only from those persons who hold claims or interests in an impaired class. A class is "impaired" if the legal, equitable, or contractual rights attaching to the claims or interests of that class are modified in any way under the plan. However, if holders of the claims or interests in a class do not receive or retain any property on account of such claims or interests, then each such holder is deemed to have voted to reject the plan and does not actually cast a vote to accept or reject the plan.

Classes 1, 2A, 3, and 4 are impaired under the Plan. Class 4 shall not receive or retain any property under the Plan and is therefore deemed to reject the Plan. Class 2B is unimpaired and is deemed to accept the Plan.

The bankruptcy court may also confirm a plan of reorganization even though fewer than all

the classes of impaired claims and interests accept it. For a plan of reorganization to be confirmed despite its rejection by a class of impaired claims or interests, the proponents of the plan must show, among other things, that the plan does not “discriminate unfairly” and that the plan is “fair and equitable” with respect to each impaired class of claims or interests that has not accepted the plan.

Under section 1129(b) of the Bankruptcy Code, a plan is “fair and equitable” as to a class of rejecting claims if, among other things, the plan provides: (a) with respect to secured claims, that each such holder will receive or retain on account of its claim property that has a value, as of the effective date of the plan, equal to the allowed amount of such claim; and (b) with respect to unsecured claims and interests, that the holder of any claim or interest that is junior to the claims or interests of such class will not receive or retain on account of such junior claim or interest any property at all unless the senior class is paid in full.

A plan does not “discriminate unfairly” against a rejecting class of claims if (a) the relative value of the recovery of such class under the plan does not differ materially from that of any class (or classes) of similarly situated claims, and (b) no senior class of claims is to receive more than 100% of the amount of the claims in such class.

The Debtor’s estate and Liquidating Agent believe that the Plan has been structured so that it will satisfy these requirements as to any rejecting Class of Claims, and can therefore be confirmed, if necessary, over the objection of any Classes of Claims. The Debtor’s estate, however, reserves the right to request confirmation of the Plan under the “cramdown” provisions of section 1129 of the Bankruptcy Code.

III. THE DEBTOR

The Debtor was founded in 2006 as a vertically integrated manufacturing division within Quicksilver Resources, one of the largest operators in the Barnett Shale. Quicksilver started this business to improve the cost, quality, and reliability of their wellhead production facilities by modularizing the facilities in a controlled manufacturing environment. In 2011, the business took on the name Wellflex Energy Solutions and began selling products to outside companies. The Debtor came under new ownership in 2013 after a management buy-out backed by industry veteran investors based in Fort Worth. Since 2013, Wellflex’s modular facilities concept has seen growing adoption from small oil and gas operators to the largest independents.

Through the oil price decline of 2015, Wellflex was able to grow customers and revenue to \$13.5M by providing a product and service that allowed operators to cut costs and improve efficiency. However, the continued decline of oil prices from late 2015 into 2016 proved to be too much for many of the Debtor’s customers to overcome. Over the period of a month, the Debtor’s 2016 revenue forecast went from \$24M to \$6M, and the Debtor’s balance sheet did not have the flexibility to survive a sustained downturn in the industry.

As part of the Debtor’s bankruptcy case, the Debtor sold substantially all of its Assets to Wellflex Energy Partners Fort Worth, LLC (the “Purchaser”). This sale was approved by Court order dated May 20, 2016 [Docket No. 93]. Thus, the Debtor is no longer operating as a going concern.

The Debtor has filed the Plan to provide for the orderly distribution of the proceeds from the sale of its Assets to Creditors in accordance with the provisions of the Bankruptcy Code.

IV. FEASIBILITY

The Bankruptcy Code conditions confirmation of a plan of reorganization on, among other

things, a finding that it is not likely to be followed by the liquidation or the need for further financial reorganization of a debtor, unless such liquidation or reorganization is provided for by the plan of reorganization.

The Plan provides for the liquidation of all of the Debtor's remaining Assets and the distribution of all Net Cash to the holders of Allowed Claims. Accordingly, following the consummation and effectuation of the Plan, the Debtor will have no additional Assets. As the Plan merely provides for the orderly liquidation of the Debtor's Assets and the distribution of the proceeds to Creditors, the Debtor's estate and Liquidating Agent believe that the Plan is feasible and that there will not be any need, or even the potential, for further liquidation or reorganization following confirmation of the Plan.

V. THE CHAPTER 11 CASE

A. Factors Leading To Filing of the Chapter 11 Case

Like many other businesses in the energy sector, the drastic reduction in commodity prices had an adverse effect on the Debtor's operations. As noted above, the continued decline of oil prices from late 2015 into 2016 proved to be too much for many of the Debtor's customers to overcome. Over the period of a month, the Debtor's 2016 revenue forecast went from \$24M to \$6M, and the Debtor's balance sheet did not have the flexibility to survive a sustained downturn in the industry. As a result, the Debtor experienced cash flow difficulties and was forced to file for relief under chapter 11 of the Bankruptcy Code so that it could obtain debtor-in-possession financing to allow it to continue to operate while it marketed its assets for sale.

B. Commencement of the Chapter 11 Case

On March 13, 2016, the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. At the time of the bankruptcy filing, the Debtor's cash flow problems had become critical, and the Debtor was on the brink of having to cease operations if it was unable to obtain debtor-in-possession financing.

C. The Debtor's Professionals

The following is a list of each of the Professionals that have been employed by the Debtor in its chapter 11 Case, with a description of the role of each such Professional and the status of such Professional's employment:

<u>Professional</u>	<u>Role of Professional</u>	<u>Status of Employment</u>
Forshey & Prostok, LLP ("F&P")	Bankruptcy counsel for the Debtor	Order granting employment entered on May 9, 2016 [Docket No. 81]
BDO USA, LLP	Accountant for Preparation of Tax Returns	Order granting employment entered on June 9, 2016 [Docket No. 110]

D. Creditors' Committee

The U.S. Trustee has not appointed a creditors' committee in the Debtor's chapter 11 case.

E. Professional Fees and Expenses; U.S. Trustee Fees

F&P was paid a retainer in the amount of \$50,000 from the Debtor prepetition. \$16,513.50 of such retainer was applied to satisfy fees and expenses incurred prepetition. The remaining balance of \$33,486.50 is currently being held in F&P's trust account and has not been applied to any of F&P's post-petition fees and expenses. As of July 31, 2016, F&P had incurred approximately \$111,375.25 in professional fees and expenses in connection with its representation of the Debtor in this case. Additional fees and expenses will be incurred in connection with the confirmation of the Plan.

It is anticipated that BDO USA, LLP's fees for preparing the Debtor's tax returns will range from \$5,000.00 to \$7,500.00. However, this is merely an estimate, and BDO USA, LLP's actual fees may exceed this amount.

The Debtor's estate has paid quarterly U.S. Trustee fees during the pendency of the Bankruptcy Case and expects to continue paying quarterly fees as they become due.

F. Continuation of Business and Affairs after the Petition Date

Following the Petition Date, the Debtor continued to operate and manage its affairs as a debtor in possession. As discussed below, the Debtor, *inter alia*, (a) sought Bankruptcy Court approval to obtain debtor-in-possession financing and (b) sought authorization from the Bankruptcy Court to sell substantially all of its Assets free and clear of liens, claims, and encumbrances pursuant to section 363 of the Bankruptcy Code.

1. Debtor's Motion Authorizing Post-Petition DIP Financing

On March 13, 2016, the Debtor filed *Debtor's Emergency Motion for the Entry of Interim and Final Orders Approving Post-Petition Financing under Section 364(c)* [Docket No. 5] (the "DIP Motion") whereby the Debtor sought authority to obtain up to \$1.75 million in post-petition financing from Wellflex Energy Partners Fort Worth, LLC. On March 16, 2016, the Court entered an interim order [Docket No. 16] granting the motion and authorizing the DIP financing up to a maximum amount of \$500,000 pending a final hearing on the DIP Motion and the entry of a final order. The DIP loan was secured by junior liens on substantially all of the Debtor's Assets and was granted superpriority administrative expense status pursuant to section 364(c). A final hearing on the DIP Motion was held on March 31, 2016. Following the final hearing, the Court entered its *Final Order Pursuant to 11 U.S.C. §§ 105 and 364(c) (I) Approving Post-Petition Financing and (II) Granting Liens and Providing Superpriority Administrative Expense Status* [Docket No. 51] granting the DIP Motion on a final basis and authorizing the Debtor to borrow up to \$1.75 million under the DIP Facility.

2. Debtor's Motion to Sell Substantially All of Its Assets

On April 15, 2016, the Debtor filed *Debtor's Motion for Orders (a) Approving Sale of Substantially All Assets Free and Clear of All Liens, Claims, Encumbrances and Other Interests, (b) Approving Bidding Procedures in Advance of Auction, (c) Approving Assumption and Assignment of Executory Contracts and Leases, and (d) Granting Related Relief* [Docket No. 60].

On April 21, 2016, the Court entered its *Order Approving Bidding and Auction Procedures* [Docket No. 69] (the "Procedures Order").

The sale process was conducted in accordance with Procedures Order. On May 20, 2016, the Court entered its *Order Authorizing the Sale of Substantially All of the Debtor's Assets Free and Clear of Liens, Claims, Encumbrances, and Other Interests* [Docket No. 93] (the "Sale Order") authorizing the sale of substantially all of the Debtor's Assets to the Purchaser. The sale of the Debtor's Assets to the Purchaser closed in July 2016. Under the terms of the sale, the Purchaser forgave all indebtedness owed by the Debtor under the DIP loan, assumed substantially all of the Debtor's secured debt, and paid the Debtor \$175,000 in cash.

G. Schedules and Bar Dates

After receiving an extension authorized by the Court, the Debtor filed its Schedules and Statement of Financial Affairs on April 4, 2016 [Docket Nos. 56 and 57]. Pursuant to a *Notice of Chapter 11 Bankruptcy Case* entered on the docket [Docket No. 8], July 7, 2016, was fixed by the Bankruptcy Court as the deadline for all holders of alleged Claims (except for governmental units) to file proofs of claim.

H. Operating Information during Pendency of the Chapter 11 Case

The Debtor has filed all required monthly operating reports with the Bankruptcy Court. Copies of the filed monthly operating reports are available for inspection and copying at the office of the Clerk of the Bankruptcy Court. A copy of the most recently filed monthly operating report is attached hereto as **Exhibit "B"**.

I. Matters Relating to Executory Contracts, Unexpired Leases, and Bar Dates for Rejection Claims

Section 365 of the Bankruptcy Code grants a debtor the power, subject to the approval of the Bankruptcy Court, to assume or reject executory contracts and unexpired leases. Section 365(d)(4) of the Bankruptcy Code provides that if a debtor does not assume or reject an unexpired lease of nonresidential real property under which a debtor is the lessee (i) within 120 days after the petition date (the "365(d)(4) Deadline"), (ii) within an additional 90-day period as the bankruptcy court, for cause, may allow, or (iii) within such additional time as the bankruptcy court may permit with the consent of the landlord of the leased premises, then such lease is deemed rejected.

Except as otherwise ordered by the Court pursuant to a separate application to assume or reject, all Executory Contracts of the Debtor shall be deemed as rejected by the Liquidating Agent upon the Effective Date unless an Executory Contract (a) has been previously assumed or rejected pursuant to an order of the Bankruptcy Court, (b) is identified in this Plan or the Confirmation Order to be assumed, or (c) is the subject of a motion to assume filed on or before the Confirmation Date. Any Executory Contract to be assumed under this Plan that has been amended or modified at any time after the Petition Date of the Debtor that is party to such Executory Contract shall be deemed assumed as amended or modified. The Plan shall constitute a motion to reject the Executory Contracts. However, the Debtor may file a separate motion for the assumption or rejection of any Executory Contract at any time through the Confirmation Date.

J. Liquidation of Bankruptcy Estate

The Plan provides that the Debtor's Bankruptcy Estate will be fully liquidated by (a) the vesting of all of the Debtor's Assets in the Liquidating Agent and (b) the distribution of all Net Cash to the holders of Allowed Claims in accordance with the terms of the Plan.

VI. LITIGATION INVOLVING THE DEBTOR

A. Current Litigation

The Debtor is not currently a party to any pending litigation.

B. Additional and Potential Litigation by the Debtor

Except as expressly provided in the Plan, nothing contained in the Disclosure Statement, the Plan or the Confirmation Order shall waive, relinquish, release or impair the Debtor's or Liquidating Agent's right to object to any Claim.

Except as expressly set forth in the Plan, all causes of action, claims, counterclaims, defenses and rights of offset or recoupment (including but not limited to all Estate Claims, Estate Defenses and Avoidance Actions) belonging to the Debtor shall, upon the occurrence of the Effective Date, be retained by, received by and vested in the Liquidating Agent for the benefit of the Debtor's Estate. Except as expressly set forth in the Plan, the rights of the Liquidating Agent to commence, prosecute or settle such causes of action shall be preserved notwithstanding the occurrence of the Effective Date. **No Person may rely on the absence of a specific reference in the Plan or the Disclosure Statement to any cause of action against them as any indication that the Debtor's Bankruptcy Estate or the Liquidating Agent will not pursue any and all available causes of action (including all Estate Claims, Estate Defenses and Avoidance Actions) against them. The Debtor's Estate expressly reserves all rights to prosecute any and all causes of action (including all Estate Claims, Estate Defenses and Avoidance Actions) against any Person, except as otherwise provided in the Plan.** Unless any causes of action against a Person are expressly waived, relinquished, exculpated, released, compromised or settled in the Plan or a Final Order, the Debtor's Estate expressly reserves all causes of action (including all Estate Claims, Estate Defenses and Avoidance Actions) for later adjudication, and, therefore, no preclusion doctrine, including without limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches, shall apply to such causes of action upon or after the confirmation or consummation of the Plan. Without limiting the foregoing, parties are advised that the Debtor's Estate specifically preserves any Avoidance Actions it may hold against all parties disclosed in Debtor's Statement of Financial Affairs filed on April 4, 2016 [Docket No. 56], as hereafter amended or supplemented, as having received any conveyances or transfers from the Debtor.

VII. THE PLAN

THE FOLLOWING IS A SUMMARY OF THE MATTERS CONTEMPLATED TO OCCUR EITHER PURSUANT TO OR IN CONNECTION WITH THE CONSUMMATION OF THE PLAN. THIS SUMMARY HIGHLIGHTS THE SUBSTANTIVE PROVISIONS OF THE PLAN AND IS NOT, NOR IS IT INTENDED TO BE, A COMPLETE DESCRIPTION OR A SUBSTITUTE FOR A FULL AND COMPLETE REVIEW OF THE PLAN. THE FOLLOWING SUMMARY IS COMPLETELY QUALIFIED BY THE TERMS OF THE PLAN. IN THE EVENT OF ANY CONFLICT BETWEEN THE FOLLOWING SUMMARY AND THE PLAN, THE PLAN WILL CONTROL.

A. Classification and Treatment Summary

The Plan classifies the various Claims against the Debtor. These Classes take into account the different nature and priority of Claims against the Debtor. In addition, in accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Expense Claims and Priority Tax Claims are not classified for purposes of voting under the Plan. Rather, all such Claims are treated separately as unclassified Claims.

With the exception of Class 2B – Other Secured Claims, all Classes of Claims and Interests are impaired under the Plan. If a controversy arises as to the classification of any Claim or Interest, or as to whether any Class of Claims or Interests is impaired under the Plan, the Bankruptcy Court shall determine such controversy as a part of the confirmation process.

1. Unclassified Claims Against the Debtor

Unclassified Claims against the Debtor consist of Administrative Expense Claims and Priority Tax Claims. An Administrative Expense Claim is a Claim based on any cost or expense of administration of the Debtor's chapter 11 case allowed under subsections 503(b) and 507(a)(2) of the Bankruptcy Code, including, without limitation, any actual and necessary expenses of preserving the estate of the Debtor, any actual and necessary expenses of operating the businesses of the Debtor, any indebtedness or obligations incurred or assumed by the Debtor, as a debtor in possession, during the chapter 11 case including, without limitation, for the acquisition or lease of property or an interest in property or the rendition of services, all compensation or reimbursement of expenses to the extent allowed by the Bankruptcy Court under section 330 or 503 of the Bankruptcy Code, and any fees or charges assessed against the estate of the Debtor under section 1930 of title 28 of the United States Code.

Administrative Expense Claims include both ordinary post-petition expenses and Claims attributable to Professionals. Claims incurred in the ordinary course of the Debtor's affairs or business will be paid in the ordinary course of business. Fees and expenses owed to Professionals are payable upon the Allowance of an appropriate fee application.

a. Treatment of Administrative Expense Claims

Each holder of an Allowed Administrative Expense shall receive, at the Liquidating Agent's option, (i) the amount of such holder's Allowed Administrative Expense in one cash payment on the later of the Effective Date or the fourteenth (14th) day after such Administrative Expense becomes an Allowed Administrative Expense, (ii) the amount of such holder's Allowed Administrative Expense in accordance with the ordinary business terms of such expense or cost, or (iii) such other treatment as may be agreed to in writing by such Administrative Expense Creditor and the Liquidating Agent, or as ordered by the Bankruptcy Court.

Unless the Bankruptcy Court orders to the contrary or the Debtor or Liquidating Agent agrees to the contrary in writing, the holder of a Claim for an Administrative Expense, other than such a Claim by a Professional, a liability incurred and paid in the ordinary course of business by the Debtor, or an Allowed Administrative Expense, shall file with the Bankruptcy Court and serve upon the Liquidating Agent and his counsel a written notice of such Claim for an Administrative Expense within thirty (30) days after the Effective Date. Such notice shall include at a minimum: (i) the name, address, telephone number and fax number (if applicable) of the holder of such Claim, (ii) the amount of such Claim, and (iii) the basis of such Claim. Failure to timely and properly file and serve such notice shall result in such Claim for an Administrative Expense being forever barred and discharged.

A Claim for an Administrative Expense, for which a proper notice was filed and served under subsection 3.01(b) of the Plan, shall become an Allowed Administrative Expense if no Objection is filed within thirty (30) days of the filing and service of such notice. If a timely Objection is filed, the Claim shall become an Allowed Administrative Expense only to the extent allowed by a Final Order.

THE FAILURE TO FILE THE REQUIRED NOTICE OF ADMINISTRATIVE EXPENSE CLAIM ON OR BEFORE THE ADMINISTRATIVE EXPENSE CLAIMS BAR DATE AND THE FAILURE TO SERVE SUCH NOTICE TIMELY AND PROPERLY SHALL RESULT IN THE ADMINISTRATIVE EXPENSE CLAIM BEING FOREVER BARRED, DISALLOWED AND DISCHARGED WITHOUT FURTHER ORDER OF THE BANKRUPTCY COURT.

The above procedures shall not apply to Professionals, who shall each file and submit a final fee application to the Bankruptcy Court no later than sixty (60) days after the Effective Date. A Claim for Administrative Expense by a Professional in respect of which a final fee application has been properly filed and served shall become an Allowed Administrative Expense only to the extent allowed by Final Order and, if so Allowed, shall be paid in accordance with subsection 3.01(a) of the Plan. Professional fees and expenses to any Professional incurred on or after the Effective Date may be paid without necessity of application to or order by the Court.

b. Treatment of Priority Tax Claims

Each holder of an Allowed Priority Tax Claim shall receive (a) the amount of such holder's Allowed Claim in one cash payment on or before the Initial Distribution Date or (b) such other treatment as may be agreed to in writing by the holder of the Priority Tax Claim and the Debtor. The Debtor does not believe that there are currently any valid Priority Tax Claims against its estate. No such Claims were filed or listed in the Debtor's bankruptcy Schedules.

c. Treatment of United States Trustee's Fees

The Debtor or the Liquidating Agent, as the case may be, shall pay the U.S. Trustee's quarterly fees incurred pursuant to 28 U.S.C. § 1930(a)(6). Any fees due as of the Confirmation Date shall be paid in full on the Effective Date. After the Confirmation Date, the Liquidating Agent shall pay quarterly fees as they accrue until a final decree is entered and the bankruptcy case is closed. The Liquidating Agent shall file with the Bankruptcy Court and serve on the U.S. Trustee quarterly financial reports for each quarter, or portion thereof, that the Debtor's bankruptcy case remains open.

2. Classified Claims and Interests

Classified Claims shall receive the treatment as described in Article IV of the Plan, which treatment is summarized in the table set forth in Article I.B of this Disclosure Statement above.

B. Acceptance or Rejection of the Plan

Each impaired Class of Claims entitled to vote shall separately vote to accept or reject the Plan. Any unimpaired Class shall not be entitled to vote to accept or reject the Plan. Any unimpaired Class is deemed to have accepted the Plan under section 1126(f) of the Bankruptcy Code. A Class of Claims shall have accepted the Plan if it is accepted by at least two-thirds (2/3) in amount and more than one-half (1/2) in number of the Allowed Claims in such Class that have voted on the Plan. Any Class of Claims that is not occupied as of the date of the commencement of the Confirmation Hearing by an Allowed Claim or a Claim temporarily Allowed under Bankruptcy Rule 3018 shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan

and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code. Section 5.03 of the Plan shall constitute the request by the Plan proponent, pursuant to section 1129(b) of the Bankruptcy Code, that the Bankruptcy Court confirm the Plan notwithstanding the fact that the requirements of section 1129(a)(8) of the Bankruptcy Code have not been met.

C. Means of Implementation of the Plan

1. Assumption of Allowed Claims

The Plan provides that, on the Effective Date, the Assets will all vest in the Liquidating Agent as Trustee for the benefit of the creditors of the Bankruptcy Estate. All Distributions under the Plan will be paid by the Liquidating Agent using the Assets of the Bankruptcy Estate in the manner provided in Articles III and IV of the Plan. All such Distributions or payments shall be made by the Liquidating Agent as set forth regarding the treatment of the respective Allowed Claims in Articles III and IV of the Plan.

2. Distribution Account

The Estate Cash shall be deposited into the Distribution Account upon the Effective Date. The Liquidating Agent shall pay all Allowed Claims from the funds contained in the Distribution Account in accordance with Articles III and IV of the Plan.

As set forth in Section V.F.2. above, in July 2016 the Debtor closed the sale of substantially all of its Assets to the Purchaser pursuant to the Sale Order. The Debtor received \$175,000 in cash as proceeds from the sale. The Debtor will use these sale proceeds to fund distributions under the Plan. All Net Cash will be distributed to the holders of Allowed Class 3 General Unsecured Claims on a pro rata basis.

3. Vesting of Assets

As of the Effective Date, pursuant to sections 1141(b) and (c) of the Bankruptcy Code, all Assets shall be transferred to, and vested in, the Liquidating Agent, free and clear of all rights, title, interests, claims, Liens, encumbrances and charges, except as expressly set forth in the Plan. Without limiting the generality of the foregoing, all such Assets shall vest in the Liquidating Agent free and clear of any Lien except as expressly provided in the Plan. Without limiting the foregoing, the Liquidating Agent may pay the charges that he incurs on or after the Effective Date for all fees, disbursements, expenses or related support services of Professionals (including fees relating to the preparation of Professional fee applications) without application to, or approval of, the Bankruptcy Court.

4. Actions by the Liquidating Agent to Implement Plan

The entry of the Confirmation Order shall constitute authorization for the Liquidating Agent to take or cause to be taken all actions necessary or appropriate to implement all provisions of, and to consummate, the Plan prior to, on and after the Effective Date and all such actions taken or caused to be taken shall be deemed to have been authorized and approved by the Bankruptcy Court without further approval, act or action under any applicable law, order, rule or regulation.

5. Retention and Assertion of Causes of Action and Defenses

Except as expressly set forth in the Plan, all causes of action, claims, counterclaims, defenses and rights of offset or recoupment (including but not limited to all Estate Claims, Estate Defenses and Avoidance Actions) belonging to the Debtor shall, upon the occurrence of the Effective Date, be retained by, received by and vested in the Liquidating Agent for the benefit of the Debtor's Estate. Except as expressly set forth in the Plan, the rights of the Liquidating Agent to commence, prosecute or settle such causes of action shall be preserved notwithstanding the occurrence of the Effective Date. **No Person may rely on the absence of a specific reference in the Plan or this Disclosure Statement to any cause of action against them as any indication that the Debtor's Estate or the Liquidating Agent will not pursue any and all available causes of action (including all Estate Claims, Estate Defenses and Avoidance Actions) against them. The Debtor's Estate and the Liquidating Agent expressly reserves all rights to prosecute any and all causes of action (including all Estate Claims, Estate Defenses and Avoidance Actions) against any Person, except as otherwise provided in the Plan.** Unless any causes of action against a Person are expressly waived, relinquished, exculpated, released, compromised or settled in the Plan or a Final Order, the Debtor's Estate expressly reserves all causes of action (including all Estate Claims, Estate Defenses and Avoidance Actions) for later adjudication, and, therefore, no preclusion doctrine, including without limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches, shall apply to such causes of action upon or after the confirmation or consummation of the Plan. The Debtor's Estate and the Liquidating Agent may also assert Estate Defenses as a defense to the allowance of any Claim not otherwise Allowed.

Without limiting the foregoing, parties are advised that the Debtor's Estate specifically preserves any Avoidance Actions it may hold against all parties disclosed in Debtor's Statement of Financial Affairs filed on April 4, 2016 [Docket No. 56], as hereafter amended or supplemented, as having received any conveyances or transfers from the Debtor. A copy of the Statement of Financial Affairs is attached hereto as **Exhibit "C"**.

D. Provisions Governing Distribution

1. Source of Distributions

All Distributions to be made by the Liquidating Agent to Creditors under the Plan shall be made through the Distribution Account.

2. Timing and Amount of Distributions

No Distribution shall be made on account of any Claim until such Claim is Allowed, except as otherwise set forth in the Plan or ordered by the Bankruptcy Court pursuant to a Final Order. No Distribution shall be made on account of any Contested Claim until such Claim is Allowed. Any Distributions pursuant to the Plan shall be made on the respective Initial Distribution Dates applicable to each such Allowed Claim except as otherwise provided in the Plan or ordered by the Bankruptcy Court. Any Unclaimed Property may be paid into the registry of the Bankruptcy Court or otherwise distributed in accordance with the orders of the Bankruptcy Court.

3. Means of Cash Payment

Cash payments to be made by the Liquidating Agent pursuant to the Plan shall be made by check drawn on the Distribution Account.

4. Record Date for Distributions

As of the close of business on date which is seven (7) days immediately preceding the Initial Distribution Date, (the "Distribution Record Date"), the register for Claims and Interests will be closed, and there shall be no further changes in the holder of record of any Claim or Interest. The Liquidating Agent shall have no obligation to recognize any transfer of any Claim or Interest occurring after the Distribution Record Date, and shall instead be authorized and entitled to recognize and deal for all purposes under the Plan with only those holders of record stated on the register of Claims and/or Interests as of the Distribution Record Date for Distributions under the Plan.

5. Delivery of Distributions

All Distributions, deliveries and payments to the holders of any Allowed Claims shall be made to the addresses set forth on the respective proofs of Claim filed in this case. Any such Distribution, delivery or payment shall be deemed as made for all purposes relating to the Plan when deposited in the United States Mail and served as provided in section 13.05 of the Plan. Whether secured or unsecured, if no proof of Claim is filed, any Distribution shall be made to the Creditor at the last known address or as reflected in the Schedules. If any Distribution is returned as undeliverable, no further Distribution shall be made on account of such Allowed Claim unless and until the Liquidating Agent is notified of such holder's then current address, at which time all missed Distributions shall be made to the holder of such Allowed Claim. All claims for undeliverable Distributions shall be made on or before the first anniversary of the attempted Distribution. After such date, all Unclaimed Property shall revert to the Liquidating Agent and the Claim of any holder with respect to such property shall be discharged and forever barred.

6. Time Bar to Cash Payments

Checks issued in respect of Allowed Claims shall be null and void if not cashed within ninety (90) days of the date of issuance thereof. Requests for reissuance of any check shall be made directly to the Liquidating Agent by the holder of the Allowed Claim with respect to which such check originally was issued. Any claim in respect of such a voided check shall be made on or before the later of the first anniversary of the Initial Distribution Date or ninety (90) days after the date of issuance of such check. After such date, all claims in respect of void checks shall be discharged and forever barred.

7. Cure Period

Except as otherwise set forth in the Plan, the failure by the Liquidating Agent to timely perform any term, provision or covenant contained in the Plan, or to make any payment or Distribution required by the Plan to any Creditor, or the failure to make any payment or perform any covenant on any note, instrument or document issued pursuant to the Plan, shall not constitute an Event of Default unless and until the Liquidating Agent has been given thirty (30) days written notice of such alleged default in the manner provided in the Plan, and provided an opportunity to cure such alleged default. Until the expiration of such thirty (30) day cure period, the Liquidating Agent shall not be in default, and performance during such thirty (30) day cure period shall be deemed as timely for all purposes. Such written notice and passage of the thirty (30) day cure period shall constitute conditions precedent to declaring or claiming any default under the Plan or bringing any action or legal proceeding by any Person to enforce any right granted under the Plan.

8. Distributions after Substantial Consummation

All Distributions of any kind made to any of the Creditors after Substantial Consummation and any and all other actions taken under the Plan after Substantial Consummation shall not be subject to relief, reversal or modification by any court unless the implementation of the Confirmation Order is stayed by an order granted under Bankruptcy Rule 8005.

E. Procedures for Resolving and Treating Contested and Contingent Claims

1. Objection Deadline

All Objections to Claims shall be served and filed by the Objection Deadline; provided, however, the Objection Deadline shall not apply to Claims which are not reflected in the claims register, including any alleged informal proofs of Claim. The Liquidating Agent may seek to extend the Objection Deadline pursuant to a motion filed on or before the then applicable Objection Deadline with respect to any Claims. Any such motion may be granted without notice or a hearing. In the event that the Liquidating Agent files such a motion and the Bankruptcy Court denies such motion, the Objection Deadline shall nevertheless be automatically extended to that date which is fourteen (14) days after the date of entry of the Bankruptcy Court's order denying such motion. Any proof of Claim filed more than thirty (30) days after the Effective Date shall be of no force and effect and need not be objected to by the Liquidating Agent. Nothing contained in the Plan shall limit the right of the Liquidating Agent to object to Claims, if any, filed or amended after the Objection Deadline.

2. Responsibility for Objecting to Claims and Settlement of Claims

From and after the Effective Date, the Liquidating Agent shall have the sole and exclusive right to (a) file, settle, or litigate to Final Order any Objections to any Claims; and (b) seek to subordinate any Claim. Any Contested Claim may be litigated to Final Order. From and after the Effective Date, the Liquidating Agent shall have the sole and exclusive right to settle, compromise or otherwise resolve any Contested Claim without the necessity of any further notice or approval of the Bankruptcy Court. Bankruptcy Rule 9019 shall not apply to any settlement or compromise of a Contested Claim after the Effective Date.

3. Distributions on Account of Contested Claims

If a Claim is Contested, then the Initial Distribution Date as to such Contested Claim shall be determined based upon its date of Allowance, and thereafter distribution shall be made on account of such Allowed Claim pursuant to the provisions of the Plan. No Distribution shall be made on account of a Contested Claim until Allowed. Until such time as a contingent Claim becomes fixed and absolute by a Final Order allowing such Claim, such Claim shall be treated as a Contested Claim for purposes of estimates, allocations, and Distributions under the Plan. Any contingent right to contribution or reimbursement shall continue to be subject to section 502(e) of the Bankruptcy Code.

4. No Waiver of Right to Object

Except as expressly provided in the Plan, nothing contained in this Disclosure Statement, the Plan or the Confirmation Order shall waive, relinquish, release or impair the Liquidating Agent's right to object to any Claim.

5. Offsets and Defenses

The Liquidating Agent shall be vested with and retain all defenses and affirmative defenses

to all Claims, including without limitation all rights of offset or recoupment and all counterclaims against any Claimant holding a Claim. Assertion of counterclaims by the Liquidating Agent against any Claimants shall constitute “core” proceedings.

F. Executory Contracts and Unexpired Leases

1. Assumption and Rejection of Executory Contracts

Except as otherwise ordered by the Court pursuant to a separate application to assume or reject, all Executory Contracts of the Debtor shall be deemed as rejected by the Liquidating Agent upon the Effective Date unless an Executory Contract (a) has been previously assumed or rejected pursuant to an order of the Bankruptcy Court, (b) is identified in the Plan or the Confirmation Order to be assumed, or (c) is the subject of a motion to assume filed on or before the Confirmation Date. Any Executory Contract to be assumed under the Plan that has been amended or modified at any time after the Petition Date of the Debtor that is party to such Executory Contract shall be deemed assumed as amended or modified. The Plan shall constitute a motion to reject the Executory Contracts. However, the Debtor may file a separate motion for the assumption or rejection of any Executory Contract at any time through the Confirmation Date.

2. Cure Payments

Unless the holder of a Cure Claim and the Liquidating Agent agree in writing to other treatment of such holder’s Cure Claim, or other treatment of such holder’s Cure Claim is provided for under the Plan, each Cure Claim against the Debtor shall be paid and treated as follows:

Any cure payment which may be required by section 365(b)(1) of the Bankruptcy Code under an Executory Contract that is assumed under the Plan shall be made by the Liquidating Agent on the Initial Distribution Date. Notwithstanding the foregoing, in the event of a dispute regarding the amount of any Cure Claim, the cure of any other defaults, the provision of adequate assurance of future performance, or any other matter pertaining to assumption, the Liquidating Agent shall make such cure payments and cure such other defaults and provide adequate assurance of future performance, all as may be required by section 365(b)(1) of the Bankruptcy Code, following the entry of a Final Order by the Bankruptcy Court resolving such dispute.

Any other term of the Plan notwithstanding, the Liquidating Agent may pre-pay any Cure Claim in whole or in part without penalty.

3. Bar to Rejection Claims

Except as otherwise ordered by the Bankruptcy Court, any Rejection Claim based on the rejection of an Executory Contract shall be forever barred and shall not be enforceable against the Liquidating Agent or the Assets unless a proof of claim is filed with the Bankruptcy Court and served upon the Liquidating Agent and his counsel by the earlier of thirty (30) days after the Effective Date or thirty (30) days after entry of the Final Order approving rejection of such Executory Contract.

4. Rejection Claims

Any Rejection Claim not barred by section 9.04 of the Plan shall be classified as a Class 3 Unsecured (General) Claim subject to the provisions of section 502(g) of the Bankruptcy Code. Nothing contained in the Plan shall be deemed an admission by the Debtor or the Liquidating Agent that such rejection gives rise to or results in a Claim or shall be deemed a waiver by the Liquidating Agent of any objections to such Claim if asserted.

5. Reservation of Rights

Nothing contained in the Plan shall constitute an admission by the Debtor or Liquidating Agent that any contract or lease is in fact an Executory Contract or that the Debtor's Estate has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Liquidating Agent shall have thirty (30) days following entry of a Final Order resolving such dispute to alter the treatment of such contract or lease.

G. Conditions Precedent to Confirmation and Effectiveness of Plan

The Plan shall not become effective until the following conditions shall have been satisfied: (a) the Confirmation Order shall have been entered, in form and substance acceptable to the Debtor and shall have become a Final Order; (b) all other conditions precedent have been satisfied to the satisfaction of the Debtor; and (c) a notice of the Effective Date has been filed by the Debtor and thereafter served upon all Creditors and parties in interest. Any or all of the above conditions may be waived at any time by the Debtor.

H. Effect of the Plan on Claims and Interests

1. Compromise and Settlement

Pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration of the classification, potential Distributions and other benefits provided under the Plan, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims, Interests and controversies resolved pursuant to the Plan, including, without limitation, all Claims against the Debtor arising prior to the Petition Date, whether known or unknown, foreseen or unforeseen, asserted or unasserted, arising out of, relating to or in connection with the business or affairs of, or transactions with, the Debtor. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of each of the foregoing compromises or settlements, and all other compromises and settlements provided for in the Plan, and the Bankruptcy Court's findings shall constitute its determination that such compromises and settlements are in the best interests of the Debtor, the Debtor's bankruptcy estate, Creditors and other parties in interest, and are fair, equitable and within the range of reasonableness.

2. Injunction

On the Effective Date and except as otherwise provided in the Plan, all Persons who have been, are, or may be holders of Claims against or Interests in the Debtor shall be permanently restrained and enjoined from taking any of the following actions against or affecting the Debtor, the Liquidating Agent, the Debtor's bankruptcy estate, the Assets, or their respective assets and property, with respect to such Claims or Interests (other than actions brought to enforce any rights or obligations under the Plan): (a) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any such Claim or Interest; (b) enforcing, levying, attaching, collecting, or otherwise recovering by any manner or means, whether directly or indirectly, any judgment, award, decree, or order; (c) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any Lien or encumbrance of any kind; (d) asserting any control over, interest, rights or title in or to any of the Assets except as expressly provided in the Plan; (e) asserting any setoff, right of subrogation or recoupment of any kind against any obligation due the Liquidating Agent as assignee, except upon order

of the Bankruptcy Court; and (f) performing any act, by any manner or means, whether directly or indirectly, in any place whatsoever, that does not conform to or comply with the provisions of the Plan; provided, however, that such injunction shall not bar any Creditor from asserting any right granted pursuant to the Plan; provided, further, however, that each holder of a Contested Claim shall be entitled to enforce its rights under the Plan, including seeking allowance of such Contested Claim pursuant to the Plan. Unless otherwise provided, all injunctions or stays arising under or entered during the Debtor's Chapter 11 Case under sections 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 Effective Date.

3. Setoffs

Except as otherwise expressly provided for in the Plan, pursuant to the Bankruptcy Code (including section 553 of the Bankruptcy Code), applicable nonbankruptcy law, or as may be agreed to by the holder of a Claim, the Liquidating Agent may setoff against any Allowed Claim and the Distributions to be made pursuant to the Plan on account of such Allowed Claim (before such Distribution is made), any claims, rights, Estate Claims and Estate Defenses of any nature that the Debtor may hold against the holder of such Allowed Claim, to the extent such claims, rights, Estate Claims and Estate Defenses against such holder have not been otherwise compromised or settled on or prior to the Effective Date (whether pursuant to the Plan or otherwise); provided, however, that neither the failure to effect such a setoff nor the allowance of any Claim or Interest pursuant to the Plan shall constitute a waiver or release by the Debtor of any such claims, rights, Estate Claims and Estate Defenses that the Debtor may possess against such Claimant. In no event shall any Claimant or Interest holder be entitled to setoff any Claim or Interest against any claim, right, or Estate Claim of the Debtor without the consent of the Liquidating Agent unless such holder files a motion with the Bankruptcy Court requesting the authority to perform such setoff notwithstanding any indication in any proof of Claim or otherwise that such holder asserts, has, or intends to preserve any right of setoff pursuant to section 553 of the Bankruptcy Code or otherwise.

4. Recoupment

Except as otherwise expressly provided for in the Plan, in no event shall any holder of Claims or Interests be entitled to recoup any Claim or Interest against any claim, right, account receivable, or Estate Claim of the Debtor or the Liquidating Agent unless (a) such holder actually provides notice thereof in writing to the Liquidating Agent of its intent to perform a recoupment; (b) such notice includes the amount to be recouped by the holder of the Claim or Interest and a specific description of the basis for the recoupment, and (c) the Liquidating Agent has provided a written response to such Claim or Interest holder, stating unequivocally that the Liquidating Agent consents to the requested recoupment. The Liquidating Agent shall have the right, but not the obligation, to seek an order of the Bankruptcy Court allowing any or all of the proposed recoupment. In the absence of a written response from the Liquidating Agent consenting to a recoupment or an order of the Bankruptcy Court authorizing a recoupment, no recoupment by the holder of a Claim or Interest shall be allowed.

5. Turnover

On the Effective Date, any rights of the Debtor's bankruptcy estate to compel turnover of Assets under applicable non-bankruptcy law and pursuant to section 542 or 543 of the Bankruptcy Code shall be deemed transferred to and vested in the Liquidating Agent.

6. Automatic Stay

The automatic stay pursuant to section 362 of the Bankruptcy Code, except as previously modified by the Bankruptcy Court, shall remain in effect until the Effective Date of the Plan as to the Debtor and all Assets. As of the Effective Date, the automatic stay shall be replaced by the injunction contained in section 11.02 of the Plan.

I. Jurisdiction of Courts and Modifications to the Plan

1. Retention of Jurisdiction

Pursuant to sections 1334 and 157 of title 28 of the United States Code, the Bankruptcy Court shall retain exclusive jurisdiction of all matters arising in, arising under, and related to the Debtor's chapter 11 case and the Plan, 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 any and all Objections to or applications concerning the allowance of Claims or the allowance, classification, priority, compromise, estimation, or payment of any Administrative Expense;

(b) To hear and determine any and all applications for payment of fees and expenses pursuant to the Plan to any Professional pursuant to sections 330 or 503 of the Bankruptcy Code, or for payment of any other fees or expenses authorized to be paid or reimbursed under the Plan, and any and all objections thereto;

(c) To hear and determine pending applications for the rejection, assumption, or assumption and assignment of Executory Contracts and the allowance of Claims resulting therefrom, and to determine the rights of any party in respect to the assumption or rejection of any Executory Contract;

(d) To hear and determine any and all adversary proceedings, applications, or contested matters, including allowance of any Claim;

(e) To hear and determine all controversies, disputes, and suits which may arise in connection with the execution, interpretation, implementation, consummation, or enforcement of the Plan or in connection with the enforcement of any remedies made available under the Plan, including without limitation, (i) adjudication of all rights, interests or disputes relating to any of the Assets, (ii) the valuation of all Collateral, including hearing all Valuation Motions, (iii) the determination of the validity of any Lien or claimed right of offset; and (iv) determinations of Objections to Contested Claims;

(f) To liquidate and administer any disputed, contingent, or unliquidated Claims, including the Allowance of all Contested Claims;

(g) To administer Distributions to holders of Allowed Claims as provided in the Plan;

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

(i) To consider any modification of the Plan pursuant to section 1127 of the Bankruptcy Code, to cure any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation the Confirmation Order;

(j) To enforce the injunction contained in section 11.04 of the Plan;

(k) To enter and implement all such orders as may be necessary or appropriate to execute, interpret, construe, implement, consummate, or enforce the terms and conditions of the Plan and the transactions required or contemplated pursuant thereto;

(l) To hear and determine any other matter not inconsistent with the Bankruptcy Code and title 28 of the United States Code that may arise in connection with or related to the Plan;

(m) To grant a discharge pursuant to section 1145(d)(5) and to enforce and give full force and effect to the discharge;

(n) To determine proceedings pursuant to section 505 of the Bankruptcy Code;
and

(o) To enter a final decree closing this chapter 11 case.

2. Abstention and Other Courts

If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising out of or relating to this chapter 11 case, Article XII of the Plan 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.

3. Non-Material Modifications

This Plan may be modified, with approval of the Bankruptcy Court and without notice to all holders of Claims and Interests, to correct any defect, omission, or inconsistency in the Plan in such manner and to such extent as may be necessary or desirable. The Liquidating Agent may undertake such nonmaterial modification insofar as it does not adversely change the treatment of the Claim of any Creditor or the Interest of any Interest holder who has not accepted in writing the modification.

4. Material Modifications

Modifications of the Plan may be proposed at any time before confirmation, provided that the Plan, as modified, meets the requirements of sections 1122 and 1123 of the Bankruptcy Code, and the Debtor shall have complied with section 1125 of the Bankruptcy Code. The Plan may be modified at any time after confirmation and before its Substantial Consummation, provided that the Plan, as modified, meets the requirements of sections 1122 and 1123 of the Bankruptcy Code, and the Bankruptcy Court, after notice and a hearing, confirms the Plan, as modified, under section 1129 of the Bankruptcy Code, and the circumstances warrant such modification. A holder of a Claim or Interest that has accepted or rejected the Plan shall be deemed to have accepted or rejected, as the case may be, such Plan as modified, unless, within the time fixed by the Bankruptcy Court, such holder changes its previous acceptance or rejection.

J. Miscellaneous Provisions

1. Severability

Should the Bankruptcy Court determine any provision of the Plan is unenforceable either on its face or as applied to any Claim or Interest or transaction, the Liquidating Agent may modify the Plan so that any such provision shall not be applicable to the holder of any Claim or Interest. Such a determination of unenforceability shall not (a) limit or affect the enforceability and operative effect of any other provision of the Plan or (b) require the resolicitation of any acceptance or rejection of the Plan.

2. Oral Agreements; Modification of Plan; Oral Representations or Inducements

The terms of the Plan, Disclosure Statement and Confirmation Order may not be changed, contradicted or varied by any oral statement, agreement, warranty or representation. Neither the Debtor nor its attorneys have made any representation, warranty, promise or inducement relating to the Plan or its confirmation except as expressly set forth in the Plan, the Disclosure Statement, or the Confirmation Order or other order of the Bankruptcy Court.

3. Waiver

The Liquidating Agent shall not be deemed to have waived any right, power or privilege pursuant to the Plan unless the waiver is in writing and signed by the Liquidating Agent. There shall be no waiver by implication, course of conduct or dealing, or through any delay or inaction by the Liquidating Agent, of any right pursuant to the Plan, including the provisions of the anti-waiver section of the Plan. The waiver of any right under the Plan shall not act as a waiver of any other or subsequent right, power or privilege.

4. Construction

The Plan shall control over any inconsistent term of the Disclosure Statement. The Confirmation Order shall control over any inconsistent provision of the Plan.

5. Notice

Any notice or communication required or permitted by the Plan shall be given, made or sent as follows:

(a) If to a Creditor, notice may be given as follows: (i) if the Creditor has filed no proof of Claim, then to the address reflected in the Schedules, or (ii) if the Creditor has filed a proof of Claim, then to the address reflected in the proof of Claim.

(b) If to the Liquidating Agent, notice shall be sent to the following address:

Doug Wright
Wellflex
7609 White Settlement Road
Fort Worth, Texas 76108
dwright@wellflex.com

Concurrently with service of such notice on the Liquidating Agent, a copy thereof shall be concurrently served in the same manner on the following legal counsel as follows:

Jeff P. Prostok
Clarke V. Rogers
Forshey & Prostok, L.L.P.
777 Main Street, Suite 1290
Fort Worth, Texas 76102
(817) 877-4151 FAX
Email: jprostok@forsheyprostok.com
Email: crogers@forsheyprostok.com

(c) Any Creditor desiring to change its address for the purpose of notice may do so by giving notice to the Liquidating Agent of its new address in accordance with the terms of section 13.05 of the Plan.

(d) Any notice given, made or sent as set forth in section 13.05 of the plan shall be effective upon being (i) deposited in the United States Mail, postage prepaid, addressed to the addressee at the address as set forth in section 13.05 of the Plan; (ii) delivered by hand or messenger to the addressee at the address set forth in section 13.05 of the Plan; (iii) telecopied to the addressee as set forth in section 13.05 of the Plan, with a hard confirmation copy being immediately sent through the United States Mail; or (iv) delivered for transmission to an expedited or overnight delivery service such as FedEx.

6. Compliance with Applicable Laws

If notified by any governmental authority that he is in violation of any applicable law, rule, regulation, or order of such governmental authority relating to his business, the Liquidating Agent shall comply with such law, rule, regulation, or order; provided, however, that nothing contained herein shall require such compliance if the legality or applicability of any such requirement is being contested in good faith in appropriate proceedings and, if appropriate, an adequate reserve has been set aside on the books of the Liquidating Agent.

7. Duties to Creditors

No agent, representative, accountant, financial advisor, attorney, shareholder, officer, affiliate, member or employee of the Debtor shall ever owe any duty to any Person (including any Creditor) other than the duties owed to the Debtor's bankruptcy estate, for any act, omission, or event in connection with, or arising out of, or relating to, any of the following: (a) the Debtor's bankruptcy case, including all matters or actions in connection with or relating to the administration of the estate, (b) the Plan, including the proposal, negotiation, confirmation and consummation of the Plan, or (c) any act or omission relating to the administration of the Plan after the Effective Date.

8. Binding Effect

The Plan shall be binding upon, and shall inure to the benefit of the Liquidating Agent, the holders of the Claims or Liens, the holders of Interests, and their respective successors in interest and assigns.

9. Governing Law, Interpretation

Unless a rule of law or procedure supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) is applicable, the internal laws of the State of Texas shall govern the construction and implementation of the Plan and any Plan Documents without regard to conflicts of

law. The Plan shall control any inconsistent term or provision of any other Plan Documents.

10. Payment of Statutory Fees

All fees payable pursuant to section 1930 of title 28 of the United States Code shall be paid on or before the Effective Date, and thereafter shall be paid by the Liquidating Agent as such statutory fees become due.

11. Filing of Additional Documents

On or before Substantial Consummation of the Plan, the Liquidating Agent may file with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan.

12. Computation of Time

If the final day for any Distribution, performance, act or event under the Plan is not a Business Day, then the time for making or performing such Distribution, performance, act or event shall be extended to the next Business Day. Any payment or Distribution required to be made under the Plan on a day other than a Business Day shall be due and payable on the next succeeding Business Day.

13. Elections by the Liquidating Agent

Any right of election or choice granted to the Liquidating Agent under the Plan may be exercised, at the Liquidating Agent's election, separately as to each Claim, Creditor or Person.

14. Release of Liens

Except as otherwise provided in the Plan or the Confirmation Order, all Liens against any of the Assets shall be deemed to be released, terminated and nullified.

15. Rates

The Plan does not provide for the change of any rate that is within the jurisdiction of any governmental regulatory commission after the occurrence of the Effective Date.

16. Compliance with Tax Requirements

In connection with the Plan, the Liquidating Agent shall comply with all withholding and reporting requirements imposed by federal, state and local Taxing Authorities and all Distributions under the Plan shall be subject to such withholding and reporting requirements. Notwithstanding the above, each holder of an Allowed Claim or Interest that is to receive a Distribution under the Plan shall have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any governmental unit, including income, withholding and other tax obligations, on account of such Distribution under the Plan.

17. Notice of Occurrence of the Effective Date

Promptly after occurrence of the Effective Date, the Debtor, as directed by the Bankruptcy Court, shall serve on all known parties in interest and holders of Claims and Interests, notice of the occurrence of the Effective Date.

VIII. CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

THE PLAN AND ITS RELATED TAX CONSEQUENCES ARE COMPLEX. MOREOVER, MANY OF THE INTERNAL REVENUE CODE PROVISIONS DEALING WITH THE FEDERAL INCOME TAX ISSUES ARISING FROM THE PLAN HAVE BEEN THE SUBJECT OF RECENT LEGISLATION AND, AS A RESULT, MAY BE SUBJECT TO AS YET UNKNOWN ADMINISTRATIVE OR JUDICIAL INTERPRETATIONS. THE DEBTOR HAS NOT REQUESTED A RULING FROM THE INTERNAL REVENUE SERVICE (THE "IRS") OR AN OPINION OF COUNSEL WITH RESPECT TO THESE MATTERS. ACCORDINGLY, NO ASSURANCE CAN BE GIVEN AS TO THE INTERPRETATION THAT THE IRS WILL ADOPT. THERE ALSO MAY BE STATE, LOCAL OR OTHER TAX CONSIDERATIONS APPLICABLE TO EACH CREDITOR. CREDITORS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE CONSEQUENCES OF THE PLAN TO THEM UNDER FEDERAL AND APPLICABLE STATE, LOCAL AND OTHER TAX LAWS.

IX. CONFIRMATION OF THE PLAN

A. Solicitation of Votes; Voting Procedures

1. Ballots and Voting Deadlines

A Ballot to be used for voting to accept or reject the Plan, together with a postage-paid return envelope, is enclosed with all copies of this Disclosure Statement mailed to all holders of Claims and Interests entitled to vote. BEFORE COMPLETING YOUR BALLOT, PLEASE READ CAREFULLY THE INSTRUCTION SHEET THAT ACCOMPANIES THE BALLOT.

The Bankruptcy Court has directed that, in order to be counted for voting purposes, Ballots for the acceptance or rejection of the Plan must be received no later than 5:00 p.m., Central Time, on [REDACTED], 2016 at the following address:

Forshey & Prostok, L.L.P.
777 Main Street, Suite 1290
Fort Worth, Texas 76102
Attn: Linda Breedlove

YOUR BALLOT MAY NOT BE COUNTED IF IT IS RECEIVED AT THE ABOVE ADDRESS AFTER 5:00 P.M., CENTRAL TIME, ON [REDACTED], 2016.

2. Parties in Interest Entitled to Vote

The holder of a Claim or Interest may vote to accept or reject the Plan only if the Plan impairs the Class in which such Claim or Interest is classified. Under the Plan, all Classes except for Class 2B are impaired and may vote to accept or reject the Plan.

Any Claim or Interest as to which an Objection has been filed is not entitled to vote unless the Bankruptcy Court, upon application of the holder to whose Claim or Interest an Objection has been made, temporarily allows such Claim or Interest in an amount that it deems proper for the purpose of accepting or rejecting the Plan. Any such application must be heard and determined by the Bankruptcy Court on or before commencement of the Confirmation Hearing. A vote may be disregarded if the Bankruptcy Court determines, after notice and a hearing, that such vote was not solicited or procured in good faith or in accordance with the provisions of the Bankruptcy Code.

IF YOU HAVE ANY QUESTIONS REGARDING THE PROCEDURES FOR VOTING ON THE PLAN, PLEASE CONTACT COUNSEL FOR THE DEBTOR AT THE FOLLOWING ADDRESS:

Jeff P. Prostok
Clarke V. Rogers
Forshey & Prostok, L.L.P.
777 Main Street, Suite 1290
Fort Worth, Texas 76102
(817) 877-8855
(817) 877-4151 fax
Email: jprostok@forsheyprostok.com
Email: crogers@forsheyprostok.com

3. Vote Required for Class Acceptance

The Bankruptcy Code defines acceptance of a plan by a class of claims as acceptance by holders of at least two-thirds in dollar amount, and more than one-half in number, of the claims of that class which actually cast ballots for acceptance or rejection of the plan. Thus, class acceptance takes place only if at least two-thirds in amount and a majority in number of the holders of claims voting cast their ballots in favor of acceptance.

The Bankruptcy Code defines acceptance of a plan by a class of interests as acceptance by holders of at least two-thirds in amount of the interests of that class that actually cast ballots for acceptance or rejection of the plan. Thus, class acceptance takes place only if at least two-thirds in amount of the holders of interests voting cast their ballots in favor of acceptance.

B. Confirmation Hearing

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a hearing on confirmation of a plan. By order of the Bankruptcy Court, the Confirmation Hearing has been scheduled for [REDACTED], 2016 at [REDACTED] [REDACTED] m. Central Time, in the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for an announcement made at the Confirmation Hearing or any adjournment thereof.

Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to confirmation of a plan. Any objection to confirmation of the Plan must be made in writing and filed with the Bankruptcy Court on or before [REDACTED] [REDACTED], 2016, at the following address:

Office of the Clerk
U.S. Bankruptcy Court
Eldon B. Mahon U.S. Courthouse
501 W. Tenth Street
Fort Worth, Texas 76102-3643

In addition, any such objection must be served upon the following parties, together with proof of service, on or before [REDACTED] [REDACTED], 2016:

Jeff P. Prostok
Clarke V. Rogers
Forshey & Prostok, L.L.P.
777 Main Street, Suite 1290
Fort Worth, Texas 76102
(817) 877-4151 fax
Email: jprostok@forsheyprostok.com
Email: crogers@forsheyprostok.com

Objections to confirmation of the Plan are governed by Bankruptcy Rule 9014. UNLESS AN OBJECTION TO CONFIRMATION IS TIMELY SERVED AND FILED, IT WILL NOT BE CONSIDERED BY THE BANKRUPTCY COURT.

C. Requirements for Confirmation of the Plan

At the Confirmation Hearing, the Bankruptcy Court must determine whether the Bankruptcy Code's requirements for confirmation of the Plan have been satisfied, in which event the Bankruptcy Court will enter an order confirming the Plan. As set forth in section 1129 of the Bankruptcy Code, these requirements are as follows:

1. The plan complies with the applicable provisions of the Bankruptcy Code.
2. The proponents of the plan complied with the applicable provisions of the Bankruptcy Code.
3. The plan has been proposed in good faith and not by any means forbidden by law.
4. Any payment made or promised by the debtor, by the plan proponent, or by a person issuing securities or acquiring property under the plan, for services or for costs and expenses in, or in connection with, the case, or in connection with the plan and incident to the case, has been approved by, or is subject to the approval of the Bankruptcy Court as reasonable.
5. (a) (i) The proponent of the plan has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the plan, as a director, officer, or voting trustee of the debtor, an affiliate of the debtor participating in a joint plan with the debtor, or a successor to the debtor under the plan; and
(ii) the appointment to, or continuance in, such office of such individual, is consistent with the interests of creditors and equity security holders and with public policy; and
(b) the proponent of the plan has disclosed the identity of any insider that will be employed or retained by the Liquidating Agent, and the nature of any compensation for such insider.
6. Any governmental regulatory commission with jurisdiction, after confirmation of the plan, over the rates of the debtor has approved any rate change provided for in the plan, or such rate change is expressly conditioned on such approval.
7. With respect to each impaired class of claims or interests:

(a) each holder of a claim or interest of such class has accepted the plan or will receive or retain under the plan on account of such claim or interest property of a value, as of the effective date of the plan, that is not less than the amount that such holder would so receive or retain if the debtor were liquidated under chapter 7 of the Bankruptcy Code on such date; or

(b) if section 1111(b)(2) of the Bankruptcy Code applies to the claims of such class, the holder of a claim of such class will receive or retain under the plan on account of such claim property of a value, as of the effective date of the plan, that is not less than the value of such holder's interest in the estate's interest in the property that secures such claims.

8. With respect to each class of claims or interests:

(a) such class has accepted the plan; or

(b) such class is not impaired under the plan.

9. Except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, the plan provides that:

(a) with respect to a claim of a kind specified in section 507(a)(2) or 507(a)(3) of the Bankruptcy Code, on the effective date of the plan, the holder of such claim will receive on account of such claim cash equal to the allowed amount of such claim;

(b) with respect to a class of claims of a kind specified in section 507(a)(1), 507(a)(4), 507(a)(5), 507(a)(6) or 507(a)(7) of the Bankruptcy Code, each holder of a claim of such class will receive:

(i) if such class has accepted the plan, deferred cash payments of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or

(ii) if such class has not accepted the plan, cash on the effective date of the plan equal to the allowed amount of such claim; and

(c) with respect to a claim of a kind specified in section 507(a)(8) of the Bankruptcy Code, the holder of such claim will receive on account of such claim regular installment payments in cash:

(i) of a total value, as of the effective date of the plan, equal to the allowed amount of such claim;

(ii) over a period ending not later than 5 years after the date of the order for relief under section 301, 302, or 303; and

(iii) in a manner not less favorable than the most favored nonpriority unsecured claim provided for by the plan (other than cash payments made to a class of creditors under section 1122(b) of the Bankruptcy Code); and

(d) with respect to a secured claim which would otherwise meet the description of an unsecured claim of a governmental unit under section 507(a)(8) of the Bankruptcy Code, but for the secured status of that claim, the holder of that claim will receive on account of that claim, cash payments, in the same manner and over the same period, as prescribed in 9(c) above.

10. If a class of claims is impaired under the plan, at least one class of claims that is impaired has accepted the plan, determined without including any acceptance of the plan by any insider holding a claim of such class.

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

12. All fees payable under 28 U.S.C. section 1930, as determined by the Bankruptcy Court at the hearing on confirmation of the plan, have been paid or the plan provides for the payments of all such fees on the effective date of the plan.

13. The plan provides for the continuation after its effective date of payment of all retiree benefits, as that term is defined in section 1114 of the Bankruptcy Code, at the level established pursuant to subsection (e)(1)(B) or (g) of section 1114, at any time prior to confirmation of the plan, for the duration of the period the Debtor has obligated itself to provide such benefits.

14. If the debtor is required by a judicial or administrative order, or by statute, to pay a domestic support obligation, the debtor has paid all amounts payable under such order or such statute for such obligation that first become payable after the date of the filing of the petition.

15. In a case in which the debtor is an individual and in which the holder of an allowed unsecured claim objects to the confirmation of the plan:

(a) the value, as of the effective date of the plan, of the property to be distributed under the plan on account of such claim is not less than the amount of such claim; or

(b) the value of the property to be distributed under the plan is not less than the projected disposable income of the debtor (as defined in section 1325(b)(2) of the Bankruptcy Code) to be received during the five year period beginning on the date that the first payment is due under the plan, or during the period for which the plan provides payments, whichever is longer.

16. All transfers of property of the plan shall be made in accordance with any applicable provisions of nonbankruptcy law that govern the transfer of property by a corporation or trust that is not a moneyed, business, or commercial corporation or trust.

The Debtor and Liquidating Agent believe that the Plan satisfies all the statutory requirements of chapter 11 of the Bankruptcy Code, that the Debtor and Liquidating Agent have complied or will have complied with all the requirements of chapter 11, and that the Plan is proposed in good faith.

At the Confirmation Hearing, the Bankruptcy Court will determine whether holders of Allowed Claims would receive distributions under the Plan that are at least as great as those that they would receive in a liquidation under chapter 7. The Debtor and Liquidating Agent believe that holders of all Allowed Claims impaired under the Plan will receive payments under the Plan having a present value, as of the Effective Date, not less than the amounts likely to be received if the Debtor were liquidated in a case under chapter 7 of the Bankruptcy Code. If the Debtor's estate were liquidated under Chapter 7, Creditors would likely receive less than they will receive under the Plan because the Chapter 7 Trustee would be entitled to a commission on all distributions to Creditors and additional administrative costs would likely be incurred by the Trustee's professionals. In addition, the conversion of the case to Chapter 7 would likely delay the process of liquidating the Debtor's Assets and distributing the proceeds to Creditors as it would take the Trustee time to get up to

speed. The Plan provides for the cheapest and most expeditious method for the liquidation of the Debtor's Assets. Thus, the holders of Allowed impaired Claims shall receive at least as much under the Plan as they would if the Debtor's estate were liquidated under Chapter 7.

These facts and others demonstrating the confirmability of the Plan will be shown at the Confirmation Hearing.

D. Cramdown

In the event that any impaired Class of Claims or Interests does not accept the Plan, the Bankruptcy Court may still confirm the Plan at the request of the Debtor if, as to each impaired Class which has not accepted the Plan, the Bankruptcy Court determines that the Plan "does not discriminate unfairly" and is "fair and equitable" with respect to that Class. A plan of reorganization "does not discriminate unfairly" within the meaning of the Bankruptcy Code if no class receives more than it is legally entitled to receive for its claims or interests.

"Fair and equitable" has different meanings with respect to the treatment of secured and unsecured claims. As set forth in section 1129(b)(2) of the Bankruptcy Code, those meanings are as follows:

1. With respect to a class of secured claims, the plan provides:

(a) (i) that the holders of such claims retain the liens securing such claims, whether the property subject to such liens is retained by the debtor or transferred to another entity, to the extent of the allowed amount of such claims; and

(ii) that each holder of a claim of such class receive on account of such claim deferred cash payments totaling at least the allowed amount of such claim, of a value, as of the effective date of the plan, of at least the value of such holder's interest in the estate's interest in such property;

(b) for the sale, subject to section 363(k) of the Bankruptcy Code, of any property that is subject to the liens securing such claims, free and clear of such liens, with such liens to attach to the proceeds of such sale, and the treatment of such liens on proceeds under clause (a) and (b) of this subparagraph; or

(c) the realization by such holders of the "indubitable equivalent" of such claims.

2. With respect to a class of unsecured claims, the plan provides:

(a) that each holder of a claim of such class receive or retain on account of such claim property of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or

(b) the holder of any claim or interest that is junior to the claims of such class will not receive or retain under the plan on account of such junior claim or interest any property, except that in a case in which the debtor is an individual, the debtor may retain property included in the estate under section 1115 of the Bankruptcy Code, subject to the requirements of section 1129(a)(14) of the Bankruptcy Code.

3. With respect to a class of interests, the plan provides:

(a) that each holder of an interest of such class receive or retain on account of such interest property of a value, as of the effective date of the plan, equal to the greatest of the allowed amount of any fixed liquidation preference to which such holder is entitled, any fixed redemption price to which such holder is entitled or the value of such interest; or

(b) that the holder of any interest that is junior to the interests of such class will not receive or retain under the plan on account of such junior interest any property.

In the event that one or more Classes of impaired Claims or Interests reject the Plan, the Bankruptcy Court will determine at the Confirmation Hearing whether the Plan is fair and equitable with respect to, and does not discriminate unfairly against, any rejecting impaired Class of Claims or Interests. For the reasons set forth above, the Debtor and Liquidating Agent believe the Plan does not discriminate unfairly against, and is fair and equitable with respect to, each impaired Class of Claims or Interests.

X. RISK FACTORS

The following is intended as a summary of certain risks associated with the Plan, but it is not exhaustive and must be supplemented by the analysis and evaluation made by each holder of a Claim or Interest of the Plan and this Disclosure Statement as a whole with such holder's own advisors.

A. Insufficient Acceptances

For the Plan to be confirmed, each impaired Class of Claims is given the opportunity to vote to accept or reject the Plan. With regard to such impaired voting Classes, the Plan will be deemed accepted by a Class of impaired Claims if the Plan is accepted by Claimants of such Class actually voting on the Plan who hold at least two-thirds (2/3) in amount and more than one-half (1/2) in number of the total Allowed Claims of the Class voted. Only those members of a Class who vote to accept or reject the Plan will be counted for voting purposes. The Debtor reserves the right to request confirmation pursuant to the cramdown provisions in section 1129(b) of the Bankruptcy Code, which will allow confirmation of the Plan regardless of the fact that a particular Class of Claims has not accepted the Plan. However, there can be no assurance that any impaired Class of Claims under the Plan will accept the Plan or that the Debtor would be able to use the cramdown provisions of the Bankruptcy Code for confirmation of the Plan.

B. Confirmation Risks

The following specific risks exist with respect to confirmation of the Plan:

(a) Any objection to confirmation of the Plan can either prevent confirmation of the Plan, or delay such confirmation for a significant period of time.

(b) Since the Debtor may be seeking to obtain approval of the Plan over the rejection of one or more impaired Classes of Claims, the cramdown process could delay confirmation.

C. Conditions Precedent

Confirmation of the Plan and occurrence of the Effective Date are subject to certain conditions precedent that may not occur. The Debtor's counsel and the Liquidating Agent will work diligently to ensure that all conditions precedent are satisfied.

XI. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

The Debtor and Liquidating Agent have evaluated alternatives to the Plan, including the conversion of the Debtor's case to chapter 7. After studying these alternatives, the Liquidating Agent has concluded that the Plan is the best alternative and will maximize recoveries by holders of Claims, assuming confirmation of the Plan and consummation of the transactions contemplated by the Plan.

If the Plan is not confirmed, another party in interest in this chapter 11 case could attempt to formulate and propose a different plan of reorganization. Given that substantially all of the Debtor's assets have been sold to the Purchaser pursuant to the Sale Order, it is unlikely that any plan could be proposed that varied significantly from the Plan.

Further, if the Plan is not confirmed, this chapter 11 case may be converted to a liquidation proceeding under chapter 7 of the Bankruptcy Code. In chapter 7, a trustee would be elected or appointed to liquidate the Assets of the Debtor. The proceeds of the liquidation would be distributed to the Creditors of the Debtor in accordance with the priorities established by the Bankruptcy Code. The Debtor believes that the Plan is more favorable to Creditors than a liquidation under chapter 7 would be because in a chapter 7 scenario, the Chapter 7 Trustee would be entitled to a commission on all distributions to Creditors, which would reduce the funds available to pay Creditors. Moreover, the Debtor believes that Creditors will receive their distributions more quickly under the Plan than they would if the Debtor's case were converted to chapter 7.

XII. CONCLUSION

The Debtor and Liquidating Agent urge holders of Claims in impaired Classes to vote to **ACCEPT** the Plan and to evidence such acceptance by returning their Ballots so that they will be received on or before 5:00 p.m., Central Time, on [REDACTED], 2016.

Dated: September 14, 2016.

Respectfully submitted,

/s/ Doug Wright
Doug Wright, Chief Financial Officer
and Proposed Liquidating Agent

APPROVED:

/s/ Jeff P. Prostok
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ATTORNEYS FOR THE DEBTOR
AND DEBTOR IN POSSESSION

Exhibit “A”

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ATTORNEYS FOR THE DEBTOR
AND DEBTOR IN POSSESSION

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

_____)	
In re:)	Chapter 11 Case
)	
WELLFLEX ENERGY SOLUTIONS, LLC,)	Case No. 16-41049-mxm-11
)	
)	
Debtor.)	
_____)	

CHAPTER 11 PLAN OF LIQUIDATION OF WELLFLEX ENERGY SOLUTIONS, LLC

Dated: September 14, 2016.

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ARTICLE I

DEFINITIONS

A. Defined Terms.

In addition to such other terms as are defined in other sections of this Plan, the following terms shall have the meanings set forth below (such meanings to be equally applicable to both the singular and plural, masculine and feminine forms of the terms defined).

1.01 "Administrative Expense" includes any cost or expense of administration of the Debtor's chapter 11 case allowed under subsections 503(b) and 507(a)(2) of the Bankruptcy Code, including, without limitation, any actual and necessary expenses of preserving the estate of the Debtor, any actual and necessary expenses of operating the business of the Debtor, all compensation or reimbursement of expenses to the extent allowed by the Bankruptcy Court under section 330 or 503 of the Bankruptcy Code, and any fees or charges assessed against the estate of the Debtor under section 1930, chapter 123 of title 28 of the United States Code.

1.02 "Allowed," when used with respect to a Claim (other than an Administrative Expense), means a Claim (a) to the extent it is not Contested; or (b) a Contested Claim, proof of which was filed timely with the Bankruptcy Court, and (i) as to which no Objection was filed by the Objection Deadline, or (ii) as to which an Objection was filed by the Objection Deadline, to the extent, if any, such Claim is ultimately allowed by a Final Order; provided however, if a Claim is to be determined in a forum other than the Bankruptcy Court, such Claim shall not become Allowed until determined by Final Order of such other forum and allowed by Final Order of the Bankruptcy Court.

1.03 "Assets" includes all right, title, and interest in and to all property of every type or nature owned or claimed by the Debtor as of the Petition Date, together with all such property of every type or nature subsequently acquired by the Debtor or the Bankruptcy Estate through the Effective Date, whether real or personal, tangible or intangible, and wherever located, and including, but not limited to, property as defined in section 541 of the Bankruptcy Code.

1.04 "Avoidance Action" means a cause of action assertable by either Debtor against any Person, including but not limited to any Creditor, pursuant to Chapter 5 of the Bankruptcy Code, including without limitation, actions brought, or which may be brought, under sections 542, 543, 544, 545, 547, 548, 549, 550, or 553 of the Bankruptcy Code.

1.05 "Ballot" means the form of ballot provided to holders of Claims or Interests entitled to vote pursuant to Bankruptcy Rule 3017(d), by which each such holder may accept or reject the Plan.

1.06 "Bankruptcy Estate" shall mean the bankruptcy estate of Wellflex Energy Solutions, LLC subject to this bankruptcy case.

1.07 "Bankruptcy Code" means the Bankruptcy Reform Act of 1978, as amended and codified at title 11 of the United States Code.

1.08 "Bankruptcy Court" means the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division.

1.09 "Bankruptcy Rules" means the Federal Rules of Bankruptcy Procedure, as amended from time to time, including all applicable local rules of the Bankruptcy Court.

1.10 "Bar Date" is the date established by the Bankruptcy Court, including through any standing order, for filing proofs of Claim or proofs of Interest; provided, however, that if the Bankruptcy Court has ordered an extension of the time by which a particular Creditor may file a proof of claim or proof of Interest, the date set with respect to such Creditor shall be the Bar Date with respect to such Creditor, but only as to such Creditor.

1.11 "Business Day" means any day other than Saturday, Sunday, a legal holiday, or a day on which national banking institutions in Texas are authorized or obligated by law or executive order to close.

1.12 "Claim" means (a) a right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured (including potential and unmatured tort and contract claims), disputed, undisputed, legal, equitable, secured or

unsecured or (b) a right to an equitable remedy for breach of performance if such breach gives rise to a right of payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured (including potential and unmatured tort and contract claims), disputed, undisputed, secured or unsecured.

1.13 "Claimant" means the holder of a Claim.

1.14 "Class" means a category or group of holders of Claims or Interests as designated in Article II of the Plan.

1.15 "Collateral" means any Asset subject to a valid and enforceable Lien to secure payment of a Claim, including any right of offset asserted against any Asset.

1.16 "Collection Costs" shall refer to attorney's fees, expenses and other costs of collection which any Creditor may seek to recover from the Debtor pursuant to either the relevant loan documents or applicable law, but only to the extent actually Allowed by a Final Order.

1.17 "Confirmation Date" means the date of entry of the Confirmation Order.

1.18 "Confirmation Hearing" means the hearing, as it may be continued from time to time, conducted by the Bankruptcy Court pursuant to section 1128 of the Bankruptcy Code and Bankruptcy Rule 3020(b) to consider confirmation of the Plan, as the same may be amended or supplemented.

1.19 "Confirmation Order" means the order of the Bankruptcy Court confirming the Plan in accordance with the provisions of chapter 11 of the Bankruptcy Code.

1.20 "Contested," when used with respect to a Claim, means a Claim: (a) that is listed in the Schedules of the Debtor as disputed, contingent, and/or unliquidated, or in the amount of "\$0.00" or "Unknown"; (b) that is listed in the Schedules of the Debtor as undisputed, liquidated, and not contingent and as to which a proof of claim has been filed with the Bankruptcy Court, to the extent the proof of claim amount exceeds the scheduled amount; (c) that is not listed in the Schedules of the Debtor, regardless of whether or not a proof of claim has been filed with the

Bankruptcy Court; (d) as to which an Objection has been or may be timely filed and which Claim has not been Allowed by a Final Order; or (e) for which the proof of claim is filed after the Bar Date.

1.21 "Creditor" means a "creditor," as defined in section 101(10) of the Bankruptcy Code.

1.22 "Cure Claim" shall refer to the payment or other performance required to cure any existing default under an Executory Contract.

1.23 "Debtor" shall mean Wellflex Energy Solutions, LLC.

1.24 "Disallowed," when used with respect to all or any part of a Claim or Interest, means that portion of a Claim or Interest to which an Objection or motion to disallow has been sustained by a Final Order or, as to a Contested Claim, any portion thereof which is not Allowed by a Final Order of the Bankruptcy Court.

1.25 "Disclosure Statement" means the written statement, as amended, supplemented, or modified from time to time, describing the Plan that is prepared and distributed in accordance with sections 1125, 1126(b), and 1145 of the Bankruptcy Code and Bankruptcy Rule 3017.

1.26 "Distribution" shall refer to and include any payment or other distribution of property pursuant to this Plan.

1.27 "Distribution Account" shall mean the bank account into which the Estate Cash is deposited on the Effective Date.

1.28 "Effective Date" means the first Business Day which is fifteen (15) days after the Confirmation Date if the Confirmation Order is not stayed or, if the Confirmation Order is stayed, the first Business Day following the lifting, dissolution, or removal of such stay which is at least fifteen (15) days after the Confirmation Date, and upon which all conditions to the effectiveness of the Plan set forth in Article X below are satisfied.

1.29 “Estate Cash” shall refer to the cash, cash equivalents or funds held by the Bankruptcy Estate on the Effective Date, including without limitation all funds held in bank accounts.

1.30 “Estate Claims” shall mean any actions, causes of action, Avoidance Actions, liabilities, obligations, rights, suits, debts, sums of money, damages, judgments, Claims, and demands whatsoever, whether known or unknown, in law, equity, or otherwise accruing to or held by the Debtor or its estate.

1.31 “Estate Defenses” shall mean any and all defenses that the Debtor or its estate may have to any Claim, cause of action, liability, obligation, suit, debt, or judgment asserted against the Debtor or its estate, including without limitation all affirmative defenses, rights of offset or recoupment, and all counterclaims against any Claimant holding a Claim.

1.32 “Event of Default” means the failure of the Liquidating Agent to perform, keep, or observe any term, covenant, or condition of the Plan, but only if the Event of Default is not cured prior to the expiration of the applicable cure period.

1.33 “Executory Contract” shall refer to any executory contract or unexpired lease which is subject to section 365 of the Bankruptcy Code.

1.34 “Final Order” means an order or judgment of the Bankruptcy Court or any other court or adjudicative body, as to which the time to appeal or seek rehearing or petition for certiorari shall have expired, and which such order or judgment shall no longer be subject to appeal, rehearing, or certiorari proceeding.

1.35 “Initial Distribution Date”, when used with respect to each Claim, means:

(a) As to each Claim which is not Contested, the date that is ninety (90) days after the Effective Date; provided, however, that if the payment terms of Article IV of this Plan applicable to each such Claim specify a different date, then the Initial Distribution Date shall be the date as calculated pursuant to the terms of Article IV of this Plan applicable to each such Claim.

(b) As to any Contested Claim, the later of (i) the first Business Day at least thirty (30) days after the date on which a Contested Claim becomes an Allowed Claim, or (ii) if the payment terms of Article IV of this Plan applicable to each such Claim specify a different date, then the date as calculated pursuant to the terms of Article IV of this Plan applicable to each such Claim.

The Initial Distribution Date shall be separately determined with respect to each Allowed Claim based upon the date each such Claim became an Allowed Claim.

1.36 "Insider" means a Person described in section 101(31) of the Bankruptcy Code.

1.37 "Insider Claim" means any unsecured Claim held by an Insider against the Debtor's estate but excluding always therefrom all: (a) Administrative Expenses and (b) Priority Claims.

1.38 "Interests" means any equity or stock ownership interest in the Debtor.

1.39 "IPFS" means Imperial PFS Corporation.

1.40 "IRS" means the Department of the Treasury – Internal Revenue Service.

1.41 "Lien" means any mortgage, lien, charge, security interest, encumbrance, or other security device of any kind affecting any Asset, including any right of offset asserted against any Asset.

1.42 "Liquidating Agent" shall mean Doug Wright.

1.43 "Net Cash" shall mean all Estate Cash after the satisfaction in full of all Allowed Administrative Expenses, Allowed Priority Tax Claims, Allowed Class 1, Class 2A, and Class 2B Claims, and the fees, costs, and expenses of the Liquidating Agent in performing his duties under the terms of this Plan.

1.44 "Objection" includes (a) an objection to the allowance of a Claim interposed by any party entitled to do so within the applicable period of limitation fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, and (b) as to any Taxing

Authority, shall include a proceeding commenced under section 505 of the Bankruptcy Code to determine the legality or amount of any tax.

1.45 "Objection Deadline" shall mean ninety (90) days following the Effective Date unless otherwise extended by order of the Bankruptcy Court.

1.46 "Person" means any individual, any type of incorporated or registered business or nonprofit entity, including any corporation, general partnership, limited partnership, limited liability company, limited liability partnership, association, joint stock company, joint venture, estate, trust, unincorporated organization, governmental entity or unit, or any political subdivision thereof, or other entity.

1.47 "Petition Date" means March 13, 2016.

1.48 "Plan" means this Chapter 11 Plan of Liquidation of Wellflex Energy Solutions, LLC, either in its present form or as it may be altered, amended, or modified from time to time.

1.49 "Plan Documents" shall refer to the documents that aid in effectuating the Plan as specifically identified as such herein and filed with the Bankruptcy Court as specified in Article I(D) hereof.

1.50 "Plan Rate" means a rate of interest of six percent (6%) per annum.

1.51 "Priority Claim" means a Claim, other than a Claim for an Administrative Expense, to the extent that such Claim is entitled to priority of payment under section 507(a) of the Bankruptcy Code.

1.52 "Priority Tax Claim" means a Claim entitled to priority pursuant to section 507(a)(8) of the Bankruptcy Code.

1.53 "Professional" means those persons employed pursuant to an order of the Bankruptcy Court in accordance with sections 327 and 1103 of the Bankruptcy Code or who are entitled to compensation or reimbursement pursuant to sections 503(b)(3)(D) or 506(b) of the Bankruptcy Code.

1.54 "Property Tax Claim" means a Claim for Property Taxes.

1.55 "Property Taxes" shall mean such taxes assessed by any Taxing Authority against any property of the Debtor based on the value thereof, as allowed by applicable state and local law.

1.56 "Purchaser" shall mean Wellflex Energy Partners Fort Worth, LLC.

1.57 "Rejection Claim" means a Claim arising under section 502(g) of the Bankruptcy Code as a consequence of the rejection of any Executory Contract.

1.58 "Reorganized Debtor" means the Debtor from and after the Effective Date.

1.59 "Schedules" means the schedules of assets and liabilities and the statements of financial affairs filed by the Debtor as required by section 521 of the Bankruptcy Code.

1.60 "Secured Claim" shall mean (a) a Claim secured by a Lien against an Asset, to the extent such Lien is valid, perfected and enforceable under applicable non-bankruptcy law and is not subject to avoidance under the Bankruptcy Code or other applicable non-bankruptcy law, and which is duly Allowed, but only to the extent that such Claim does not exceed the value of the Assets which the Bankruptcy Court finds are valid security for such Claim (except, if the holder of such Claim makes the election provided for in section 1111(b)(2) of the Bankruptcy Code, the entire amount of the Claim shall be a Secured Claim), and (b) any valid and enforceable right of offset asserted against a Debtor or any Asset.

1.61 "Secured Creditor" shall mean the holder of a Secured Claim.

1.62 "Substantial Consummation" means the day on which a Creditor first receives a Distribution of any kind under the terms and provisions of this Plan.

1.63 "Taxing Authority" shall include the State of Texas or any subdivision thereof, including without limitation any political subdivision of the State of Texas assessing ad valorem taxes against any of the Assets.

1.64 "Unclaimed Property" means any cash, Distribution, payment or any other property unclaimed for a period of one (1) year after the applicable Initial Distribution Date.

1.65 "Unsecured (General) Claim" means any Claim that is not secured by a valid and enforceable Lien against any Asset, but excluding always therefrom all: (a) Administrative Expenses and (b) Priority Claims.

B. Interpretation. Unless otherwise specified, all section, Article and exhibit references in this Plan are to the respective section in, Article of, or exhibit to, the Plan as the same may be amended, waived, or modified from time to time. The headings in the Plan are for convenience and reference only and shall not limit or otherwise affect the provisions hereof. The rules of interpretation set forth in section 102 of the Bankruptcy Code shall apply to the Plan.

C. Other Terms. The words "herein," "hereof," "hereto," "hereunder," and others of similar import refer to the Plan as a whole and not to any particular section, subsection, or clause contained in the Plan. References herein to "after notice and hearing" or other similar language shall have the same meaning as in section 102(1) of the Bankruptcy Code. Otherwise, terms used herein that are not specifically defined herein shall have the meaning ascribed to those terms, if any, in the Bankruptcy Code.

D. Exhibits and Plan Documents. All Exhibits to the Plan and all Plan Documents are incorporated into the Plan by this reference and are a part of the Plan as if set forth in full herein. Any Plan Documents may be filed with the Clerk of the Bankruptcy Court prior to the commencement of the Confirmation Hearing. Holders of Claims and Interests may obtain a copy of the Plan Documents, once filed, by a written request sent to the following address: Forshey & Prostok, LLP, 777 Main Street, Suite 1290, Fort Worth, Texas 76102, Attention: Linda Breedlove; Fax number (817) 877-4151; email: lbreedlove@forsheyprostok.com.

ARTICLE II

CLASSIFICATION OF CLAIMS AND INTERESTS

2.01 The following is a designation of the Classes of Claims and Interests under this Plan. Administrative Expenses and Priority Claims of the kinds specified in sections 507(a)(2), 507(a)(3) and 507(a)(8) of the Bankruptcy Code have not been classified, are excluded from the

following Classes in accordance with section 1123(a)(1) of the Bankruptcy Code, and their treatment is set forth in Article III below. A Claim shall be deemed classified in a particular Class only to the extent that the Claim qualifies within the description of that Class. A Claim is included in a particular Class only to the extent that the Claim is an Allowed Claim in that Class.

2.02 Claims and Interests. Allowed Claims against the Debtor are classified under this Plan as follows:

- (a) Class 1 – Priority (Non-Tax) Claims
- (b) Class 2A – Secured Claim of IPFS
- (c) Class 2B – Other Secured Claims
- (d) Class 3 – Unsecured (General) Claims
- (e) Class 4 – Interests in the Debtor.

2.03 Impaired Classes of Claims and Interests. Classes 1, 2A, 3, and 4 are impaired. Class 4 shall not receive or retain any property under the Plan and is therefore deemed to reject the Plan. Class 2B is unimpaired and is deemed to accept the Plan.

2.04 Impairment or Classification Controversies. If a controversy arises as to the classification of any Claim or Interest, or as to whether any Class of Claims or Interests is impaired under the Plan, the Bankruptcy Court shall determine such controversy as a part of the confirmation process.

ARTICLE III

TREATMENT OF ADMINISTRATIVE EXPENSES AND CERTAIN PRIORITY CLAIMS

3.01 Administrative Expenses.

(a) Each holder of an Allowed Administrative Expense shall receive, at the Liquidating Agent's option, (i) the amount of such holder's Allowed Administrative Expense in one cash payment on the later of the Effective Date or the fourteenth (14th) day after such Administrative Expense becomes an Allowed Administrative Expense, (ii) the amount of such

holder's Allowed Administrative Expense in accordance with the ordinary business terms of such expense or cost, or (iii) such other treatment as may be agreed to in writing by such Administrative Expense Creditor and the Debtor or Liquidating Agent, or as ordered by the Bankruptcy Court.

(b) Unless the Bankruptcy Court orders to the contrary or the Debtor or Liquidating Agent agrees to the contrary in writing, the holder of a Claim for an Administrative Expense, other than such a Claim by a Professional, a liability incurred and paid in the ordinary course of business by the Debtor, or an Allowed Administrative Expense, shall file with the Bankruptcy Court and serve upon the Liquidating Agent and his counsel a written notice of such Claim for an Administrative Expense within thirty (30) days after the Effective Date. Such notice shall include at a minimum: (i) the name, address, telephone number and fax number (if applicable) of the holder of such Claim, (ii) the amount of such Claim, and (iii) the basis of such Claim. Failure to timely and properly file and serve such notice shall result in such Claim for an Administrative Expense being forever barred and discharged.

(c) A Claim for an Administrative Expense, for which a proper notice was filed and served under subsection 3.01(b) above, shall become an Allowed Administrative Expense if no Objection is filed within thirty (30) days of the filing and service of such notice. If a timely Objection is filed, the Claim shall become an Allowed Administrative Expense only to the extent allowed by a Final Order.

(d) The procedures set forth in subsections 3.01(b) and (c) above shall not apply to Administrative Expense Claims asserted by Professionals, who shall each file and submit a final fee application to the Bankruptcy Court no later than sixty (60) days after the Effective Date. A Claim for Administrative Expense by a Professional in respect of which a final fee application has been properly filed and served shall become an Allowed Administrative Expense only to the extent allowed by Final Order and, if so Allowed, shall be paid in accordance with Section 3.01(a) above. Professional fees and expenses to any Professional

incurred on or after the Effective Date may be paid without necessity of application to or order by the Court.

(e) This section 3.01 shall not apply to expenses incurred by the Debtor in the ordinary course of its businesses or affairs.

3.02 Priority Tax Claims. Each holder of an Allowed Priority Tax Claim shall receive (a) the amount of such holder's Allowed Claim in one cash payment on or before the Initial Distribution Date or (b) such other treatment as may be agreed to in writing by the holder of the Priority Tax Claim and the Debtor.

3.03 Trustee's Fees. The Liquidating Agent shall pay the U.S. Trustee's quarterly fees incurred pursuant to 28 U.S.C., section 1930(a)(6). Any fees due as of the Confirmation Date shall be paid in full on the Effective Date. After the Confirmation Date, the Liquidating Agent shall pay quarterly fees as they accrue until a final decree is entered and this bankruptcy case is closed. The Liquidating Agent shall file with the Bankruptcy Court and serve on the U.S. Trustee quarterly financial reports for each quarter, or portion thereof, that the Debtor's bankruptcy case remains open.

ARTICLE IV

TREATMENT OF CLAIMS AND INTERESTS

4.01 Class 1 – Priority (Non-Tax) Claims. Each holder of an Allowed Priority Non-Tax Claim shall receive (a) the full amount of such holder's Allowed Claim in one Cash payment on or before the Initial Distribution Date or (b) such other treatment as may be agreed upon in writing by the holder of such Priority Non-Tax Claim and the Debtor.

No Priority (Non-Tax) Claims were filed in the Debtor's bankruptcy case prior to the Bar Date. Moreover, all Priority (Non-Tax) Claims reflected on the Debtor's Schedule E were paid pursuant to the Bankruptcy Court's *Order Authorizing Debtor (1) To Fund Payments to PEO for Payments to Debtor's and PEO's Co-Employees, (2) To Pay Benefits and Reimburse Expenses to Co-Employees, and (3) To Reinstate and Assume Agreement with PEO* [Docket No. 34].

Accordingly, the Debtor does not believe that there are any valid Priority (Non-Tax) Claims against its estate and expects that this will be an empty Class. However, in the event any such Priority (Non-Tax) Claims are determined to exist and are Allowed by the Bankruptcy Court, they shall be classified as Class 1 Claims and paid and treated as set forth herein.

4.02 Class 2A – Secured Claim of IPFS. The Secured Claim of IPFS shall be paid and treated as set forth herein. IPFS has a Secured Claim arising from a Premium Financing Agreement (the "IPFS Agreement") whereby IPFS financed the premiums for certain of the Debtor's insurance policies (collectively, the "Policies"). Per the terms of the IPFS Agreement, the Debtor granted IPFS a security interest in (a) all money that is or may be due to the Debtor because of a loss under any Policy that reduces the unearned premiums (subject to the interest of any applicable mortgagee or loss payee); (b) any unearned premium under the Policies; (c) dividends which may become due to the Debtor in connection with any of the Policies; and (d) interests arising under a state guarantee fund (collectively, the "IPFS Collateral"). Following the sale of the Debtor's Assets to the Purchaser, the Policies were cancelled. At the time of cancellation, one installment payment to IPFS in the approximate amount of \$27,810.34 remained unpaid. Thus, IPFS shall be entitled to recover this amount, together with any applicable interest, fees, and collection costs authorized under the IPFS Agreement, out of the IPFS Collateral, including, *inter alia*, any unearned premium under the Policies, in full and complete satisfaction of its Secured Claim. On the Effective Date, IPFS shall be entitled to exercise all of its state law and contractual rights and remedies with respect to the IPFS Collateral, including, without limitation, the collection of the IPFS Collateral directly from the Debtor's insurer(s) to the full extent authorized by the IPFS Agreement and applicable non-bankruptcy law. To the extent the amount of IPFS's Allowed Claim exceeds the value of the IPFS Collateral (i.e., to the extent the amount IPFS is able to recover from the Debtor's insurer(s) for, *inter alia*, unearned premiums is less than the amount of IPFS's Allowed Claim), IPFS's unsecured deficiency Claim shall be treated in the same manner as Class 3 Unsecured

(General) Claims, and IPFS shall share *pari passu* with the holders of Allowed Class 3 Claims in the distribution of Net Cash.

4.03 Class 2B Other Secured Claims. Each Allowed Secured Claim shall be placed within a separate subclass of this Class 2B. Accordingly, each such Class 2B Claim shall, for purposes of accepting or rejecting the Plan and for receiving distributions under the Plan, be treated as though in a separate Class. On or before the Effective Date, except to the extent that a holder of an Allowed Secured Claim agrees to less favorable treatment, each holder of an Allowed Secured Claim shall, at the Liquidating Agent's option and sole discretion, receive one of the following treatments: (i) payment in full in cash from the Distribution Account; (ii) the Collateral securing such Allowed Secured Claim; or (iii) other treatment that renders such Allowed Secured Claim unimpaired in accordance with section 1124 of the Bankruptcy Code.

In light of the sale of substantially all of the Debtor's Assets to the Purchaser pursuant to the Bankruptcy Court's *Order Authorizing the Sale of Substantially All of the Debtor's Assets Free and Clear of Liens, Claims, Encumbrances, and Other Interests* [Docket No. 93] (the "Sale Order"), the Debtor does not believe that any valid Secured Claims remain against its estate other than the Class 2A Secured Claim of IPFS. However, to the extent any other valid Secured Claims are determined to exist and Allowed by the Bankruptcy Court, such Secured Claims shall be treated as set forth in this Section 4.03.

4.04 Class 3 – Unsecured (General) Claims. Except to the extent that a holder of an Allowed Unsecured (General) Claim agrees to different, less favorable treatment, each holder of an Allowed Unsecured (General) Claim shall receive its pro rata share of Net Cash on or before the Initial Distribution Date.

4.05 Class 4 – Interests in the Debtor. All Interests in the Debtor shall be extinguished and shall cease to exist as of the Effective Date. The holder(s) of such Interests shall not receive or retain any property on account of such Interests under the Plan.

4.06 Interest and Attorneys' Fees.

(a) Interest accrued after the Petition Date will accrue and be paid on Allowed Claims only to the extent specifically provided for in the Plan, the Confirmation Order or as otherwise required by the Bankruptcy Court.

(b) Except as set forth in the Plan or as ordered by the Bankruptcy Court, no award or reimbursement of attorneys' fees or related expenses or disbursements shall be allowed on, or in connection with, any Claim.

ARTICLE V

ACCEPTANCE OR REJECTION OF PLAN

5.01 Classes Entitled to Vote. Each impaired Class of Claims entitled to vote shall separately vote to accept or reject the Plan. Any unimpaired Class shall not be entitled to vote to accept or reject the Plan. Any unimpaired Class is deemed to have accepted the Plan under section 1126(f) of the Bankruptcy Code

5.02 Class Acceptance Requirement. A Class of Claims shall have accepted the Plan if it is accepted by at least two-thirds (2/3) in amount and more than one-half (1/2) in number of the Allowed Claims in such Class that have voted on the Plan.

5.03 Cramdown. This section shall constitute the request by the Plan proponents, pursuant to section 1129(b) of the Bankruptcy Code, that the Bankruptcy Court confirm the Plan notwithstanding the fact that the requirements of section 1129(a)(8) of the Bankruptcy Code have not been met.

ARTICLE VI

MEANS OF IMPLEMENTATION OF THE PLAN

6.01 Assumption of Allowed Claims. On the Effective Date, the Assets will all vest in the Liquidating Agent as Trustee for the benefit of the creditors of the Bankruptcy Estate. All Distributions under this Plan will be paid by the Liquidating Agent using the Assets of the Bankruptcy Estate in the manner provided in Articles III and IV above. All Distributions or

payments shall be made by the Liquidating Agent as set forth regarding the treatment of the respective Allowed Claims in Articles III and IV above.

6.02 Distribution Account. The Estate Cash shall be deposited into the Distribution Account upon the Effective Date. The Liquidating Agent shall pay all Allowed Claims from the funds contained in the Distribution Account in accordance with Articles III and IV above.

6.03 Vesting of Assets. As of the Effective Date, pursuant to sections 1141(b) and (c) of the Bankruptcy Code, all Assets shall be transferred to, and vested in, the Liquidating Agent, free and clear of all rights, title, interests, claims, Liens, encumbrances and charges, except as expressly set forth in the Plan. Without limiting the generality of the foregoing, all Assets shall vest in the Liquidating Agent free and clear of any Lien except as expressly provided in the Plan. Without limiting the foregoing, the Liquidating Agent may pay the charges that he incurs on or after the Effective Date for all fees, disbursements, expenses or related support services of Professionals (including fees relating to the preparation of Professional fee applications) without application to, or approval of, the Bankruptcy Court.

6.04 Actions by the Debtor and the Liquidating Agent to Implement Plan. The entry of the Confirmation Order shall constitute authorization for the Liquidating Agent to take or cause to be taken all actions necessary or appropriate to implement all provisions of, and to consummate, the Plan prior to, on and after the Effective Date and all such actions taken or caused to be taken shall be deemed to have been authorized and approved by the Bankruptcy Court without further approval, act or action under any applicable law, order, rule or regulation.

6.05 Retention and Assertion of Causes of Action and Defenses. Except as expressly set forth in this Plan, all causes of action, claims, counterclaims, defenses and rights of offset or recoupment (including but not limited to all Estate Claims, Estate Defenses and Avoidance Actions) belonging to the Debtor shall, upon the occurrence of the Effective Date, be retained by, received by and vested in the Liquidating Agent for the benefit of the Debtor's Estate. Except as expressly set forth in this Plan, the rights of the Liquidating Agent to commence,

prosecute or settle such causes of action shall be preserved notwithstanding the occurrence of the Effective Date. No Person may rely on the absence of a specific reference in this Plan or this Disclosure Statement to any cause of action against them as any indication that the Debtor's Estate or the Liquidating Agent will not pursue any and all available causes of action (including all Estate Claims, Estate Defenses and Avoidance Actions) against them. The Debtor's Estate and the Liquidating Agent expressly reserve all rights to prosecute any and all causes of action (including all Estate Claims, Estate Defenses and Avoidance Actions) against any Person, except as otherwise provided in this Plan. Unless any causes of action against a Person are expressly waived, relinquished, exculpated, released, compromised or settled in this Plan or a Final Order, the Debtor's Estate expressly reserves all causes of action (including all Estate Claims, Estate Defenses and Avoidance Actions) for later adjudication, and, therefore, no preclusion doctrine, including without limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches, shall apply to such causes of action upon or after the confirmation or consummation of the Plan. The Debtor's Estate and the Liquidating Agent may also assert Estate Defenses as a defense to the allowance of any Claim not otherwise Allowed. Without limiting the foregoing, parties are advised that the Debtor's Estate specifically preserves any Avoidance Actions it may hold against any and all parties disclosed in the Debtor's Statement of Financial Affairs filed on April 4, 2016 (Docket No. 56), as hereafter amended or supplemented, as having received any conveyances or transfers from the Debtor.

ARTICLE VII

PROVISIONS GOVERNING DISTRIBUTION

7.01 Source of Distributions. All Distributions to be made to Creditors under the Plan shall be made by the Liquidating Agent through the Distribution Account.

7.02 Timing and Amount of Distributions. No Distribution shall be made on account of any Claim until such Claim is Allowed, except as otherwise set forth in the Plan or ordered by

the Bankruptcy Court pursuant to a Final Order. No Distribution shall be made on account of any Contested Claim until such Claim is Allowed. Any Distributions pursuant to the Plan shall be made on the respective Initial Distribution Date(s) applicable to each such Allowed Claim except as otherwise provided in the Plan or ordered by the Bankruptcy Court. Any Unclaimed Property may be paid into the registry of the Bankruptcy Court or otherwise distributed in accordance with the orders of the Bankruptcy Court.

7.03 Means of Cash Payment. Cash payments pursuant to this Plan shall be made by check drawn on the Distribution Account.

7.04 Record Date for Distributions. As of the close of business on the date which is seven (7) days immediately preceding the Initial Distribution Date (the "Distribution Record Date"), the register for Claims and Interests will be closed, and there shall be no further changes in the holder of record of any Claim or Interest. The Liquidating Agent shall have no obligation to recognize any transfer of any Claim or Interest occurring after the Distribution Record Date, and shall instead be authorized and entitled to recognize and deal for all purposes under the Plan with only those holders of record stated on the register of Claims and/or Interests as of the Distribution Record Date for Distributions under the Plan.

7.05 Delivery of Distributions. All Distributions, deliveries and payments to the holders of any Allowed Claims shall be made to the addresses set forth on the respective proofs of Claim filed in this case. Any such Distribution, delivery or payment shall be deemed as made for all purposes relating to this Plan when deposited in the United States Mail and served as provided in section 13.05 below. Whether secured or unsecured, if no proof of claim is filed, any Distribution shall be made to the Creditor at the last known address or as reflected in the Schedules. If any Distribution is returned as undeliverable, no further Distribution shall be made on account of such Allowed Claim unless and until the Liquidating Agent is notified of such holder's then current address, at which time all missed Distributions shall be made to the holder of such Allowed Claim. All claims for undeliverable Distributions shall be made on or before the

first anniversary of the attempted Distribution. After such date, all Unclaimed Property shall revert to the Liquidating Agent and the Claim of any holder with respect to such property shall be discharged and forever barred.

7.06 Time Bar to Cash Payments. Checks issued in respect of Allowed Claims shall be null and void if not cashed within ninety (90) days of the date of issuance thereof. Requests for reissuance of any check shall be made directly to the Liquidating Agent by the holder of the Allowed Claim with respect to which such check originally was issued. Any claim in respect of such a voided check shall be made on or before the later of the first anniversary of the Initial Distribution Date or ninety (90) days after the date of issuance of such check. After such date, all claims in respect of void checks shall be discharged and forever barred.

7.07 Cure Period. Except as otherwise set forth herein, the failure by the Liquidating Agent to timely perform any term, provision or covenant contained in this Plan, or to make any payment or Distribution required by this Plan to any Creditor, or the failure to make any payment or perform any covenant on any note, instrument or document issued pursuant to this Plan, shall not constitute an Event of Default unless and until the Liquidating Agent has been given thirty (30) days written notice of such alleged default in the manner provided in this Plan, and provided an opportunity to cure such alleged default. Until the expiration of such thirty (30) day cure period, the Liquidating Agent shall not be in default, and performance during such thirty (30) day cure period shall be deemed as timely for all purposes. Such written notice and passage of the thirty (30) day cure period shall constitute conditions precedent to declaring or claiming any default under this Plan or bringing any action or legal proceeding by any Person to enforce any right granted under this Plan.

7.08 Distributions after Substantial Consummation. All Distributions of any kind made to any of the Creditors after Substantial Consummation and any and all other actions taken under this Plan after Substantial Consummation shall not be subject to relief, reversal or

modification by any court unless the implementation of the Confirmation Order is stayed by an order granted under Bankruptcy Rule 8005.

ARTICLE VIII

PROCEDURES FOR RESOLVING AND TREATING CONTESTED AND CONTINGENT CLAIMS

8.01 Objection Deadline. All Objections to Claims shall be served and filed by the Objection Deadline; provided, however, the Objection Deadline shall not apply to Claims which are not reflected in the claims register, including any alleged informal proofs of Claim. The Liquidating Agent and/or the Debtor may seek to extend the Objection Deadline pursuant to a motion filed on or before the then applicable Objection Deadline with respect to any Claims. Any such motion may be granted without notice or a hearing. In the event that the Liquidating Agent and/or the Debtor files such a motion and the Bankruptcy Court denies such motion, the Objection Deadline shall nevertheless be automatically extended to that date which is fourteen (14) days after the date of entry of the Bankruptcy Court's order denying such motion. Any proof of claim filed more than thirty (30) days after the Effective Date shall be of no force and effect and need not be objected to by the Liquidating Agent. Nothing contained herein shall limit the right of the Liquidating Agent to object to Claims, if any, filed or amended after the Objection Deadline.

8.02 Responsibility for Objecting to Claims and Settlement of Claims.

(a) From and after the Effective Date, the Liquidating Agent shall have the sole and exclusive right to (i) file, settle, or litigate to Final Order any Objections to any Claims; and (ii) seek to subordinate any Claim. Any Contested Claim may be litigated to Final Order.

(b) From and after the Effective Date, the Liquidating Agent shall have the sole and exclusive right to settle, compromise or otherwise resolve any Contested Claim without the necessity of any further notice or approval of the Bankruptcy Court. Bankruptcy Rule 9019 shall not apply to any settlement or compromise of a Contested Claim after the Effective Date.

8.03 Distributions on Account of Contested Claims. If a Claim is Contested, then the Initial Distribution Date as to such Contested Claim shall be determined based upon its date of Allowance, and thereafter distribution shall be made on account of such Allowed Claim pursuant to the provisions of the Plan. No Distribution shall be made on account of a Contested Claim until Allowed. Until such time as a contingent Claim becomes fixed and absolute by a Final Order allowing such Claim, such Claim shall be treated as a Contested Claim for purposes of estimates, allocations, and Distributions under the Plan. Any contingent right to contribution or reimbursement shall continue to be subject to section 502(e) of the Bankruptcy Code.

8.04 No Waiver of Right to Object. Except as expressly provided in this Plan, nothing contained in the Disclosure Statement, this Plan or the Confirmation Order shall waive, relinquish, release or impair the Liquidating Agent's right to object to any Claim.

8.05 Offsets and Defenses. The Liquidating Agent shall be vested with and retain all defenses and affirmative defenses to all Claims, including without limitation all rights of offset or recoupment and all counterclaims against any Claimant holding a Claim. Assertion of counterclaims by the Liquidating Agent against any Claimants shall constitute "core" proceedings.

ARTICLE IX

EXECUTORY CONTRACTS AND UNEXPIRED LEASES

9.01 Assumption and Rejection of Executory Contracts. Except as otherwise ordered by the Court pursuant to a separate application to assume or reject, all Executory Contracts of the Debtor shall be deemed as rejected by the Liquidating Agent upon the Effective Date unless an Executory Contract (a) has been previously assumed or rejected pursuant to an order of the Bankruptcy Court, (b) is identified in this Plan or the Confirmation Order to be assumed, or (c) is the subject of a motion to assume filed on or before the Confirmation Date. Any Executory Contract to be assumed under this Plan that has been amended or modified at any time after the Petition Date of the Debtor that is party to such Executory Contract shall be deemed

assumed as amended or modified. This Plan shall constitute a motion to reject the Executory Contracts. However, the Debtor may file a separate motion for the assumption or rejection of any Executory Contract at any time through the Confirmation Date.

9.02 Cure Payments. Unless the holder of a Cure Claim and the Liquidating Agent agree in writing to other treatment of such holder's Cure Claim, or other treatment of such holder's Cure Claim is provided for under the Plan, each Cure Claim against the Debtor shall be paid and treated as follows:

(a) Any cure payment which may be required by section 365(b)(1) of the Bankruptcy Code under an Executory Contract that is assumed under this Plan shall be made by the Liquidating Agent on the Initial Distribution Date. Notwithstanding the foregoing, in the event of a dispute regarding the amount of any Cure Claim, the cure of any other defaults, the provision of adequate assurance of future performance, or any other matter pertaining to assumption, the Liquidating Agent shall make such cure payments and cure such other defaults and provide adequate assurance of future performance, all as may be required by section 365(b)(1) of the Bankruptcy Code, following the entry of a Final Order by the Bankruptcy Court resolving such dispute.

(b) Any other term of this Plan notwithstanding, the Liquidating Agent may pre-pay any Cure Claim in whole or in part without penalty.

9.03 Bar to Rejection Claims. Except as otherwise ordered by the Bankruptcy Court, any Rejection Claim based on the rejection of an Executory Contract shall be forever barred and shall not be enforceable against the Liquidating Agent or the Assets unless a proof of claim is filed with the Bankruptcy Court and served upon the Liquidating Agent and his counsel by the earlier of thirty (30) days after the Effective Date or thirty (30) days after entry of the Final Order approving rejection of such Executory Contract.

9.04 Rejection Claims. Any Rejection Claim not barred by section 9.04 above shall be classified as a Class 3 Unsecured (General) Claim subject to the provisions of section 502(g) of

the Bankruptcy Code. Nothing contained herein shall be deemed an admission by the Debtor or the Liquidating Agent that such rejection gives rise to or results in a Claim or shall be deemed a waiver by the Liquidating Agent of any objections to such Claim if asserted.

9.05 Reservation of Rights. Nothing contained in the Plan shall constitute an admission by the Debtor or the Liquidating Agent that any contract or lease is in fact an Executory Contract or that the Debtor's Estate has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Liquidating Agent shall have thirty (30) days following entry of a Final Order resolving such dispute to alter the treatment of such contract or lease.

ARTICLE X

CONDITIONS PRECEDENT TO CONFIRMATION AND EFFECTIVENESS OF PLAN

10.01 Conditions to Confirmation and Effectiveness of Plan. The Plan shall not become effective until the following conditions shall have been satisfied: (a) the Confirmation Order shall have been entered, in form and substance acceptable to the Debtor and shall have become a Final Order; (b) all other conditions precedent have been satisfied to the satisfaction of the Debtor; and (c) a notice of the Effective Date has been filed by the Debtor and thereafter served upon all Creditors and parties in interest. Any or all of the above conditions may be waived at any time by the Debtor.

ARTICLE XI

EFFECT OF THE PLAN ON CLAIMS AND INTERESTS

11.01 Compromise and Settlement. Pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration of the classification, potential Distributions and other benefits provided under the Plan, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims, Interests and controversies resolved pursuant to the Plan, including, without limitation, all Claims against the Debtor arising prior to the Debtor's Petition Date, whether known or unknown, foreseen or unforeseen, asserted or unasserted,

arising out of, relating to or in connection with the business or affairs of, or transactions with, the Debtor. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of each of the foregoing compromises or settlements, and all other compromises and settlements provided for in the Plan, and the Bankruptcy Court's findings shall constitute its determination that such compromises and settlements are in the best interest of the Debtor, the Debtor's bankruptcy estate, Creditors and other parties in interest, and are fair, equitable and within the range of reasonableness.

11.02 Injunction. On the Effective Date and except as otherwise provided herein, all Persons who have been, are, or may be holders of Claims against or Interests in the Debtor or the Debtor's Estate shall be permanently restrained and enjoined from taking any of the following actions against or affecting the Debtor, the Liquidating Agent, the Debtor's bankruptcy estate, the Assets, or their respective assets and property, with respect to such Claims or Interests (other than actions brought to enforce any rights or obligations under the Plan): (a) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any such Claim or Interest; (b) enforcing, levying, attaching, collecting, or otherwise recovering by any manner or means, whether directly or indirectly, any judgment, award, decree, or order; (c) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any Lien or encumbrance of any kind; (d) asserting any control over, interest, rights or title in or to any of the Assets except as expressly provided in the Plan; (e) asserting any setoff, right of subrogation or recoupment of any kind against any obligation due the Liquidating Agent as assignee, except upon order of the Bankruptcy Court; and (f) performing any act, by any manner or means, whether directly or indirectly, in any place whatsoever, that does not conform to or comply with the provisions of the Plan; provided, however, that this injunction shall not bar any Creditor from asserting any right granted pursuant to this Plan; provided, further, however, that each holder of a

Contested Claim shall be entitled to enforce its rights under the Plan, including seeking allowance of such Contested Claim pursuant to the Plan. Unless otherwise provided, all injunctions or stays arising under or entered during the Debtor's Chapter 11 Case under sections 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 Effective Date.

11.03 Setoffs. Except as otherwise expressly provided for in the Plan, pursuant to the Bankruptcy Code (including section 553 of the Bankruptcy Code), applicable nonbankruptcy law, or as may be agreed to by the holder of a Claim, the Liquidating Agent may setoff against any Allowed Claim and the Distributions to be made pursuant to the Plan on account of such Allowed Claim (before such Distribution is made), any claims, rights, Estate Claims and Estate Defenses of any nature that the Debtor may hold against the holder of such Allowed Claim, to the extent such claims, rights, Estate Claims and Estate Defenses against such holder have not been otherwise compromised or settled on or prior to the Effective Date (whether pursuant to the Plan or otherwise); provided, however, that neither the failure to effect such a setoff nor the allowance of any Claim or Interest pursuant to the Plan shall constitute a waiver or release by the Debtor of any such claims, rights, Estate Claims and Estate Defenses that the Debtor may possess against such Claimant. In no event shall any Claimant or Interest holder be entitled to setoff any Claim or Interest against any claim, right, or Estate Claim of the Debtor without the consent of the Liquidating Agent unless such holder files a motion with the Bankruptcy Court requesting the authority to perform such setoff notwithstanding any indication in any proof of claim or otherwise that such holder asserts, has, or intends to preserve any right of setoff pursuant to section 553 of the Bankruptcy Code or otherwise.

11.04 Recoupment. Except as otherwise expressly provided for in the Plan, in no event shall any holder of Claims or Interests be entitled to recoup any Claim or Interest against any claim, right, account receivable, or Estate Claim of the Debtor or the Liquidating Agent unless (a) such holder actually provides notice thereof in writing to the Liquidating Agent of its intent to

perform a recoupment; (b) such notice includes the amount to be recouped by the holder of the Claim or Interest and a specific description of the basis for the recoupment, and (c) the Liquidating Agent has provided a written response to such Claim or Interest holder, stating unequivocally that the Liquidating Agent consents to the requested recoupment. The Debtor and the Liquidating Agent shall have the right, but not the obligation, to seek an order of the Bankruptcy Court allowing any or all of the proposed recoupment. In the absence of a written response from the Liquidating Agent consenting to a recoupment or an order of the Bankruptcy Court authorizing a recoupment, no recoupment by the holder of a Claim or Interest shall be allowed.

11.05 Turnover. On the Effective Date, any rights of the Debtor's bankruptcy estate to compel turnover of Assets under applicable nonbankruptcy law and pursuant to section 542 or 543 of the Bankruptcy Code shall be deemed transferred to and vested in the Liquidating Agent.

11.06 Automatic Stay. The automatic stay pursuant to section 362 of the Bankruptcy Code, except as previously modified by the Bankruptcy Court, shall remain in effect until the Effective Date of the Plan as to the Debtor and all Assets. As of the Effective Date, the automatic stay shall be replaced by the injunction contained in section 11.02 above.

ARTICLE XII

JURISDICTION OF COURTS AND MODIFICATIONS TO THE PLAN

12.01 Retention of Jurisdiction. Pursuant to sections 1334 and 157 of title 28 of the United States Code, the Bankruptcy Court shall retain exclusive jurisdiction of all matters arising in, arising under, and related to the Debtor's chapter 11 case and the Plan, 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 any and all Objections to or applications concerning the allowance of Claims or the allowance, classification, priority, compromise, estimation, or payment of any Administrative Expense;

(b) To hear and determine any and all applications for payment of fees and expenses pursuant to this Plan to any Professional pursuant to sections 330 or 503 of the Bankruptcy Code, or for payment of any other fees or expenses authorized to be paid or reimbursed under this Plan, and any and all objections thereto;

(c) To hear and determine pending applications for the rejection, assumption, or assumption and assignment of Executory Contracts and the allowance of Claims resulting therefrom, and to determine the rights of any party in respect to the assumption or rejection of any Executory Contract;

(d) To hear and determine any and all adversary proceedings, applications, or contested matters, including allowance of any Claim;

(e) To hear and determine all controversies, disputes, and suits which may arise in connection with the execution, interpretation, implementation, consummation, or enforcement of the Plan or in connection with the enforcement of any remedies made available under the Plan, including without limitation, (i) adjudication of all rights, interests or disputes relating to any of the Assets, (ii) the valuation of all Collateral, including hearing all Valuation Motions, (iii) the determination of the validity of any Lien or claimed right of offset; and (iv) determinations of Objections to Contested Claims;

(f) To liquidate and administer any disputed, contingent, or unliquidated Claims, including the Allowance of all Contested Claims;

(g) To administer Distributions to holders of Allowed Claims as provided herein;

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

(i) To consider any modification of the Plan pursuant to section 1127 of the Bankruptcy Code, to cure any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation the Confirmation Order;

(j) To enforce the injunction contained in section 11.04 above;

(k) To enter and implement all such orders as may be necessary or appropriate to execute, interpret, construe, implement, consummate, or enforce the terms and conditions of the Plan and the transactions required or contemplated pursuant hereto;

(l) To hear and determine any other matter not inconsistent with the Bankruptcy Code and title 28 of the United States Code that may arise in connection with or related to the Plan;

(m) To grant a discharge pursuant to section 1145(d)(5) and to enforce and give full force and effect to the discharge;

(n) To determine proceedings pursuant to section 505 of the Bankruptcy Code; and

(o) To enter a final decree closing this chapter 11 case.

12.02 Abstention and Other Courts. If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising out of or relating to this chapter 11 case, this Article of the Plan 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.

12.03 Non-Material Modifications. This Plan may be modified, with the approval of the Bankruptcy Court and without notice to all holders of Claims and Interests, to correct any defect, omission, or inconsistency in the Plan in such manner and to such extent as may be necessary or desirable. The Liquidating Agent may undertake such nonmaterial modification pursuant to this section insofar as it does not adversely change the treatment of the Claim of any Creditor or the Interest of any Interest holder who has not accepted in writing the modification.

12.04 Material Modifications. Modifications of this Plan may be proposed at any time before confirmation, provided that this Plan, as modified, meets the requirements of sections 1122 and 1123 of the Bankruptcy Code, and the Debtor shall have complied with section 1125

of the Bankruptcy Code. This Plan may be modified at any time after confirmation and before its Substantial Consummation, provided that the Plan, as modified, meets the requirements of sections 1122 and 1123 of the Bankruptcy Code, and the Bankruptcy Court, after notice and a hearing, confirms the Plan, as modified, under section 1129 of the Bankruptcy Code, and the circumstances warrant such modification. A holder of a Claim or Interest that has accepted or rejected this Plan shall be deemed to have accepted or rejected, as the case may be, such Plan as modified, unless, within the time fixed by the Bankruptcy Court, such holder changes its previous acceptance or rejection.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

13.01 Severability. Should the Bankruptcy Court determine any provision of the Plan is unenforceable either on its face or as applied to any Claim or Interest or transaction, the Liquidating Agent may modify the Plan so that any such provision shall not be applicable to the holder of any Claim or Interest. Such a determination of unenforceability shall not (a) limit or affect the enforceability and operative effect of any other provision of the Plan or (b) require the resolicitation of any acceptance or rejection of the Plan.

13.02 Oral Agreements; Modification of Plan; Oral Representations or Inducements. The terms of the Plan, Disclosure Statement and Confirmation Order may only be amended in writing and may not be changed, contradicted or varied by any oral statement, agreement, warranty or representation. Neither the Debtor nor its attorneys have made any representation, warranty, promise or inducement relating to the Plan or its confirmation except as expressly set forth in this Plan, the Disclosure Statement, or the Confirmation Order or other order of the Bankruptcy Court.

13.03 Waiver. The Liquidating Agent shall not be deemed to have waived any right, power or privilege pursuant to the Plan unless the waiver is in writing and signed by the Liquidating Agent. There shall be no waiver by implication, course of conduct or dealing, or

through any delay or inaction by the Liquidating Agent, of any right pursuant to the Plan, including the provisions of this anti-waiver section. The waiver of any right under the Plan shall not act as a waiver of any other or subsequent right, power or privilege.

13.04 Construction. This Plan shall control over any inconsistent term of the Disclosure Statement. The Confirmation Order shall control over any inconsistent provision of the Plan.

13.05 Notice. Any notice or communication required or permitted by the Plan shall be given, made or sent as follows:

(a) If to a Creditor, notice may be given as follows: (i) if the Creditor has filed no proof of claim, then to the address reflected in the Schedules, or (ii) if the Creditor has filed a proof of claim, then to the address reflected in the proof of claim.

(b) If to the Liquidating Agent, notice shall be sent to the following address:

Doug Wright
Wellflex
7609 White Settlement Road
Fort Worth, Texas 76108
dwright@wellflex.com

Concurrently with service of such notice on the Liquidating Agent, a copy thereof shall be concurrently served in the same manner on the following legal counsel as follows:

Jeff P. Prostok
Clarke V. Rogers
Forshey & Prostok, L.L.P.
777 Main Street, Suite 1290
Fort Worth, Texas 76102
(817) 877-4151 FAX
Email: jprostok@forsheyprostok.com
Email: crogers@forsheyprostok.com

(c) Any Creditor desiring to change its address for the purpose of notice may do so by giving notice to the Liquidating Agent of its new address in accordance with the terms of this section.

(d) Any notice given, made or sent as set forth above shall be effective upon being (i) deposited in the United States Mail, postage prepaid, addressed to the addressee at the address as set forth above; (ii) delivered by hand or messenger to the addressee at the

address set forth above; (iii) telecopied to the addressee as set forth above, with a hard confirmation copy being immediately sent through the United States Mail; or (iv) delivered for transmission to an expedited or overnight delivery service such as FedEx.

13.06 Compliance with All Applicable Laws. If notified by any governmental authority that he is in violation of any applicable law, rule, regulation, or order of such governmental authority relating to his business, the Liquidating Agent shall comply with such law, rule, regulation, or order; provided, however, that nothing contained herein shall require such compliance if the legality or applicability of any such requirement is being contested in good faith in appropriate proceedings and, if appropriate, an adequate reserve has been set aside on the books of the Liquidating Agent.

13.07 Duties to Creditors. No agent, representative, accountant, financial advisor, attorney, shareholder, officer, affiliate, member or employee of the Debtor shall ever owe any duty to any Person (including any Creditor) other than the duties owed to the Debtor's bankruptcy estate, for any act, omission, or event in connection with, or arising out of, or relating to, any of the following: (a) the Debtor's bankruptcy case, including all matters or actions in connection with or relating to the administration of the estate, (b) the Plan, including the proposal, negotiation, confirmation and consummation of the Plan, or (c) any act or omission relating to the administration of the Plan after the Effective Date.

13.08 Binding Effect. The Plan shall be binding upon, and shall inure to the benefit of the Liquidating Agent, the holders of the Claims or Liens, the holders of Interests, and their respective successors in interest and assigns.

13.09 Governing Law, Interpretation. Unless a rule of law or procedure supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) is applicable, the internal laws of the State of Texas shall govern the construction and implementation of the Plan and any Plan Documents without regard to conflicts of law. The Plan shall control any inconsistent term or provision of any other Plan Documents.

13.10 Payment of Statutory Fees. All fees payable pursuant to section 1930 of title 28 of the United States Code shall be paid on or before the Effective Date, and thereafter shall be paid by the Liquidating Agent as such statutory fees become due.

13.11 Filing of Additional Documents. On or before Substantial Consummation of the Plan, the Liquidating Agent may file with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan.

13.12 Computation of Time. If the final day for any Distribution, performance, act or event under the Plan is not a Business Day, then the time for making or performing such Distribution, performance, act or event shall be extended to the next Business Day. Any payment or Distribution required to be made hereunder on a day other than a Business Day shall be due and payable on the next succeeding Business Day.

13.13 Elections by the Liquidating Agent. Any right of election or choice granted to the Liquidating Agent under this Plan may be exercised, at the Liquidating Agent's election, separately as to each Claim, Creditor or Person.

13.14 Release of Liens. Except as otherwise provided in this Plan or the Confirmation Order, all Liens against any of the Assets shall be deemed to be released, terminated and nullified.

13.15 Rates. The Plan does not provide for the change of any rate that is within the jurisdiction of any governmental regulatory commission after the occurrence of the Effective Date.

13.16 Compliance with Tax Requirements. In connection with the Plan, the Liquidating Agent shall comply with all withholding and reporting requirements imposed by federal, state and local Taxing Authorities and all Distributions under the Plan shall be subject to such withholding and reporting requirements. Notwithstanding the above, each holder of an Allowed Claim or Interest that is to receive a Distribution under the Plan shall have the sole and

exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any governmental unit, including income, withholding and other tax obligations, on account of such Distribution under the Plan.

13.17 Notice of Entry of Confirmation Order. Promptly after entry of the Confirmation Order, the Debtor, as directed by the Bankruptcy Court, shall serve on all known parties in interest and holders of Claims and Interests, notice of entry of the Confirmation Order.

13.18 Notice of Occurrence of the Effective Date. Promptly after occurrence of the Effective Date, the Debtor, as directed by the Bankruptcy Court, shall serve on all known parties in interest and holders of Claims and Interests, notice of the occurrence of the Effective Date.

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Dated: September 14, 2016.

Respectfully submitted,

/s/ Doug Wright
Doug Wright, Chief Financial Officer
and Proposed Liquidating Agent

APPROVED:

/s/ Jeff P. Prostok
Jeff P. Prostok
State Bar No. 16352500
Clarke V. Rogers
State Bar No. 24052901
FORSHEY & PROSTOK, L.L.P.
777 Main Street, Suite 1290
Fort Worth, Texas 76102
Phone: (817) 877-8855
Fax: (817) 877-4151
jprostok@forsheyprostok.com
crogers@forsheyprostok.com

ATTORNEYS FOR THE DEBTOR
AND DEBTOR IN POSSESSION

Exhibit “B”

**Monthly Operating Report
ACCRUAL BASIS**

CASE NAME:	Wellflex Energy Solutions, LLC
CASE NUMBER:	16-41049-mxm-11
JUDGE:	Mark X. Mullin

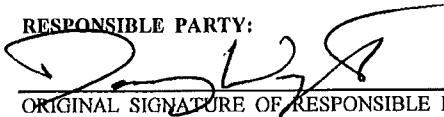
**UNITED STATES BANKRUPTCY COURT
NORTHERN & EASTERN DISTRICTS OF TEXAS
REGION 6**

MONTHLY OPERATING REPORT

MONTH ENDING: July 2016
MONTH YEAR

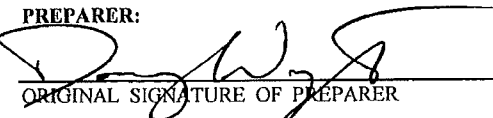
IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING MONTHLY OPERATING REPORT (ACCRUAL BASIS-1 THROUGH ACCRUAL BASIS-7) AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT, AND COMPLETE. DECLARATION OF THE PREPARER (OTHER THAN RESPONSIBLE PARTY) IS BASED ON ALL INFORMATION OF WHICH PREPARER HAS ANY KNOWLEDGE.

RESPONSIBLE PARTY:


ORIGINAL SIGNATURE OF RESPONSIBLE PARTY CFO TITLE

Doug Wright 8/22/2016
PRINTED NAME OF RESPONSIBLE PARTY DATE

PREPARER:


ORIGINAL SIGNATURE OF PREPARER CFO TITLE

Doug Wright 8/22/2016
PRINTED NAME OF PREPARER DATE

Monthly Operating Report
ACCRUAL BASIS-1

CASE NAME:	Wellflex Energy Solutions, LLC
CASE NUMBER:	16-41049-mxm-11

COMPARATIVE BALANCE SHEET				
	SCHEDULE AMOUNT	MONTH	MONTH	MONTH
ASSETS				
1. UNRESTRICTED CASH		\$175,000		
2. RESTRICTED CASH				
3. TOTAL CASH	\$0	\$175,000	\$0	\$0
4. ACCOUNTS RECEIVABLE (NET)				
5. INVENTORY				
6. NOTES RECEIVABLE				
7. PREPAID EXPENSES				
8. OTHER (ATTACH LIST)				
9. TOTAL CURRENT ASSETS	\$0	\$175,000	\$0	\$0
10. PROPERTY, PLANT & EQUIPMENT				
11. LESS: ACCUMULATED DEPRECIATION/DEPLETION				
12. NET PROPERTY, PLANT & EQUIPMENT	\$0	\$0	\$0	\$0
13. DUE FROM INSIDERS				
14. OTHER ASSETS - NET OF AMORTIZATION (ATTACH LIST)				
15. OTHER (ATTACH LIST)				
16. TOTAL ASSETS	\$0	\$175,000	\$0	\$0
POSTPETITION LIABILITIES				
17. ACCOUNTS PAYABLE				
18. TAXES PAYABLE				
19. NOTES PAYABLE				
20. PROFESSIONAL FEES				
21. SECURED DEBT				
22. OTHER (ATTACH LIST)				
23. TOTAL POSTPETITION LIABILITIES		\$0	\$0	\$0
PREPETITION LIABILITIES				
24. SECURED DEBT		\$0		
25. PRIORITY DEBT		\$0		
26. UNSECURED DEBT		\$2,281,505		
27. OTHER (ATTACH LIST)		\$0		
28. TOTAL PREPETITION LIABILITIES	\$0	\$2,281,505	\$0	\$0
29. TOTAL LIABILITIES	\$0	\$2,281,505	\$0	\$0
EQUITY				
30. PREPETITION OWNERS' EQUITY		(\$941,818)		
31. POSTPETITION CUMULATIVE PROFIT OR (LOSS)		(\$346,935)		
32. DIRECT CHARGES TO EQUITY (ATTACH EXPLANATION)		(\$817,752)		
33. TOTAL EQUITY		(\$2,106,505)	\$0	\$0
34. TOTAL LIABILITIES & OWNERS' EQUITY		\$175,000	\$0	\$0

Monthly Operating Report
ACCRUAL BASIS-2

CASE NAME:	Wellflex Energy Solutions, LLC
CASE NUMBER:	16-41049-mxm-11

INCOME STATEMENT	MONTH	MONTH	MONTH	MONTH
REVENUES				
1. GROSS REVENUES	\$0			\$0
2. LESS: RETURNS & DISCOUNTS	\$0			\$0
3. NET REVENUE	\$0	\$0	\$0	\$0
COST OF GOODS SOLD				
4. MATERIAL	\$0			\$0
5. DIRECT LABOR	\$30,283			\$0
6. DIRECT OVERHEAD	\$35,435			\$0
7. TOTAL COST OF GOODS SOLD	\$65,718	\$0	\$0	\$0
8. GROSS PROFIT	(\$65,718)	\$0	\$0	\$0
OPERATING EXPENSES				
9. OFFICER / INSIDER COMPENSATION	\$51,797			\$0
10. SELLING & MARKETING	\$1,906			\$0
11. GENERAL & ADMINISTRATIVE	\$26,077			\$0
12. RENT & LEASE	\$0			\$0
13. OTHER (ATTACH LIST)	\$0			\$0
14. TOTAL OPERATING EXPENSES	\$79,780	\$0	\$0	\$0
15. INCOME BEFORE NON-OPERATING INCOME & EXPENSE	(\$145,498)	\$0	\$0	\$0
OTHER INCOME & EXPENSES				
16. NON-OPERATING INCOME (ATTACH LIST)				\$0
17. NON-OPERATING EXPENSE (ATTACH LIST)				\$0
18. INTEREST EXPENSE	\$16,296			\$0
19. DEPRECIATION / DEPLETION	\$12,307			\$0
20. AMORTIZATION	\$0			\$0
21. OTHER (ATTACH LIST)				\$0
22. NET OTHER INCOME & EXPENSES	\$28,603	\$0	\$0	\$0
REORGANIZATION EXPENSES				
23. PROFESSIONAL FEES				\$0
24. U.S. TRUSTEE FEES				\$0
25. OTHER (ATTACH LIST)				\$0
26. TOTAL REORGANIZATION EXPENSES	\$0	\$0	\$0	\$0
27. INCOME TAX	\$0	\$0	\$0	\$0
28. NET PROFIT (LOSS)	(\$174,101)	\$0	\$0	\$0

Monthly Operating Report
ACCRUAL BASIS-3

CASE NAME:	Wellflex Energy Solutions, LLC
CASE NUMBER:	16-41049-mxm-11

CASH RECEIPTS AND DISBURSEMENTS	MONTH	MONTH	MONTH	QUARTER
1. CASH - BEGINNING OF MONTH	\$1,249,049	\$2,069,121	\$2,069,121	
RECEIPTS FROM OPERATIONS				
2. CASH SALES	\$0	\$0	\$0	\$0
COLLECTION OF ACCOUNTS RECEIVABLE				
3. PREPETITION				\$0
4. POSTPETITION	\$932,948			\$932,948
5. TOTAL OPERATING RECEIPTS	\$932,948	\$0	\$0	\$932,948
NON-OPERATING RECEIPTS				
6. LOANS & ADVANCES (ATTACH LIST)				\$0
7. SALE OF ASSETS				\$0
8. OTHER (ATTACH LIST)	\$121,397			\$121,397
9. TOTAL NON-OPERATING RECEIPTS	\$121,397	\$0	\$0	\$121,397
10. TOTAL RECEIPTS	\$1,054,345	\$0	\$0	\$1,054,345
11. TOTAL CASH AVAILABLE	\$2,303,394	\$2,069,121	\$2,069,121	
OPERATING DISBURSEMENTS				
12. NET PAYROLL	\$77,784			\$77,784
13. PAYROLL TAXES PAID				\$0
14. SALES, USE & OTHER TAXES PAID				\$0
15. SECURED / RENTAL / LEASES				\$0
16. UTILITIES	\$3,685			\$3,685
17. INSURANCE	\$31,894			\$31,894
18. INVENTORY PURCHASES	\$74,857			\$74,857
19. VEHICLE EXPENSES	\$2,529			\$2,529
20. TRAVEL	\$1,558			\$1,558
21. OFFICE SUPPLIES/EXPENSES	\$7,712			\$7,712
22. REPAIRS & MAINTENANCE	\$785			\$785
23. SHOP SUPPLIES	\$14,977			\$14,977
24. ADEQUATE PROTECTION PAYMENTS	\$18,493			\$18,493
25. OTHER (ATTACH LIST)				\$0
26. TOTAL OPERATING DISBURSEMENTS	\$234,273	\$0	\$0	\$234,273
REORGANIZATION EXPENSES				
27. PROFESSIONAL FEES				\$0
28. U.S. TRUSTEE FEES				\$0
29. OTHER (ATTACH LIST)				\$0
30. TOTAL REORGANIZATION EXPENSES	\$0	\$0	\$0	\$0
31. TOTAL DISBURSEMENTS	\$234,273	\$0	\$0	\$234,273
32. NET CASH FLOW	\$820,072	\$0	\$0	\$820,072
33. CASH - END OF MONTH	\$2,069,121	\$2,069,121	\$2,069,121	

Note: All assets were transferred to the purchaser at closing per the terms of the Sale Order.

**Monthly Operating Report
ACCRUAL BASIS-4**

CASE NAME:	Wellflex Energy Solutions, LLC
CASE NUMBER:	16-41049-mxm-11

ACCOUNTS RECEIVABLE AGING	SCHEDULE AMOUNT	MONTH	MONTH	MONTH
1. 0-30				\$0
2. 31-60				
3. 61-90				
4. 91+				\$0
5. TOTAL ACCOUNTS RECEIVABLE	\$0	\$0	\$0	\$0
6. AMOUNT CONSIDERED UNCOLLECTIBLE				
7. ACCOUNTS RECEIVABLE (NET)	\$0	\$0	\$0	\$0

AGING OF POSTPETITION TAXES AND PAYABLES			MONTH: July 2016		
TAXES PAYABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	91+ DAYS	TOTAL
1. FEDERAL					\$0
2. STATE					\$0
3. LOCAL					\$0
4. OTHER (ATTACH LIST)					\$0
5. TOTAL TAXES PAYABLE	\$0	\$0	\$0	\$0	\$0
6. ACCOUNTS PAYABLE					\$0

STATUS OF POSTPETITION TAXES		MONTH: July 2016			
	BEGINNING TAX LIABILITY	AMOUNT WITHHELD AND/OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY	
FEDERAL					
1. WITHHOLDING	\$0			\$0	
2. FICA-EMPLOYEE	\$0			\$0	
3. FICA-EMPLOYER	\$0			\$0	
4. UNEMPLOYMENT	\$0			\$0	
5. INCOME	\$0			\$0	
6. OTHER (ATTACH LIST)	\$0			\$0	
7. TOTAL FEDERAL TAXES	\$0	\$0	\$0	\$0	
STATE AND LOCAL					
8. WITHHOLDING	\$0			\$0	
9. SALES	\$0			\$0	
10. EXCISE	\$0			\$0	
11. UNEMPLOYMENT	\$0			\$0	
12. REAL PROPERTY	\$25,730	(\$25,730)	\$0	\$0	
13. PERSONAL PROPERTY	\$5,146	(\$5,146)	\$0	\$0	
14. OTHER (ATTACH LIST)	\$0			\$0	
15. TOTAL STATE & LOCAL	\$30,876	(\$30,876)	\$0	\$0	
16. TOTAL TAXES	\$30,876	(\$30,876)	\$0	\$0	

Monthly Operating Report
ACCRUAL BASIS-5

CASE NAME:	Wellflex Energy Solutions, LLC
CASE NUMBER:	16-41049-mxm-11

MONTH: July 2016

BANK RECONCILIATIONS		Account #1	Account #2	Account #3	
A. BANK:	Southwest Bank		Frost Bank		
B. ACCOUNT NUMBER:	5005		3637		TOTAL
C. PURPOSE (TYPE):			DIP Account		
1. BALANCE PER BANK STATEMENT	\$0		\$178,211		\$178,211
2. ADD: TOTAL DEPOSITS NOT CREDITED	\$0		\$0		\$0
3. SUBTRACT: OUTSTANDING CHECKS	\$0		\$3,211		\$3,211
4. OTHER RECONCILING ITEMS	\$0		\$0		\$0
5. MONTH END BALANCE PER BOOKS	\$0		\$175,000	\$0	\$175,000
6. NUMBER OF LAST CHECK WRITTEN	4080		1078		

INVESTMENT ACCOUNTS				
BANK, ACCOUNT NAME & NUMBER	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
7. n/a				
8.				
9.				
10.				
11. TOTAL INVESTMENTS			\$0	\$0

CASH	
12. CURRENCY ON HAND	\$0
13. TOTAL CASH - END OF MONTH	\$175,000

Monthly Operating Report
ACCRUAL BASIS-6

CASE NAME:	Wellflex Energy Solutions, LLC
CASE NUMBER:	16-41049-mxm-11

MONTH: July 2016

PAYMENTS TO INSIDERS AND PROFESSIONALS

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
1. Nick Klaus	Payroll	\$14,071	\$46,904
2. Doug Wright	Payroll	\$11,652	\$38,839
3. Mike Nathan	Payroll	\$11,652	\$38,839
4. Garrett Lee	Payroll	\$14,423	\$48,077
5.			
6. TOTAL PAYMENTS TO INSIDERS		\$51,797	\$172,659

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID
1. n/a					
2.					
3.					
4.					
5.					
6. TOTAL PAYMENTS TO PROFESSIONALS			\$0	\$0	\$0

POSTPETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	AMOUNTS PAID DURING MONTH	TOTAL UNPAID POSTPETITION
1. Southwest Bank	\$9,221	\$5,993	\$0
2. Ally	\$1,587	\$0	\$0
3. IPFS	\$27,815	\$31,894	\$0
4. Wellflex Energy Partners Fort Worth, LLC (DIP Len	\$0	\$12,500	\$0
5.			
6. TOTAL	\$38,623	\$50,387	\$0

**Monthly Operating Report
ACCRUAL BASIS-7**

CASE NAME:	Wellflex Energy Solutions, LLC
CASE NUMBER:	16-41049-mxm-11

MONTH: July 2016

QUESTIONNAIRE

	YES	NO
1. HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD?	X	
2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT?	X	
3. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES?		X
4. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD?	X	
5. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY?	X	
6. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE?		X
7. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE?		X
8. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE?		X
9. ARE ANY OTHER POSTPETITION TAXES PAST DUE?		X
10. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT?		X
11. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD?		X
12. ARE ANY WAGE PAYMENTS PAST DUE?		X

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "YES," PROVIDE A DETAILED EXPLANATION OF EACH ITEM. ATTACH ADDITIONAL SHEETS IF NECESSARY.

Substantially all assets were sold and transferred to Wellflex Energy Partners Fort Worth, LLC per terms of the Sale Order Debtor was still in process of setting up the DIP account

Payments on prepetition loans for adequate protection payments, insurance premium payable, and payroll owed to employees

Postpetition DIP financing received for \$1,500,000.00 on a facility with a draw allowable draw of \$1,750,000.00

INSURANCE

	YES	NO
1. ARE WORKER'S COMPENSATION, GENERAL LIABILITY AND OTHER NECESSARY INSURANCE COVERAGES IN EFFECT?	X	
2. ARE ALL PREMIUM PAYMENTS PAID CURRENT?	X	
3. PLEASE ITEMIZE POLICIES BELOW.		

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO," OR IF ANY POLICIES HAVE BEEN CANCELLED OR NOT RENEWED DURING THIS REPORTING PERIOD, PROVIDE AN EXPLANATION BELOW. ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSTALLMENT PAYMENTS

TYPE OF POLICY	CARRIER	PERIOD COVERED	PAYMENT AMOUNT & FREQUENCY
Property	Hartford Lloyds Insurance Co	10/15 through 09/16	\$27,810.34 per month
General Liability	Navigators Specialty Insurance Co	10/15 through 09/16	included in total above
Auto	Navigators Insurance Co	10/15 through 09/16	included in total above
Workers Comp	Texas Mutual	10/15 through 09/16	included in total above



P.O. Box 16509 Fort Worth, Texas 76162 Member FDIC

FOR INFORMATION CALL
1-800-513-7678

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STATEMENT ISSUED
07-29-2016

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WELLFLEX ENERGY SOLUTIONS LLC
DEBTOR IN POSSESSION
CASE NO 16 41049 MXM 11
7609 WHITE SETTLEMENT RD
FORT WORTH TX 76108

0

Interested in accepting in-store, online or mobile credit and debit card payments? Frost Merchant Services can help. Contact Customer Service at (800)513-7678 to get started.

ANALYZED CHECKING ; ACCOUNT NO.		3673					
		DEPOSITS		WITHDRAWALS			
BALANCE LAST STATEMENT	NO.	AMOUNT	NO.	AMOUNT	BALANCE THIS STATEMENT		
1,211,691.33	0	.00	76	1,033,480.28	178,211.05		

00001775-001-004-TDFRST02003900060964-LETTER01_I0Z-00-000001205

CHECKS PAID			
DATE	CHECK	AMOUNT	DATE
07-05	1022 #	1,588.03	07-14
07-06	1023 #	2,034.59	07-15
07-05	1024 #	270.63	07-19
07-06	1025 #	188.75	07-20
07-18	1026 #	621.90	07-19
07-07	1027 #	895.96	07-21
07-18	1028 #	174.81	07-18
07-06	1029 #	413.16	07-21
07-06	1030 #	2,383.75	07-19
07-06	1031 #	208.59	07-14
07-11	1032 #	31,893.68	07-27
07-11	1033 #	2,366.00	07-19
07-21	1034 #	1,290.01	07-26
07-21	1035 #	1,275.00	07-19
07-18	1036 #	144.90	07-19
07-13	1037 #	415.18	07-19
07-15	1038 #	393.93	07-26
07-21	1039 #	623.75	

DATE	CHECK	AMOUNT	DATE	CHECK	AMOUNT
07-22	1058 #	8,548.78			
07-27	1060 #	775.00			
07-22	1061 #	1,914.06			
07-25	1062 #	223.94			
07-25	1063 #	1,550.14			
07-28	1064 #	465.08			
07-29	1065 #	716.21			
07-27	1067 #	236.24			
07-25	1068 #	896.75			
07-26	1069 #	4,028.56			
07-21	1070 #	342.66			
07-26	1072 #	6,190.00			
07-26	1074 #	467.75			
07-26	1075 #	790.81			
07-22	1076 #	1,342.69			
07-27	1077 #	2,433.75			
07-25	1078 #	4,732.44			

* A BREAK IN CHECK NUMBER SEQUENCE
RECEIVED ELECTRONICALLY AS AN IMAGE OF THE ORIGINAL CHECK

OTHER WITHDRAWALS/DEBITS

DATE	AMOUNT	TRANSACTION	DESCRIPTION
07-01	24,993.76	WIRE TRANSFER	FROST BANK WIRE OUT 02037
07-01	25.00	WIRE TRANSFER CHARGE	FROST BANK WIRE FEE 02037
07-06	.00	INTERNET CHK COPY REQ	
07-06	.00	INTERNET CHK COPY REQ	
07-06	.00	INTERNET CHK COPY REQ	
07-06	.00	INTERNET CHK COPY REQ	
07-06	.00	INTERNET CHK COPY REQ	
07-06	.00	INTERNET CHK COPY REQ	
07-06	.00	INTERNET CHK COPY REQ	
07-06	.00	INTERNET CHK COPY REQ	
07-06	.00	INTERNET CHK COPY REQ	
07-07	405.17	WIRE TRANSFER	FROST BANK WIRE OUT 03477
07-07	4,479.13	WIRE TRANSFER	FROST BANK WIRE OUT 03494
07-07	8,949.20	WIRE TRANSFER	FROST BANK WIRE OUT 03357
07-07	25.00	WIRE TRANSFER CHARGE	FROST BANK WIRE FEE 03357
07-07	25.00	WIRE TRANSFER CHARGE	FROST BANK WIRE FEE 03477
07-07	25.00	WIRE TRANSFER CHARGE	FROST BANK WIRE FEE 03494
07-11	2,928.00	WIRE TRANSFER	FROST BANK WIRE OUT 02581
07-11	24,993.76	WIRE TRANSFER	FROST BANK WIRE OUT 02593
07-11	25.00	WIRE TRANSFER CHARGE	FROST BANK WIRE FEE 02581
07-11	25.00	WIRE TRANSFER CHARGE	FROST BANK WIRE FEE 02593
07-13	1,751.30	WIRE TRANSFER	FROST BANK WIRE OUT 01694
07-13	25.00	WIRE TRANSFER CHARGE	FROST BANK WIRE FEE 01694
07-14	620.00	WIRE TRANSFER	FROST BANK WIRE OUT 03220

Please examine your bank statement upon receipt and report any differences or irregularities as specified in the Depo Agreement and Other Disclosures.

Please notify us of any changes of address immediately. To change your address, follow these instructions.

- 1) Make changes to the address information shown on the front of this statement.
- 2) List all accounts which should be updated including Checking, Savings, Money Market, CDs and Loans.

Account Number _____ Account Number _____
 Account Number _____ Account Number _____
 Account Number _____ Account Number _____

Signature _____

- 3) Clip and return to the bank and address listed on the front of this statement.

How to balance your checkbook:

This worksheet will help you balance your checkbook. Before you begin, you'll need your checkbook register, your statement and any outstanding transactions not entered in your register.

Worksheet

**Check Number/
Other Debits**

Amount

1. Enter balance shown on front of statement	\$ _____		
2. Subtract Line A (Checks / other debits not shown on this statement)	- \$ _____		
3. Subtotal	\$ _____		
4. Add Deposits / other credits not shown on statement	+ \$ _____		
→ 5. Your Account Balance	\$ _____		
6. Enter Your checkbook balance	\$ _____		
7. Subtract any bank charges that have not been entered in your checkbook	- \$ _____		
8. Subtotal	\$ _____		
9. Add any interest or other credits appearing on your statement that have not been entered in your checkbook	+ \$ _____		
→ 10. Adjusted Checkbook Balance	\$ _____		
		Total (Line A)	

00001775-001-004-TDFRST03900606964-LETTER01_10Z00-0-0001209

1. Be sure your checkbook register is complete. Verify that all outstanding transactions have been entered in your register.
2. Compare the check information on the front of the statement with your checkbook register. In your register, mark all the checks, ATM withdrawals or other debits on your statement to indicate that the funds have been withdrawn from your account. List any checks or other debits that are in your register, but not on your statement in the space provided above.
3. In your register, mark all deposits and other credits on your statement to indicate that the funds have been credited to your account. Write any deposits or other credits that are in your register, but not on your statement on Line 4.
4. To verify your statement balance, complete the worksheet above. Your account balance (Line 5) should match your adjusted checkbook balance figure (Line 10). If these balances are different, check the addition in your checkbook and review each step in the balancing procedure.

If you find any errors, please notify us immediately by calling the number or writing to the address listed on the front side of this statement. You should notify us of any errors within 60 days of receiving your statement.



P.O. Box 16509 Fort Worth, Texas 76162 Member FDIC

FOR INFORMATION CALL
1-800-513-7678

STATEMENT ISSUED
07-29-2016

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WELLFLEX ENERGY SOLUTIONS LLC

ANALYZED CHECKING : ACCOUNT NO. 3673 (CONTINUED)

DATE	AMOUNT	TRANSACTION	OTHER WITHDRAWALS/DEBITS DESCRIPTION
07-14	1,845.00	WIRE TRANSFER	FROST BANK WIRE OUT 03212
07-14	25.00	WIRE TRANSFER CHARGE	FROST BANK WIRE FEE 03212
07-14	25.00	WIRE TRANSFER CHARGE	FROST BANK WIRE FEE 03220
07-18	27,796.42	WIRE TRANSFER	FROST BANK WIRE OUT 01635
07-18	25.00	WIRE TRANSFER CHARGE	FROST BANK WIRE FEE 01635
07-19	896.00	WIRE TRANSFER	FROST BANK WIRE OUT 02300
07-19	25.00	WIRE TRANSFER CHARGE	FROST BANK WIRE FEE 02300
07-21	.00	INTERNET STMT COPY REQ	
07-22	817,066.22	WIRE TRANSFER	FROST BANK WIRE OUT 04402
07-22	.00	INTERNET CHK COPY REQ	
07-22	.00	INTERNET CHK COPY REQ	
07-22	25.00	WIRE TRANSFER CHARGE	FROST BANK WIRE FEE 04402

DATE		BALANCE	DATE		BALANCE
06-30	1,211,691.33	07-14	1,096,659.33	07-22	208,654.17
07-01	1,186,672.57	07-15	1,093,568.18	07-25	201,250.90
07-05	1,184,813.91	07-18	1,063,198.57	07-26	183,499.05
07-06	1,179,585.07	07-19	1,046,342.78	07-27	179,392.34
07-07	1,164,780.61	07-20	1,045,377.28	07-28	178,927.26
07-11	1,102,549.17	07-21	1,037,550.92	07-29	178,211.05
07-13	1,100,357.69				

00001775-002-004-TDFRST02020300060964-LETTER01_10Z-00-0-00001709

Please examine your bank statement upon receipt and report any differences or irregularities as specified in the Depo Agreement and Other Disclosures.



P.O. Box 16509 Fort Worth, Texas 76162 Member FDIC

FOR INFORMATION CALL
1-800-513-7678

STATEMENT ISSUED
07-29-2016

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WELLFLEX ENERGY SOLUTIONS LLC

WELLFLEX ENERGY SOLUTIONS LLC 1022
 DATE 6/30/16
 \$ 1,588.00
 One thousand five hundred eighty eight & 00/100
 Frost
 07/05/16 #1022 \$1,588.03

WELLFLEX ENERGY SOLUTIONS LLC 1023
 DATE 6/30/16
 \$ 2,034.69
 Two thousand and thirty four & 99/100
 Frost
 07/06/16 #1023 \$2,034.69

WELLFLEX ENERGY SOLUTIONS LLC 1024
 DATE 6/30/16
 \$ 270.63
 Two hundred seventy and 63/100
 Frost
 07/05/16 #1024 \$270.63

WELLFLEX ENERGY SOLUTIONS LLC 1025
 DATE 6/30/16
 \$ 188.75
 One hundred eighty eight & 75/100
 Frost
 07/06/16 #1025 \$188.75

WELLFLEX ENERGY SOLUTIONS LLC 1026
 DATE 6/30/16
 \$ 421.90
 Four hundred twenty one & 90/100
 Frost
 07/16/16 #1026 \$421.90

WELLFLEX ENERGY SOLUTIONS LLC 1027
 DATE 6/30/16
 \$ 895.96
 Eight hundred ninety five & 96/100
 Frost
 07/07/16 #1027 \$895.96

WELLFLEX ENERGY SOLUTIONS LLC 1028
 DATE 6/30/16
 \$ 174.81
 One hundred seventy four & 81/100
 Frost
 07/18/16 #1028 \$174.81

WELLFLEX ENERGY SOLUTIONS LLC 1029
 DATE 6/30/16
 \$ 413.16
 Four hundred thirteen & 16/100
 Frost
 07/06/16 #1029 \$413.16

WELLFLEX ENERGY SOLUTIONS LLC 1030
 DATE 6/30/16
 \$ 2,363.75
 Two thousand three hundred sixty three & 75/100
 Frost
 07/06/16 #1030 \$2,363.75

WELLFLEX ENERGY SOLUTIONS LLC 1031
 DATE 6/30/16
 \$ 208.59
 Two hundred eight & 59/100
 Frost
 07/06/16 #1031 \$208.59

WELLFLEX ENERGY SOLUTIONS LLC 1032
 DATE 7/1/16
 \$ 31,893.68
 Thirty one thousand eight hundred ninety three & 68/100
 Frost
 07/11/16 #1032 \$31,893.68

WELLFLEX ENERGY SOLUTIONS LLC 1033
 DATE 7/1/16
 \$ 2,268.00
 Two thousand two hundred sixty eight & 00/100
 Frost
 07/11/16 #1033 \$2,268.00

00001775-002-004-TD-FRS10203039006964-LETTER01_102-00-0-00001208



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STATEMENT ISSUED
07-29-2016

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WELLFLEX ENERGY SOLUTIONS LLC



WELLFLEX ENERGY SOLUTIONS LLC
CARE NO. 11111111111111111111
DATE 7/7/16
Pay to Bill Supply Co \$ 1,290.00
One thousand two hundred ninety and 00/100 DOLLARS & CENTS
Frost
FOR PAY TO THE ORDER OF Bill Supply Co

WELLFLEX ENERGY SOLUTIONS LLC
CARE NO. 11111111111111111111
DATE 7/7/16
Pay to Patterson Welding & Supply \$ 1,275.00
One thousand two hundred seventy five and 00/100 DOLLARS & CENTS
Frost
FOR PAY TO THE ORDER OF Patterson Welding & Supply

07/21/16 #1034 \$1,290.01

07/21/16 #1035 \$1,275.00

WELLFLEX ENERGY SOLUTIONS LLC
CARE NO. 11111111111111111111
DATE 7/7/16
Pay to Michael Nathan \$ 144.99
One hundred and forty four and 99/100 DOLLARS & CENTS
Frost
FOR PAY TO THE ORDER OF Michael Nathan

WELLFLEX ENERGY SOLUTIONS LLC
CARE NO. 11111111111111111111
DATE 7/7/16
Pay to Maipiel Holdings \$ 415.18
Four hundred and fifteen and 18/100 DOLLARS & CENTS
Frost
FOR PAY TO THE ORDER OF Maipiel Holdings

07/18/16 #1036 \$144.90

07/13/16 #1037 \$415.18

WELLFLEX ENERGY SOLUTIONS LLC
CARE NO. 11111111111111111111
DATE 7/7/16
Pay to YMC USA \$ 393.93
Three hundred ninety three and 93/100 DOLLARS & CENTS
Frost
FOR PAY TO THE ORDER OF YMC USA

WELLFLEX ENERGY SOLUTIONS LLC
CARE NO. 11111111111111111111
DATE 7/11/16
Pay to Bill Supply \$ 823.76
Eight hundred twenty three and 76/100 DOLLARS & CENTS
Frost
FOR PAY TO THE ORDER OF Bill Supply

07/15/16 #1038 \$393.93

07/21/16 #1039 \$823.76

WELLFLEX ENERGY SOLUTIONS LLC
CARE NO. 11111111111111111111
DATE 7/11/16
Pay to Warrior Mechanical \$ 598.64
Five hundred ninety eight and 64/100 DOLLARS & CENTS
Frost
FOR PAY TO THE ORDER OF Warrior Mechanical

WELLFLEX ENERGY SOLUTIONS LLC
CARE NO. 11111111111111111111
DATE 7/11/16
Pay to Alan Pe \$ 2,697.22
Two thousand six hundred ninety seven and 22/100 DOLLARS & CENTS
Frost
FOR PAY TO THE ORDER OF Alan Pe

07/14/16 #1040 \$598.64

07/15/16 #1041 \$2,697.22

WELLFLEX ENERGY SOLUTIONS LLC
CARE NO. 11111111111111111111
DATE 7/11/16
Pay to A+A Welding \$ 2,028.73
Two thousand two hundred twenty eight and 73/100 DOLLARS & CENTS
Frost
FOR PAY TO THE ORDER OF A+A Welding

WELLFLEX ENERGY SOLUTIONS LLC
CARE NO. 11111111111111111111
DATE 7/13/16
Pay to Pat Bond Company \$ 965.50
Nine hundred sixty five and 50/100 DOLLARS & CENTS
Frost
FOR PAY TO THE ORDER OF Pat Bond Company

07/19/16 #1042 \$2,028.73

07/20/16 #1043 \$965.50

WELLFLEX ENERGY SOLUTIONS LLC
CARE NO. 11111111111111111111
DATE 7/11/16
Pay to A+A Welding \$ 6,386.05
Six thousand three hundred eighty six and 5/100 DOLLARS & CENTS
Frost
FOR PAY TO THE ORDER OF A+A Welding

WELLFLEX ENERGY SOLUTIONS LLC
CARE NO. 11111111111111111111
DATE 7/13/16
Pay to Bill Supply Co \$ 469.70
Four hundred sixty nine and 70/100 DOLLARS & CENTS
Frost
FOR PAY TO THE ORDER OF Bill Supply Co

00001775-003-004-TDFRST0200390006964-LETTER01_102-00-000001209



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STATEMENT ISSUED
07-29-2016

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WELLFLEX ENERGY SOLUTIONS LLC

<p>WELLFLEX ENERGY SOLUTIONS LLC CASH NO. 115-1348-00011 FORT WORTH, TX 76116</p> <p>DATE 7/13/16</p> <p>Bill to Process Solutions and Products One thousand six hundred and 5/100 \$ 1,606.75</p> <p>Frost FOR INV 7119</p>	<p>WELLFLEX ENERGY SOLUTIONS LLC CASH NO. 115-1348-00011 FORT WORTH, TX 76116</p> <p>DATE 7/14/16</p> <p>Bill to Pastorek Welding & Supply Three thousand eight hundred and twenty five and 2/100 \$ 3,825.00</p> <p>Frost FOR 4302.2, 4216.2, 4201</p>
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07/18/16 #1048 \$1,606.58

07/21/16 #1048 \$3,825.00

<p>WELLFLEX ENERGY SOLUTIONS LLC CASH NO. 115-1348-00011 FORT WORTH, TX 76116</p> <p>DATE 7/14/16</p> <p>Bill to Sanlight Cleaning Service Five hundred and fifty one and 1/100 \$ 551.00</p> <p>Frost FOR INV 48157</p>	<p>WELLFLEX ENERGY SOLUTIONS LLC CASH NO. 115-1348-00011 FORT WORTH, TX 76116</p> <p>DATE 7/14/16</p> <p>Bill to Bruce Light Five hundred and eighty six and 1/100 \$ 586.00</p> <p>Frost FOR app reimbursement 7/14/16</p>
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07/19/16 #1049 \$514.19

07/14/16 #1050 \$586.72

<p>WELLFLEX ENERGY SOLUTIONS LLC CASH NO. 115-1348-00011 FORT WORTH, TX 76116</p> <p>DATE 7/14/16</p> <p>Bill to Steven N. Calabrese Six hundred and fifty eight and 1/100 \$ 658.00</p> <p>Frost FOR app reimbursement 7/14/16</p>	<p>WELLFLEX ENERGY SOLUTIONS LLC CASH NO. 115-1348-00011 FORT WORTH, TX 76116</p> <p>DATE 7/14/16</p> <p>Bill to Complete Supply Compliance Ninety five and 1/100 \$ 95.00</p> <p>Frost FOR INV 48157</p>
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07/27/16 #1051 \$891.72

07/19/16 #1052 \$76.00

<p>WELLFLEX ENERGY SOLUTIONS LLC CASH NO. 115-1348-00011 FORT WORTH, TX 76116</p> <p>DATE 7/14/16</p> <p>Bill to Chapman the best of Oklahoma One thousand three hundred and fifty one and 1/100 \$ 1,351.00</p> <p>Frost FOR INV 158287</p>	<p>WELLFLEX ENERGY SOLUTIONS LLC CASH NO. 115-1348-00011 FORT WORTH, TX 76116</p> <p>DATE 7/14/16</p> <p>Bill to Clarifire Holdings Five hundred and eighty six and 1/100 \$ 586.00</p> <p>Frost FOR 429 2213024</p>
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07/26/16 #1053 \$1,359.61

07/19/16 #1054 \$508.22

<p>WELLFLEX ENERGY SOLUTIONS LLC CASH NO. 115-1348-00011 FORT WORTH, TX 76116</p> <p>DATE 7/14/16</p> <p>Bill to City of Wichita Settlement Three hundred and thirty four and 1/100 \$ 334.00</p> <p>Frost FOR INV # 12-138440-05</p>	<p>WELLFLEX ENERGY SOLUTIONS LLC CASH NO. 115-1348-00011 FORT WORTH, TX 76116</p> <p>DATE 7/14/16</p> <p>Bill to Dave Right Welding Six thousand one hundred and ninety eight and 1/100 \$ 6,198.00</p> <p>Frost FOR 20 3393</p>
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07/19/16 #1055 \$234.60

07/19/16 #1056 \$6,190.00

<p>WELLFLEX ENERGY SOLUTIONS LLC CASH NO. 115-1348-00011 FORT WORTH, TX 76116</p> <p>DATE 7/14/16</p> <p>Bill to Best Supply Four thousand nine hundred and fifty one and 1/100 \$ 4,951.00</p> <p>Frost FOR INV 4302.2, 4216.2, 4201</p>	<p>WELLFLEX ENERGY SOLUTIONS LLC CASH NO. 115-1348-00011 FORT WORTH, TX 76116</p> <p>DATE 7/14/16</p> <p>Bill to AAA Welding Eight thousand five hundred and forty eight and 1/100 \$ 8,548.00</p> <p>Frost FOR 20 3393, 7/16 7114, 7111</p>
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07/26/16 #1057 \$4,916.60

07/22/16 #1058 \$8,548.78

0000175-003-004-TD-FRST020300080964-LETTER01_10Z00-00007209



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STATEMENT ISSUED
07-29-2016

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WELLFLEX ENERGY SOLUTIONS LLC

WELLFLEX ENERGY SOLUTIONS LLC
 CASE NO. 1060
 DATE 7/21/16
 \$ 776.00
 Seven hundred and seventy six and 00/100
 Frost
 FOR INV. 3360

WELLFLEX ENERGY SOLUTIONS LLC
 CASE NO. 1081
 DATE 7/21/16
 \$ 1,914.06
 One thousand nine hundred and fourteen and 00/100
 Frost
 FOR INV. 5443

07/27/16 #1060 \$776.00

07/22/16 #1081 \$1,914.06

WELLFLEX ENERGY SOLUTIONS LLC
 CASE NO. 1062
 DATE 7/21/16
 \$ 223.94
 Two hundred and twenty three and 94/100
 Frost
 FOR INV. 4700

WELLFLEX ENERGY SOLUTIONS LLC
 CASE NO. 1063
 DATE 7/21/16
 \$ 1,660.14
 One thousand six hundred and sixty and 14/100
 Frost
 FOR INV. 11822

07/25/16 #1062 \$223.94

07/25/16 #1063 \$1,660.14

WELLFLEX ENERGY SOLUTIONS LLC
 CASE NO. 1064
 DATE 7/21/16
 \$ 465.08
 Four hundred and sixty five and 08/100
 Frost
 FOR INV. 5277539

WELLFLEX ENERGY SOLUTIONS LLC
 CASE NO. 1065
 DATE 7/21/16
 \$ 716.21
 Seven hundred and sixteen and 21/100
 Frost
 FOR INV. 21002009

07/28/16 #1064 \$465.08

07/29/16 #1065 \$716.21

WELLFLEX ENERGY SOLUTIONS LLC
 CASE NO. 1067
 DATE 7/21/16
 \$ 236.74
 Two hundred and thirty six and 74/100
 Frost
 FOR INV. 492377

WELLFLEX ENERGY SOLUTIONS LLC
 CASE NO. 1066
 DATE 7/21/16
 \$ 896.75
 Eight hundred and ninety six and 75/100
 Frost
 FOR INV. 42220

07/27/16 #1067 \$236.24

07/26/16 #1066 \$896.75

WELLFLEX ENERGY SOLUTIONS LLC
 CASE NO. 1069
 DATE 7/21/16
 \$ 4,028.54
 Four thousand and twenty eight and 54/100
 Frost
 FOR INV. 1032324

WELLFLEX ENERGY SOLUTIONS LLC
 CASE NO. 1070
 DATE 7/21/16
 \$ 342.66
 Three hundred and forty two and 66/100
 Frost
 FOR INV. 42112

07/28/16 #1069 \$4,028.54

07/21/16 #1070 \$342.66

WELLFLEX ENERGY SOLUTIONS LLC
 CASE NO. 1072
 DATE 7/21/16
 \$ 4,190.00
 Four thousand and one hundred ninety and 00/100
 Frost
 FOR INV. 5343
 07/26/16 #1072 \$4,190.00

WELLFLEX ENERGY SOLUTIONS LLC
 CASE NO. 1074
 DATE 7/21/16
 \$ 407.75
 Four hundred and seven and 75/100
 Frost
 FOR INV. 42112
 07/26/16 #1074 \$407.75

00001775-004-004-TD-RST0200900060864-LETTER01_10Z-00-0-00001209



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FOR INFORMATION CALL
1-800-513-7678

STATEMENT ISSUED
07-29-2016

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WELLFLEX ENERGY SOLUTIONS LLC

<p>WELLFLEX ENERGY SOLUTIONS LLC 1075 CASH ON HAND DATE 7/21/16 \$ 790.81 Frost 07/26/16 #1075 \$780.81</p>	<p>WELLFLEX ENERGY SOLUTIONS LLC DT 050566881 1076 CASH ON HAND DATE 7/21/16 \$ 1,342.69 Frost 07/22/16 #1076 \$1,342.69</p>
<p>WELLFLEX ENERGY SOLUTIONS LLC 1077 CASH ON HAND DATE 7/21/16 \$ 2,433.75 Frost 07/27/16 #1077 \$2,433.75</p>	<p>WELLFLEX ENERGY SOLUTIONS LLC 1078 CASH ON HAND DATE 7/21/16 \$ 4,732.44 Frost 07/25/16 #1078 \$4,732.44</p>

00001775404-004-1DFRST020039006964-LETTER01_10Z-00-0-00001209

002301



SouthwestBank.com
P.O. Box 962020
Fort Worth, TX 76162-2020

ACCOUNT: 5585005
DOCUMENTS: 3
PAGE: 1
07/29/2016

Return Service Requested



002301 0.7900 AT 0.399 TR00012

RECEIVED

AUG 03 2016

SUTX

Wellflex Energy Solutions LLC
dba Wellflex Acquisition Partners
7609 White Settlement Rd
Fort Worth TX 76108-1902

30-0
1
2

Commercial Analyzed ACCOUNT 5005

MINIMUM BALANCE .00 LAST STATEMENT 06/30/16 45,425.10
AVERAGE BALANCE 169,653.65 3 CREDITS 1,054,344.84
31 DEBITS 1,099,769.94
THIS STATEMENT 07/29/16 .00

DEPOSITS
REF #...DATE...AMOUNT REF #...DATE...AMOUNT REF #...DATE...AMOUNT
07/13 121,397.18

OTHER CREDITS
DESCRIPTION DATE AMOUNT
ENCANA OIL & GAS ACH 2696107 07/18 239,201.26
PNR USA AP -PAYMNT 236784 07/19 693,746.40

CHECKS
CHECK #..DATE...AMOUNT CHECK #..DATE...AMOUNT CHECK #..DATE...AMOUNT
4021*07/05 169.65 4070 07/12 1,790.50

(*) INDICATES A GAP IN CHECK NUMBER SEQUENCE

OTHER DEBITS
DESCRIPTION DATE AMOUNT
POS Purchase 06/30 12:11 SNAPPY SALADS CAMP BOWIE FORT 07/01 32.00
WORTH TX 072198 SNAPPY SA
POS Purchase 07/01 15:00 WP ENGINE WWW.WPENGINE. TX 093891 07/05 309.14
WP ENGINE 7372 2553
Pinned Purchase 07/06 07:39 9509 WHITE SETTLEMENT R WHITE 07/06 86.36
SETTLEM TX 290701 NST
POS Purchase 07/07 08:17 ATT*BUS PHONE PMT 800-499-7928 TX 07/07 227.37
001132 ATT*BUS PHO 48
POS Purchase 07/07 11:31 CHICKEN EXPRESS WHITE WHITE 07/11 7.99
SETTLEM TX 017740 CHICKEN E
POS Purchase 07/07 11:41 BILLY'S OAK ACRES BBQ #2 FORT 07/11 200.86
WORTH TX 007507 BILLY'S O

*** CONTINUED ***

SUTX-003-002301-001-002-160730 002301 X02
76108190209



Member FDIC

817-298-5600

972-919-1625

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION

In Case Of Errors Or Questions About Your Electronic Transfers
Telephone us at: 817-298-5600 or 972-919-1625, or write us at:
Southwest Bank, Customer Service Dept., P.O. Box 962020, Fort Worth, Texas 76162-2020

Notify us as soon as you can if you think your statement or receipt is wrong or if you need more information about a transfer on the statement or receipt. We must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared. Tell us:

- Your name and account number (if any),
- Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information; and,
- The dollar amount of the suspected error.

We will investigate your complaint and will correct any error promptly. If we take more than 10 business days to do this, we will credit your account for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation.

In Case Of Errors Or Questions About Your Loan Billing Statement
Telephone us at: 817-298-5606 or write us at:
Southwest Bank, Loan Operations Dept., P.O. Box 962020, Fort Worth, Texas 76162-2020

If you think your bill is wrong, or if you need more information about a transaction on your bill, write to us at the address shown above as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights. In your letter, give us the following information:

- Your name and account number,
- The dollar amount of the suspected error,
- Describe the error and explain, if you can, why you believe there is an error. If you need more information describe the item you are unsure about.

You do not have to pay any amount in question while we are investigating, but you are still obligated to pay the parts of your bill that are not in question. While we investigate your question, we cannot report you as delinquent or take any action to collect the amount you question.

This Section Is Provided To Assist You In Reconciling Your Bank Statement

1. RECORD in your checkbook (either on register or stub) any service charges shown on this statement, and bring balance forward.
2. MARK OFF the paid shown on this statement against your checkbook balance.
3. RECORD all checks, charges, automatic deductions, credits, interest, etc. shown on this statement which have not been previously entered in your checkbook, and bring balance forward.
4. LIST all outstanding checks – those you have written and recorded in your checkbook, but which have not yet been posted to your account. Use the space provided to the right to tabulate these items. This information will be used in Item 10 below.
5. If total shown in Item 11 does not agree with your checkbook, verify all arithmetic on your stubs or register.
6. MARK your stub or register at the point where the balances were reconciled.
7. ENTER ending balance shown on this statement..... \$ _____
8. SHOW total of any deposits made, but not shown on this statement..... \$ _____
9. ADD items 7 and 8 above and show total here..... \$ _____
10. LIST all outstanding checks and debits (Total A + Total B) from item 4 here..... \$ _____
11. YOUR RECONCILED BALANCE is obtained by subtracting item 10 from item 9 – this should agree with your checkbook balance..... \$ _____

Month: _____ 20 ____

Checks & Debits Outstanding			Checks & Debits Outstanding		
Number	Amount		Number	Amount	
Total A			Total B		



ACCOUNT: 5005 PAGE: 2
DOCUMENTS: 3 07/29/2016

Wellflex Energy Solutions LLC

Commercial Analyzed ACCOUNT 5005

OTHER DEBITS

DESCRIPTION	DATE	AMOUNT
POS Purchase 07/11 14:00 BELL SUPPLY CLEBURNE CLEBURNE TX 000004 BELL SUPPLY 504	07/12	159.29
Pinned Purchase 07/13 10:39 324 CLIFFORD CENTER DR FT WORTH TX TX 574974 QUIKTRIP 5	07/13	42.11
Pinned Purchase 07/13 09:55 9509 WHITE SETTLEMENT R WHITE SETTLEM TX 551101 NST	07/13	43.57
POS Purchase 07/12 11:20 MSC 04 FORT WORTH FORT WORTH TX 003883 MSC 04 FORT 5251	07/13	91.74
Transfer to 5604608 per D Wright	07/13	12,500.00
POS Purchase 07/17 20:47 NTTA CUST SVC ONLINE 972-818-6882 TX 039988 NTTA CUST S	07/18	72.00
Recur Payment 07/15 02:07 GOTOCITRIX.COM 855-837-1750 CA 067684 GOTOCITRIX. 5968	07/18	102.90
PAYMENT TO Other RE-Owner Occup LOAN 529240	07/18	586.76
Pinned Purchase 07/19 13:02 Wal-Mart Super Center FORT WORTH TX 020654 WM SUPERC	07/19	8.24
POS Purchase 07/20 12:21 NTTA CUST SVC ONLINE 972-818-6882 TX 098533 NTTA CUST S	07/20	44.00
POS Purchase 07/18 17:48 SAMS INTERNET 888-746-7726 AR 043579 SAMS INTERN 5300 2	07/20	143.53
POS Purchase 07/20 10:30 O'REILLY AUTO PARTS 593 WHITE SETTLEM TX 862693 O'REILL	07/20	144.80
PAYMENT TO Other RE-Owner Occup LOAN 528496	07/20	5,406.40
Recur Payment 07/20 20:59 MSFT * E07002GUKO 800-642-7676 NV 008396 MSFT * E070 5	07/21	21.65
Recur Payment 07/20 21:11 MSFT * E07002GUKN 800-642-7676 NV 010411 MSFT * E070 5	07/21	32.48
Pinned Purchase 07/20 12:56 AMAZON.COM SEATTLE WA 339806 AMAZON.COM 5942 2553	07/21	34.26
Pinned Purchase 07/20 13:01 AMAZON.COM SEATTLE WA 700405 AMAZON.COM 5942 2553	07/21	34.26
POS Purchase 07/20 20:31 DS SERVICES STANDARD COFF 800-4928377 GA 055606 DS SERV	07/21	47.84
Pinned Purchase 07/20 15:49 9249 BENBROOK BLVD BENBROOK TX 022580 TRACTOR-SUP 55	07/21	57.76
Pinned Purchase 07/20 16:07 9201 BENBROOK BLVD BENBROOK TX 978960 QUIK TRIP 5542	07/21	100.00
Pinned Purchase 07/20 15:54 9201 BENBROOK BLVD BENBROOK TX 988802 QUIK TRIP 5542	07/21	100.00
Recur Payment 07/20 20:28 MSFT * E07002GUMX 800-642-7676 NV 003549 MSFT * E070 5	07/21	117.09
700235501 ONLINE XFER TO ACCT 5604608	07/22	1,077,055.39

*** CONTINUED ***

SUTX-003-002301-001-002-160730 002301 X02



ACCOUNT: 5005 PAGE: 3
DOCUMENTS: 3 07/29/2016

Wellflex Energy Solutions LLC

=====
Commercial Analyzed ACCOUNT 5005
=====

- - - ITEMIZATION OF OVERDRAFT AND RETURNED ITEM FEES - - -

*		TOTAL FOR	TOTAL	*
*		THIS PERIOD	YEAR TO DATE	*

*	TOTAL OVERDRAFT FEES:	\$.00	\$.00	*
*	TOTAL RETURNED ITEM FEES:	\$.00	\$.00	*

- - - - - DAILY BALANCE - - - - -

DATE.....	BALANCE	DATE.....	BALANCE	DATE.....	BALANCE
07/01	45,393.10	07/11	44,391.73	07/19	1,083,339.46
07/05	44,914.31	07/12	42,441.94	07/20	1,077,600.73
07/06	44,827.95	07/13	151,161.70	07/21	1,077,055.39
07/07	44,600.58	07/18	389,601.30	07/22	.00

- END OF STATEMENT -

Exhibit “C”

Fill in this information to identify the case:

Debtor name Wellflex Energy Solutions, LLC

United States Bankruptcy Court for the: NORTHERN DISTRICT OF TEXAS

Case number (if known) 16-41049-mxm-11

Check if this is an amended filing

Official Form 207

Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy

12/15

The debtor must answer every question. If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known).

Part 1: Income

1. Gross revenue from business

None

Identify the beginning and ending dates of the debtor's fiscal year, which may be a calendar year

Sources of revenue
Check all that apply.

Gross revenue
(before deductions and exclusions)

From the beginning of the fiscal year to filing date:

From 01/01/2016 to Filing date

Operating a business
 Other

\$609,015.00

For prior year:

From 01/01/2015 to 12/31/2015

Operating a business
 Other

\$13,404,276.00

For the year before that:

From 01/01/2014 to 12/31/2014

Operating a business
 Other

\$7,511,663.00

2. Non-business revenue

Include revenue regardless of whether that revenue is taxable. *Non-business income* may include interest, dividends, money collected from lawsuits, and royalties. List each source and the gross revenue for each separately. Do not include revenue listed in line 1.

None

Part 2: List Certain Transfers Made Before Filing for Bankruptcy

3. Certain payments or transfers to creditors within 90 days before filing this case

List payments or transfers—including expense reimbursements—to any creditor, other than regular employee compensation, within 90 days before filing this case unless the aggregate value of all property transferred to that creditor is less than \$6,225. (This amount may be adjusted on 4/01/16 and every 3 years after that with respect to cases filed on or after the date of adjustment.)

None

Creditor's name and address

Dates

Total amount or value

Reasons for payment or transfer
Check all that apply

3.1. **See attached Schedule 3**

Creditor's name

Number Street

City

State ZIP Code

Secured debt
 Unsecured loan repayments
 Suppliers or vendors
 Services
 Other

Debtor Wellflex Energy Solutions, LLC Case number (if known) 16-41049-mxm-11
 Name

4. Payments or other transfers of property made within 1 year before filing this case that benefited any insider

List payments or transfers, including expense reimbursements, made within 1 year before filing this case on debts owed to an insider or guaranteed or co-signed by an insider unless the aggregate value of all property transferred to or for the benefit of the insider is less than \$6,225. (This amount may be adjusted on 4/01/16 and every 3 years after that with respect to cases filed on or after the date of adjustment.) Do not include any payments listed in line 3. Insiders include officers, directors, and anyone in control of a corporate debtor and their relatives; general partners of a partnership debtor and their relatives; affiliates of the debtor and insiders of such affiliates; and any managing agent of the debtor. 11 U.S.C. § 101(31).

None

Insider's name and address	Dates	Total amount or value	Reasons for payment or transfer
4.1. <u>Goff Wellflex Holdings, LLC</u>	5/5/2015	<u>\$217,993.48</u>	\$3,410.96 Interest on Note
Insider's name	7/16/2015		\$3,739.72 Interest on Note
<u>500 Commerce St., Suite 700</u>	9/11/2015		\$203,156.16 Repay Note
Number Street	9/24/2015		w/Interest
	10/29/2015		\$125.00 Expense
<u>Fort Worth TX 76102</u>	12/30/2015		Reimbursement
City State ZIP Code			\$3,780.82 Interest on Note
			\$3,780.82 Interest on Note
Relationship to debtor			
<u>Co-Managing Member</u>			

Insider's name and address	Dates	Total amount or value	Reasons for payment or transfer
4.2. <u>Thomas R. Bates, Jr., LLC</u>	5/5/2015	<u>\$15,328.76</u>	\$4,027.40 Interest on Note
Insider's name	7/16/2015		\$3,739.72 Interest on Note
<u>3760 Country Club Circle</u>	10/29/2015		\$3,780.82 Interest on Note
Number Street	12/30/2015		\$3,780.82 Interest on Note
<u>Fort Worth TX 76109</u>			
City State ZIP Code			
Relationship to debtor			
<u>Co-Managing Member</u>			

5. Repossessions, foreclosures, and returns

List all property of the debtor that was obtained by a creditor within 1 year before filing this case, including property repossessed by a creditor, sold at a foreclosure sale, transferred by a deed in lieu of foreclosure, or returned to the seller. Do not include property listed in line 6.

None

6. Setoffs

List any creditor, including a bank or financial institution, that within 90 days before filing this case set off or otherwise took anything from an account of the debtor without permission or refused to make a payment at the debtor's direction from an account of the debtor because the debtor owed a debt.

None

Debtor Wellflex Energy Solutions, LLC Case number (if known) 16-41049-mxm-11
Name

Part 3: Legal Actions or Assignments

7. **Legal actions, administrative proceedings, court actions, executions, attachments, or government audits**
 List the legal actions, proceedings, investigations, arbitrations, mediations, and audits by federal or state agencies in which the debtor was involved in any capacity--within 1 year before filing this case.

None

8. **Assignments and receivership**

List any property in the hands of an assignee for the benefit of creditors during the 120 days before filing this case and any property in the hands of a receiver, custodian, or other court-appointed officer within 1 year before filing this case.

None

Part 4: Certain Gifts and Charitable Contributions

9. List all gifts or charitable contributions the debtor gave to a recipient within 2 years before filing this case unless the aggregate value of the gifts to that recipient is less than \$1,000.

None

Part 5: Certain Losses

10. All losses from fire, theft, or other casualty within 1 year before filing this case.

None

Part 6: Certain Payments or Transfers

11. **Payments related to bankruptcy**
 List any payments of money or other transfers of property made by the debtor or person acting on behalf of the debtor within 1 year before the filing of this case to another person or entity, including attorneys, that the debtor consulted about debt consolidation or restructuring, seeking bankruptcy relief, or filing a bankruptcy case.

None

Who was paid or who received the transfer?	If not money, describe the property transferred	Dates	Total amount or value
11.1. <u>Forshey & Prostok, LLP</u>		3/11/2016	<u>\$50,000.00</u>
Address			
<u>777 Main St., Suite 1290</u>			
<small>Number Street</small>			
<u>Fort Worth TX 76102</u>			
<small>City State ZIP Code</small>			
Email or website address			
<u>http://forsheyprostok.com</u>			
Who made the payment, if not debtor?			
<u></u>			

Debtor Wellflex Energy Solutions, LLC Case number (if known) 16-41049-mxm-11
Name

12. Self-settled trusts of which the debtor is a beneficiary

List any payments or transfers of property made by the debtor or a person acting on behalf of the debtor within 10 years before the filing of this case to a self-settled trust or similar device.
Do not include transfers already listed on this statement.

None

13. Transfers not already listed on this statement

List any transfers of money or other property--by sale, trade, or any other means--made by the debtor or a person acting on behalf of the debtor within 2 years before the filing of this case to another person, other than property transferred in the ordinary course of business or financial affairs. Include both outright transfers and transfers made as security. Do not include gifts or transfers previously listed on this statement.

None

Part 7: Previous Locations

14. Previous addresses

List all previous addresses used by the debtor within 3 years before filing this case and the dates the addresses were used.

Does not apply

Part 8: Health Care Bankruptcies

15. Health Care bankruptcies

Is the debtor primarily engaged in offering services and facilities for:

- diagnosing or treating injury, deformity, or disease, or
- providing any surgical, psychiatric, drug treatment, or obstetric care?

No. Go to Part 9.
 Yes. Fill in the information below.

Part 9: Personally Identifiable Information

16. Does the debtor collect and retain personally identifiable information of customers?

No.
 Yes. State the nature of the information collected and retained _____
Does the debtor have a privacy policy about that information?
 No.
 Yes.

17. Within 6 years before filing this case, have any employees of the debtor been participants in any ERISA, 401(k), 403(b) or other pension or profit-sharing plan made available by the debtor as an employee benefit?

No. Go to Part 10.
 Yes. Does the debtor serve as plan administrator?
 No. Go to Part 10.
 Yes. Fill in below:

Debtor Wellflex Energy Solutions, LLC Case number (if known) 16-41049-mxm-11
Name

Part 10: Certain Financial Accounts, Safe Deposit Boxes, and Storage Units

18. Closed financial accounts

Within 1 year before filing this case, were any financial accounts or instruments held in the debtor's name, or for the debtor's benefit, closed, sold, moved, or transferred? Include checking, savings, money market, or other financial accounts, certificates of deposit, and shares in banks, credit unions, brokerage houses, cooperatives, associations, and other financial institutions.

None

19. Safe deposit boxes

List any safe deposit box or other depository for securities, cash, or other valuables the debtor now has or did have within 1 year before filing this case.

None

20. Off-premises storage

List any property kept in storage units or warehouses within 1 year before filing this case. Do not include facilities that are in a part of a building in which the debtor does business.

None

Part 11: Property the Debtor Holds or Controls That the Debtor Does Not Own

21. Property held for another

List any property that the debtor holds or controls that another entity owns. Include any property borrowed from, being stored for, or held in trust. Do not list leased or rented property.

None

Part 12: Details About Environmental Information

For the purpose of Part 12, the following definitions apply:

- *Environmental law* means any statute or governmental regulation that concerns pollution, contamination, or hazardous material, regardless of the medium affected (air, land, water, or any other medium).
- *Site* means any location, facility, or property, including disposal sites, that the debtor now owns, operates, or utilizes or that the debtor formerly owned, operated, or utilized.
- *Hazardous material* means anything that an environmental law defines as hazardous or toxic, or describes as a pollutant, contaminant, or a similarly harmful substance.

Report all notices, releases, and proceedings known, regardless of when they occurred.

22. Has the debtor been a party in any judicial or administrative proceeding under any environmental law?

Include settlements and orders.

- No
- Yes. Provide details below.

Debtor Wellflex Energy Solutions, LLC Case number (if known) 16-41049-mxm-11
Name

23. Has any governmental unit otherwise notified the debtor that the debtor may be liable or potentially liable under or in violation of an environmental law?

- No
- Yes. Provide details below.

24. Has the debtor notified any governmental unit of any release of hazardous material?

- No
- Yes. Provide details below.

Part 13: Details About the Debtor's Business or Connections to Any Business

25. Other businesses in which the debtor has or has had an interest

List any business for which the debtor was an owner, partner, member, or otherwise a person in control within 6 years before filing this case. Include this information even if already listed in the Schedules.

- None

26. Books, records, and financial statements

26a. List all accountants and bookkeepers who maintained the debtor's books and records within 2 years before filing this case.

- None

Name and address	Dates of service	
	From	To
26a.1. <u>Doug Wright</u> Name <u>7609 White Settlement Rd.</u> Street	<u>12/3/2013</u>	<u>present</u>
<u>Fort Worth</u> City	<u>TX</u> State	<u>76108</u> ZIP Code

26b. List all firms or individuals who have audited, compiled, or reviewed debtor's books of account and records or prepared a financial statement within 2 years before filing this case.

- None

26c. List all firms or individuals who were in possession of the debtor's books of account and records when this case is filed.

- None

Name and address	If any books of account and records are unavailable, explain why	
26c.1. <u>Doug Wright</u> Name <u>7609 White Settlement Rd.</u> Street		
<u>Fort Worth</u> City	<u>TX</u> State	<u>76108</u> ZIP Code

26d. List all financial institutions, creditors, and other parties, including mercantile and trade agencies, to whom the debtor issued a financial statement within 2 years before filing this case.

- None

Name and address
26d.1. <u>Southwest Bank</u> Name <u>Attn: Hunter Barid</u> Street <u>PO Box 962020</u>
<u>Fort Worth</u> City
<u>TX</u> State
<u>76162-2020</u> ZIP Code

Debtor Wellflex Energy Solutions, LLC Case number (if known) 16-41049-mxm-11
Name

27. Inventories

Have any inventories of the debtor's property been taken within 2 years before filing this case?

- No.
 Yes. Give the details about the two most recent inventories.

Name of the person who supervised the taking of the inventory	Date of inventory	The dollar amount and basis (cost, market, or other basis) of each inventory
<u>Doug Wright</u>	<u>12/31/2015</u>	<u>\$917,393.43 / Cost</u>

Name and address of the person who has possession of inventory records

27.1. Doug Wright
Name
7609 White Settlement Rd.
Street

Fort Worth TX 76108
City State ZIP Code

Name of the person who supervised the taking of the inventory	Date of inventory	The dollar amount and basis (cost, market, or other basis) of each inventory
<u>Doug Wright</u>	<u>3/13/2016</u>	<u>\$811,661.61 / Cost</u>

Name and address of the person who has possession of inventory records

27.2. Doug Wright
Name
7609 White Settlement Rd.
Street

Fort Worth TX 76108
City State ZIP Code

28. List the debtor's officers, directors, managing members, general partners, members in control, controlling shareholders, or other people in control of the debtor at the time of the filing of this case.

Name	Address	Position and nature of any interest	% of interest, if any
Nick Klaus	7609 White Settlement Rd. Fort Worth, TX 76108	President / Member	5.41%
Doug Wright	7609 White Settlement Rd. Fort Worth, TX 76108	Chief Financial Officer / Member	5.41%
Thomas R. Bates, Jr., LLC	3760 Country Club Circle Fort Worth, TX 76109	Co-Managing Member / Member	39.18%
Goff Wellflex Holdings, LLC	500 Commerce St., Suite 700 Fort Worth, TX 76102	Co-Managing Member / Member	39.18%
Mike Nathan	7609 White Settlement Rd. Fort Worth, TX 76108	Chief Operating Officer / Member	5.41%
Garrett Lee	7609 White Settlement Rd. Fort Worth, TX 76108	VP - Product Development / Member	5.41%

Debtor Wellflex Energy Solutions, LLC Case number (if known) 16-41049-mxm-11
Name

29. Within 1 year before the filing of this case, did the debtor have officers, directors, managing members, general partners, members in control of the debtor, or shareholders in control of the debtor who no longer hold these positions?

- No
- Yes. Identify below.

Name	Address	Position and nature of any interest	Period during which position or interest was held
Mathew Thompson	452 Marshall Rd. Southlake, TX 76092	Member / Former Employee	From 9/19/2013 To 7/8/2015

30. Payments, distributions, or withdrawals credited or given to insiders

Within 1 year before filing this case, did the debtor provide an insider with value in any form, including salary, other compensation, draws, bonuses, loans, credits on loans, stock redemptions, and options exercised?

- No
- Yes. Identify below.

Name and address of recipient	Amount of money or description and value of property	Dates	Reason for providing the value
-------------------------------	------------------------------------------------------	-------	--------------------------------

30.1. See attached Scheduled 30
 Name _____
 Street _____
 City _____ State _____ ZIP Code _____
 Relationship to debtor _____

31. Within 6 years before filing this case, has the debtor been a member of any consolidated group for tax purposes?

- No
- Yes. Identify below.

32. Within 6 years before filing this case, has the debtor as an employer been responsible for contributing to a pension fund?

- No
- Yes. Identify below.

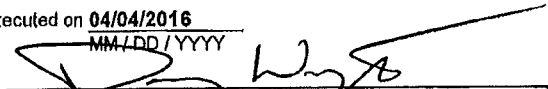
Part 14: Signature and Declaration

WARNING – Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

I have examined the information in this *Statement of Financial Affairs* and any attachments and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 04/04/2016
MM/DD/YYYY

X 
Signature of individual signing on behalf of the debtor

Printed name Doug Wright

Position or relationship to debtor Chief Financial Officer

Are additional pages to *Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy* (Official Form 207) attached?

- No
- Yes

Schedule 3
To
Statement of Financial Affairs

<u>Date</u>	<u>Check #</u>	<u>Amount</u>	<u>Vendor</u>	<u>Address</u>	<u>Reason</u>
12/14/2015	3668	(10,305.00)	A&A WELDING, INC	333 Liberty Rd., Granbury, TX 76049	Suppliers or Vendors
12/21/2015	3716	(11,700.00)	A&A WELDING, INC		
1/11/2016	3757	(12,900.00)	A&A WELDING, INC		
1/15/2016	3799	(10,675.00)	A&A WELDING, INC		
1/25/2016	3825	(10,305.63)	A&A WELDING, INC		
2/8/2016	3852	(8,302.00)	A&A WELDING, INC		
2/22/2016	3876	(9,350.00)	A&A WELDING, INC		
12/18/2015	3717	(4,184.00)	ACME TRUCK LINE	10 Country Place, Bedford, TX 76021	Suppliers or Vendors
12/28/2015	3758	(5,297.50)	ACME TRUCK LINE		
1/15/2016	3800	(4,030.00)	ACME TRUCK LINE		
2/19/2016	3861	(3,950.00)	ACME TRUCK LINE		
12/15/2015	3742	(6,000.00)	ADVANCE TECHNOLOGY INC	PO Box 204653, Dallas, TX 75320	Suppliers or Vendors
12/21/2015	3778	(6,000.00)	ADVANCE TECHNOLOGY INC		
1/14/2016	3816	(6,000.00)	ADVANCE TECHNOLOGY INC		
12/15/2015	3738	(10,000.00)	BASSLER ENERGY SERVICES	PO Box 670523, Dallas, TX 75267-0523	Suppliers or Vendors
12/22/2015	3775	(10,000.00)	BASSLER ENERGY SERVICES		
1/12/2016	3813	(8,062.50)	BASSLER ENERGY SERVICES		
1/15/2016	debit	(18.00)	Credit Card	PO Box 569120, Dallas, TX 75356	Unsecured Loan Repayments
1/15/2016	debit	(336.77)	Credit Card		
12/16/2015	debit	(461.30)	Credit Card		
3/7/2016	debit	(899.57)	Credit Card		
12/16/2015	debit	(1,018.36)	Credit Card		
1/15/2016	debit	(1,211.76)	Credit Card		
3/7/2016	debit	(1,462.31)	Credit Card		
12/16/2015	debit	(1,742.09)	Credit Card		
3/7/2016	debit	(1,813.02)	Credit Card		
12/16/2015	debit	(1,979.46)	Credit Card		
2/1/2016	debit	(2,939.27)	Credit Card		
3/7/2016	debit	(3,457.00)	Credit Card		
12/16/2015	debit	(4,109.83)	Credit Card		
1/15/2016	debit	(4,257.62)	Credit Card		
3/7/2016	debit	(4,552.44)	Credit Card		
1/15/2016	debit	(4,908.42)	Credit Card		
12/14/2015	3704	(13,502.01)	DNOW L.P.	7402 N. Eldridge Pkwy, Houston, TX 77041	Suppliers or Vendors
12/21/2015	3748	(10,000.00)	DNOW L.P.		
1/11/2016	3792	(10,000.00)	DNOW L.P.		
2/16/2016	3871	(10,000.00)	DNOW L.P.		
12/17/2015	3709	(7,355.63)	ECO-STAFF	PO Box 34513, Houston, TX 77234	Suppliers or Vendors
12/29/2015	3751	(8,830.32)	ECO-STAFF		
1/14/2016	3796	(6,200.63)	ECO-STAFF		
3/11/2016	debit	(50,000.00)	Forshey & Prostok	777 Main St., Suite 1290, Fort Worth, TX 76102	Legal Fees-Debtor Counsel
12/16/2015	3642	(9,554.70)	GLOBALOGIX	701 Bear Cat Rd., Aledo, TX 76008	Suppliers or Vendors
12/16/2015	3729	(10,000.00)	GLOBALOGIX		
12/23/2015	3765	(10,000.00)	GLOBALOGIX		
1/14/2016	3808	(12,360.00)	GLOBALOGIX		
12/15/2015	3743	(15,507.50)	GREEN BANK, N.A.	(Phil-Co) PO Box 851197, Richardson, TX 75085	Suppliers or Vendors
12/30/2015	3779	(13,434.00)	GREEN BANK, N.A.		
1/14/2016	3817	(12,079.00)	GREEN BANK, N.A.		
1/20/2016	3847	(11,456.00)	GREEN BANK, N.A.		
2/17/2016	3868	(5,956.00)	GREEN BANK, N.A.		
2/22/2016	3880	(5,298.00)	GREEN BANK, N.A.		
12/24/2015	3752	(16,050.30)	HIGGINBOTHAM & ASSOC. INC	500 West 13th, Fort Worth, TX 76102	Other-Insurance
1/20/2016	3822	(672.00)	HIGGINBOTHAM & ASSOC. INC		
12/15/2015	3741	(5,000.00)	HOUSTON BLOW PIPE	Div. of HSP, LLC, 5621 Clinton Dr., Houston, TX 77020	Suppliers or Vendors
12/24/2015	3776	(5,000.00)	HOUSTON BLOW PIPE		
1/12/2016	3814	(5,000.00)	HOUSTON BLOW PIPE		
12/16/2015	3698	(3,015.99)	HUDSON ENERGY	PO Box 731137, Dallas, TX 75373	Suppliers or Vendors
1/12/2016	3791	(2,214.83)	HUDSON ENERGY		
2/16/2016	3869	(3,086.86)	HUDSON ENERGY		
12/15/2015	3708	(11,643.83)	INDUSTRIAL PIPING SPECIALIS	606 N. 145th E. Ave., Tulsa, OK 74158-1270	Suppliers or Vendors
12/22/2015	3750	(12,820.14)	INDUSTRIAL PIPING SPECIALIS		
1/12/2016	3795	(10,211.77)	INDUSTRIAL PIPING SPECIALIS		
2/17/2016	3873	(5,000.00)	INDUSTRIAL PIPING SPECIALIS		
12/15/2015	3710	(26,641.42)	IPFS CORPORATION	1001 Winstead Dr., Cary, NC 27513	Unsecured Loan Repayments
12/22/2015	3753	(1,168.92)	IPFS CORPORATION		
2/11/2016	debit	(27,815.34)	IPFS CORPORATION		
3/1/2016	debit	(27,815.34)	IPFS CORPORATION		
1/4/2016	debit	(27,978.49)	IPFS CORPORATION		
2/5/2016	debit	(6,268.08)	ISN SOFTWARE CORPORATION	PO Box 841808, Dallas, TX 75284	Services
12/16/2015	3733	(2,848.22)	MATHESON TRI GAS INC	5932 South Freeway, Dallas, TX 76134	Suppliers or Vendors
12/23/2015	3771	(7,132.29)	MATHESON TRI GAS INC		

1/14/2016	3811	(4,355.59)	MATHESON TRI GAS INC		
1/20/2016	3839	(3,856.05)	MATHESON TRI GAS INC		
12/15/2015	3697	(4,340.52)	NETPROTECT INC.	PO Box 293861, Lewisville, TX 75029	Suppliers or Vendors
12/22/2015	3746	(3,839.63)	NETPROTECT INC.		
1/13/2016	3790	(226.49)	NETPROTECT INC.		
1/20/2016	3818	(3,839.63)	NETPROTECT INC.		
2/12/2016	3858	(3,839.63)	NETPROTECT INC.		
12/15/2015	3721	(9,000.00)	NEW GEN PRODUCTS	200 Union Bower Ct., Irving, TX 75061	Suppliers or Vendors
12/22/2015	3761	(9,000.00)	NEW GEN PRODUCTS		
1/12/2016	3803	(13,083.60)	NEW GEN PRODUCTS		
12/15/2015	3714	(11,786.94)	NORRISEAL	11122 West Little York Rd., Houston, TX 77041	Suppliers or Vendors
12/22/2015	3755	(10,000.00)	NORRISEAL		
1/13/2016	3797	(14,120.61)	NORRISEAL		
1/19/2016	3823	(11,487.56)	NORRISEAL		
2/16/2016	3875	(3,000.00)	NORRISEAL		
1/25/2016	836	(150.00)	PAYROLL		
12/23/2015	5018	(372.00)	PAYROLL		
3/10/2016	debit	(91,993.53)	PAYROLL		
2/25/2016	debit	(92,648.94)	PAYROLL		
1/14/2016	debit	(94,244.99)	PAYROLL		
12/30/2015	debit	(95,547.84)	PAYROLL		
1/28/2016	debit	(97,247.01)	PAYROLL		
2/11/2016	debit	(105,570.02)	PAYROLL		
12/17/2015	debit	(124.19)	PAYROLL		
1/7/2016	debit	(388.82)	PAYROLL		
12/18/2015	debit	(461.54)	PAYROLL		
12/17/2015	debit	(17,802.75)	PAYROLL		
12/17/2015	debit	(58,360.82)	PAYROLL		
12/15/2015	3730	(5,192.50)	PLATINUM CROSS WELDING,INC	379054 East 1330 Rd., Okemah, OK 74859	Suppliers or Vendors
12/23/2015	3766	(6,500.00)	PLATINUM CROSS WELDING,INC		
12/14/2015	3628	(2,000.00)	QUEST-TEC SOLUTIONS, INC	13960 S. Wayside, Houston, TX 77048	Suppliers or Vendors
12/14/2015	3667	(2,000.00)	QUEST-TEC SOLUTIONS, INC		
12/24/2015	3715	(2,000.00)	QUEST-TEC SOLUTIONS, INC		
12/24/2015	3756	(3,794.39)	QUEST-TEC SOLUTIONS, INC		
1/15/2016	3798	(4,246.24)	QUEST-TEC SOLUTIONS, INC		
2/1/2016	3824	(938.61)	QUEST-TEC SOLUTIONS, INC		
12/23/2015	debit	(20,000.00)	RCH INDUSTRIES	10543 Flisher Rd., Houston, TX 77041	Suppliers or Vendors
1/14/2016	debit	(20,000.00)	RCH INDUSTRIES		
2/17/2016	debit	(24,100.00)	RCH INDUSTRIES		
2/18/2016	3878	(6,130.83)	RED BALL OXYGEN COMPANY	19662 Airport Pkwy, Conroe, TX 77303	Suppliers or Vendors
2/29/2016	3896	(12,998.77)	RED BALL OXYGEN COMPANY		
1/29/2016	3851	(22,004.47)	RON WRIGHT-TAX ASSESSOR COL	100 E. Weatherford St., Fort Worth, TX 76196	Property Taxes
1/25/2016	999999	(491,016.10)	Southwest Bank	PO Box 962020, Fort Worth, TX 76162	Secured Debt
1/28/2016	999999	(4,797.91)	Southwest Bank		
12/16/2015	debit	(586.76)	Southwest Bank		
1/19/2016	debit	(586.76)	Southwest Bank		
2/16/2016	debit	(586.76)	Southwest Bank		
12/30/2015	debit	(1,290.32)	Southwest Bank		
2/1/2016	debit	(1,293.55)	Southwest Bank		
2/29/2016	debit	(1,293.55)	Southwest Bank		
2/3/2016	debit	(2,355.47)	Southwest Bank		
12/21/2015	debit	(5,406.40)	Southwest Bank		
1/20/2016	debit	(5,406.40)	Southwest Bank		
2/22/2016	debit	(5,406.40)	Southwest Bank		
12/16/2015	3728	(11,428.00)	SYNERGY FABRICATION	3628 North Commerce St., Fort Worth, TX 76106	Suppliers or Vendors
12/22/2015	3763	(10,000.00)	SYNERGY FABRICATION		
1/13/2016	3807	(10,000.00)	SYNERGY FABRICATION		
12/15/2015	3718	(18,550.46)	TABS	PO Box 17031, Winston-Salem, NC 27116-7031	Suppliers or Vendors
1/26/2016	3854	(19,183.47)	TABS		
12/16/2015	3671	(4,500.00)	TEXAS STEEL PROCESSING INC	5480 Windfern Rd., Houston, TX 77041	Suppliers or Vendors
12/21/2015	3720	(5,000.00)	TEXAS STEEL PROCESSING INC		
12/28/2015	3760	(7,250.00)	TEXAS STEEL PROCESSING INC		
1/20/2016	3802	(4,050.00)	TEXAS STEEL PROCESSING INC		
12/15/2015	3727	(7,501.91)	TEXAS VALVE & FITTING, CO	505 Century Parkway, Allen, TX 75013	Suppliers or Vendors
12/14/2015	3675	(7,975.46)	THE EADS COMPANY	11220 Grader St., Dallas, TX 75238	Suppliers or Vendors
12/18/2015	3724	(2,412.00)	TRINITY HEADS, INC	11765 Hwy 6 S, Navasota, TX 77868	Suppliers or Vendors
3/3/2016	3881	(12,088.00)	TRINITY HEADS, INC		
12/28/2015	3770	(2,257.73)	UNIFIRST HOLDINGS INC	PO Box 7580, Haltom City, TX 76111	Suppliers or Vendors
1/13/2016	3810	(1,644.15)	UNIFIRST HOLDINGS INC		
2/18/2016	3879	(3,142.95)	UNIFIRST HOLDINGS INC		
12/15/2015	3732	(5,000.00)	WEST FORK ENTERPRISES	259 CR 1510, Bridgeport, TX 76426	Suppliers or Vendors
12/23/2015	3769	(8,170.00)	WEST FORK ENTERPRISES		

1/13/2016	3809	(6,162.50)	WEST FORK ENTERPRISES		
2/9/2016	3865	(10,000.00)	WEST FORK ENTERPRISES		
2/17/2016	3877	(4,305.00)	WEST FORK ENTERPRISES		
12/16/2015	3726	(10,000.00)	ZEECO,INC	22151 E. 91st St., Broken Arrow, OK 74014	Suppliers or Vendors
12/22/2015	3762	(10,000.00)	ZEECO,INC		
1/6/2016	3788	(20,000.00)	ZEECO,INC		
1/12/2016	3806	(10,000.00)	ZEECO,INC		
2/16/2016	3864	(5,000.00)	ZEECO,INC		

Schedule 30
To
Statement of Financial Affairs

Lee, Robert	5,539.34	1/29/2016	Gross Employee Cost Paid to PEO	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Employee
Lee, Robert	5,335.95	2/11/2016	Gross Employee Cost Paid to PEO	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Employee
Lee, Robert	5,386.35	2/26/2016	Gross Employee Cost Paid to PEO	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Employee
Lee, Robert	5,386.35	3/11/2016	Gross Employee Cost Paid to PEO	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Employee
Nathan, Michael	4,271.67	03/13/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	4,271.66	03/27/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	3,951.30	04/10/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	17,559.07	04/24/2015	Net Bonus Payment	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	3,100.46	05/08/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	3,075.60	05/22/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	3,075.61	06/05/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	3,075.60	06/19/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	3,075.62	07/03/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	3,075.60	07/17/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	3,075.61	07/31/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	3,075.60	08/14/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	2,976.39	09/11/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	3,142.53	09/25/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	3,202.45	10/09/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	3,202.45	10/23/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	3,202.45	11/06/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	3,235.48	11/20/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	3,202.45	12/04/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	3,202.45	12/18/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	4,305.41	12/31/2015	Gross Employee Cost Paid to PEO	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	4,534.63	1/15/2016	Gross Employee Cost Paid to PEO	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	4,530.02	1/29/2016	Gross Employee Cost Paid to PEO	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	4,409.54	2/11/2016	Gross Employee Cost Paid to PEO	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	4,389.20	2/26/2016	Gross Employee Cost Paid to PEO	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Nathan, Michael	4,389.20	3/11/2016	Gross Employee Cost Paid to PEO	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Director
Wright, Douglas	2,926.78	03/13/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	2,926.78	03/27/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	2,926.78	04/10/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	2,926.78	04/24/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	2,926.78	05/08/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	3,199.11	05/22/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	2,926.78	06/05/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	2,926.78	06/19/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	2,926.77	07/03/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	2,926.78	07/17/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	2,926.78	07/31/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	2,926.78	08/14/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	2,926.78	08/28/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	2,926.79	09/11/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	3,019.44	09/25/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	2,926.78	10/09/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	3,233.58	10/23/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	2,926.78	11/06/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	2,926.78	11/20/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	2,926.78	12/04/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	2,926.77	12/18/2015	Net Payroll	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer

Wright, Douglas	4,305.41	12/31/2015	Gross Employee Cost Paid to PEO	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	4,534.63	1/15/2016	Gross Employee Cost Paid to PEO	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	4,530.02	1/29/2016	Gross Employee Cost Paid to PEO	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	4,409.54	2/11/2016	Gross Employee Cost Paid to PEO	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	4,389.20	2/26/2016	Gross Employee Cost Paid to PEO	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Wright, Douglas	4,389.20	3/11/2016	Gross Employee Cost Paid to PEO	7609 White Settlement Rd, Fort Worth, TX 76108	Member and Officer
Thompson, Matthew	4,198.29	03/13/2015	Net Payroll	452 Marshall Rd. Southlake, TX 76092	Member and Employee
Thompson, Matthew	4,198.28	03/27/2015	Net Payroll	453 Marshall Rd. Southlake, TX 76092	Member and Employee
Thompson, Matthew	3,809.70	04/10/2015	Net Payroll	454 Marshall Rd. Southlake, TX 76092	Member and Employee
Thompson, Matthew	2,889.28	04/24/2015	Net Payroll	455 Marshall Rd. Southlake, TX 76092	Member and Employee
Thompson, Matthew	2,889.28	05/08/2015	Net Payroll	456 Marshall Rd. Southlake, TX 76092	Member and Employee
Thompson, Matthew	2,889.28	05/22/2015	Net Payroll	457 Marshall Rd. Southlake, TX 76092	Member and Employee
Thompson, Matthew	2,889.29	06/05/2015	Net Payroll	458 Marshall Rd. Southlake, TX 76092	Member and Employee
Thompson, Matthew	2,889.28	06/19/2015	Net Payroll	459 Marshall Rd. Southlake, TX 76092	Member and Employee
Thompson, Matthew	2,889.28	07/03/2015	Net Payroll	460 Marshall Rd. Southlake, TX 76092	Member and Employee
Thompson, Matthew	4,477.09	7/13/2015	Final Net Payroll - Vacation Pay out	461 Marshall Rd. Southlake, TX 76092	Member and Employee
Thompson, Matthew	673.50	7/16/2015	Severance Payment	462 Marshall Rd. Southlake, TX 76092	Member and Employee