IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
CORPUS CHRISTI DIVISION

In re	§	**Chapter 11**
GLOBAL GEOPHYSICAL SERVICES, LLC, *et al.*[1]	§	**Case No. 16-20306**
Debtors.	§	**Joint Administration Requested**

SOLICITATION AND DISCLOSURE STATEMENT FOR THE JOINT PREPACKAGED PLAN OF LIQUIDATION FOR GLOBAL GEOPHYSICAL SERVICES, LLC AND ITS AFFILIATED DEBTORS

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Dated: July 20, 2016

[1] The Debtors in these Chapter 11 Cases are: Global Geophysical Services, LLC (7582); Global Geophysical Services, Inc. (4281); Global Geophysical EAME, Inc. (2130); GGS International Holdings, Inc. (2420); Global Ambient Seismic, Inc. (2256); Autoseis, Inc. (5224); Autoseis Development Company (9066); and Global Geophysical (MCD), LLC (a disregarded entity for tax purposes).

DISCLAIMER

THIS IS A SOLICITATION OF VOTES TO ACCEPT OR REJECT A JOINT PREPACKAGED PLAN OF LIQUIDATION FOR GLOBAL GEOPHYSICAL SERVICES, LLC AND ITS AFFILIATED DEBTORS (THE "PLAN"). GLOBAL GEOPHYSICAL SERVICES, LLC AND THE COMPANIES LISTED BELOW HAVE NOT FILED FOR RELIEF UNDER CHAPTER 11 OF THE BANKRUPTCY CODE, AND THIS DISCLOSURE STATEMENT HAS NOT BEEN FILED WITH OR APPROVED BY THE BANKRUPTCY COURT OR THE SECURITIES AND EXCHANGE COMMISSION. IN THE EVENT THAT THESE COMPANIES FILE PETITIONS FOR RELIEF UNDER CHAPTER 11 OF THE BANKRUPTCY CODE AND SEEK CONFIRMATION OF THE JOINT PREPACKAGED PLAN OF LIQUIDATION DESCRIBED HEREIN, THIS DISCLOSURE STATEMENT WILL BE SUBMITTED TO THE BANKRUPTCY COURT FOR APPROVAL.

THE DEADLINE TO ACCEPT OR REJECT THE PLAN IS 5:00 P.M., PREVAILING EASTERN TIME, ON AUGUST 1, 2016, UNLESS EXTENDED. THE RECORD DATE FOR DETERMINING WHICH HOLDERS OF CLAIMS OR INTERESTS MAY VOTE ON THE PLAN IS JULY 15, 2016 (THE "VOTING RECORD DATE").

FOR YOUR VOTE TO COUNT, YOUR BALLOT MUST BE ACTUALLY RECEIVED BY PRIME CLERK, THE NOTICE AND CLAIMS AGENT, BEFORE THE VOTING DEADLINE AS DESCRIBED HEREIN. HOLDERS OF CLAIMS IN CLASSES 1 AND 2 SHOULD REFER TO THE BALLOTS ENCLOSED FOR INSTRUCTIONS ON HOW TO VOTE ON THE PLAN. PLEASE NOTE THAT THE DESCRIPTION OF THE PLAN PROVIDED THROUGHOUT THIS DISCLOSURE STATEMENT IS ONLY A SUMMARY PROVIDED FOR CONVENIENCE. IN THE CASE OF ANY INCONSISTENCY BETWEEN THE SUMMARY OF THE PLAN IN THIS DISCLOSURE STATEMENT AND THE PLAN, THE PLAN WILL GOVERN.

The Debtors hereby solicit from holders of claims in Classes 1 and 2 votes to accept or reject the Debtors' Plan under chapter 11 of the Bankruptcy Code. A copy of the Plan is attached hereto as **Exhibit A**.

The information contained in this Disclosure Statement including the Exhibits attached hereto (collectively, the "**Disclosure Statement**") is included herein for purposes of soliciting acceptances of the Plan and may not be relied upon for any purpose other than to determine how to vote on the Plan. **The Bankruptcy Court has not approved the adequacy of the disclosure contained in this Disclosure Statement or the merits of the Plan. Your vote is being solicited in accordance with applicable non-bankruptcy law.** No person is authorized by the Debtors in connection with the Plan or the solicitation of acceptances of the Plan to give any information or to make any representation regarding this Disclosure Statement or the Plan other than as contained in this Disclosure Statement and the Exhibits, Appendices, and/or other Schedules attached hereto, incorporated by reference or referred to herein, and if given or made, such information or representation may not be relied upon as having been authorized by the Debtors.

The Disclosure Statement shall not be construed to be advice on the tax, securities or other legal effects of the Plan as to holders of Claims against, or Interests in, the Debtors or any other person. Each holder should consult with its own legal, business, financial, and tax advisors with respect to any matters concerning this Disclosure Statement, the solicitation of votes to accept the Plan, the Plan, and the transactions contemplated hereby and thereby.

Each holder of a Claim entitled to vote on the Plan should carefully review the Plan, this Disclosure Statement and the Exhibits, Appendices and/or Schedules to both documents in their entirety before casting a ballot. Plan summaries and statements made in this Disclosure Statement are qualified in their entirety by reference to the Plan and the Exhibits, Appendices, and/or Schedules annexed to the Plan and this Disclosure Statement. Please be advised, however, that the statements contained in this Disclosure Statement are made as of the date hereof unless another time is specified herein, and holders of Claims reviewing this Disclosure Statement should not infer at the time of such review that there has not been any change in the information set forth herein

since the date hereof unless so specified. *In the event of any conflict between the descriptions set forth in this Disclosure Statement and the terms of the Plan, the terms of the Plan shall govern.*

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

As to contested matters, existing litigation involving, or possible litigation to be brought by, or against, the Debtors, adversary proceedings, and other actions or threatened actions, this Disclosure Statement and Plan shall not constitute or be construed as an admission of any fact or liability, a stipulation, or a waiver, but rather as a statement made without prejudice solely for settlement purposes in accordance with Federal Rule of Evidence 408, with full reservation of rights, and is not to be used for any litigation purpose whatsoever by any person, party, or entity.

The Board of Managers of the Debtors has approved the Plan and recommends that the holders of Claims in all classes entitled to vote (Classes 1 and 2) vote to accept the Plan.

The Debtors intend to confirm the Plan and cause the Effective Date to occur promptly after confirmation of the Plan. There can be no assurance, however, as to when and whether confirmation of the Plan and the Effective Date actually will occur. The confirmation and effectiveness of the Plan are subject to material conditions precedent. There is no assurance that these conditions will be satisfied or waived. Distributions will be made only in compliance with these procedures as such may be amended or altered in the Plan Supplement.

If the Plan is confirmed by the Bankruptcy Court and the Effective Date occurs, all holders of Claims against, and Interests in, the Debtors (including, without limitation, those holders of Claims and Interests that do not submit ballots to accept or reject the Plan or that are not entitled to vote on the Plan) will be bound by the terms of the Plan and the transactions contemplated thereby.

If the financial restructuring of the indebtedness contemplated by the Plan is not approved and consummated, there can be no assurance that the Debtors will be able to effectuate an alternative restructuring or successfully emerge from their chapter 11 cases, and the Debtors may be forced into a liquidation under chapter 7 of the Bankruptcy Code or under the laws of other countries. As reflected in the Liquidation Analysis, ***the Debtors believe that if operations are liquidated under chapter 7 of the Bankruptcy Code or otherwise, the value of the assets available for payment of creditors would be significantly lower than the value of the distributions contemplated by and under the Plan.***

This Disclosure Statement contains projected financial information regarding the Debtors and certain other forward-looking statements, all of which are based on various estimates and assumptions. The Debtors' management prepared the projections with the assistance of its financial advisors. The Debtors' management did not prepare the projections in accordance with Generally Accepted Accounting Principles ("**GAAP**") or International Financial Reporting Standards ("**IFRS**") or to comply with the rules and regulations of the SEC or any foreign regulatory authority.

SPECIAL NOTICE REGARDING FEDERAL AND STATE SECURITIES LAWS

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

This Disclosure Statement has been prepared pursuant to section 1125 of the Bankruptcy Code and Bankruptcy Rule 3016(b) (but has not yet been approved by the Bankruptcy Court as complying with section 1125 of the Bankruptcy Code and Bankruptcy Rule 3016(b)). The securities to be issued under the Plan on or after the Effective Date will not have been the subject of a registration statement filed with the

SEC under the Securities Act or any securities regulatory authority of any state under any state securities laws.

The Debtors intend to rely on the exemption from the Securities Act and Blue Sky Laws registration requirements provided by section 1145(a)(1) of the Bankruptcy Code to exempt the issuance of securities issued under or in connection with the Plan, except to the extent that any person receiving securities under the Plan may be deemed an "underwriter" within the meaning of section 1145(b) of the Bankruptcy Code, in which case the Debtors intend to rely on the exemption provided by section 4(a)(2) of the Securities Act and applicable exemption from Blue Sky Laws.

Each holder of a Class 1 Claim or Class 2 Claim will be required to certify on its ballot whether it is an Accredited Investor or a Qualified Institutional Buyer. If a holder of a Class 1 Claim or Class 2 Claim is not an Accredited Investor or a Qualified Institutional Buyer, its vote will not be counted.

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

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

This Disclosure Statement contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements consist of any statement other than a recitation of historical fact and can be identified by the use of forward-looking terminology such as "may," "will," "should," "could," "intend," "consider," "expect," "plan," "anticipate," "believe," "predict," "estimate," or "continue" or the negative thereof or other variations thereon or comparable terminology. You are cautioned that all forward-looking statements involve risks and uncertainties that could cause actual events or results to differ materially from those referred to in such forward-looking statements. Important factors that could cause or contribute to such differences include those in Article VIII: "*Certain Risk Factors to be Considered*," generally and in particular "Additional Factors to be Considered--Forward-Looking Statements are not Assured, and Actual Results May Vary." The Liquidation Analysis set forth in Exhibit B, distribution projections, valuation estimates and financial projections of the Debtors, and other information contained herein and attached hereto are estimates only, and the timing and amount of actual distributions to holders of Allowed Claims may be affected by many factors that cannot be predicted. Any analyses, estimates or recovery projections or valuation estimates may or may not turn out to be accurate.

If you would like to obtain copies of this Disclosure Statement, the Plan or any of the documents attached hereto or referenced herein, or if you have questions about the solicitation and voting process or these Chapter 11 Cases generally, please contact Prime Clerk, LLC (the "Notice and Claims Agent" or "Prime Clerk"), by (i) calling (855) 388-4578 (Toll Free) or (917) 877-5961 (International), or (ii) emailing *ggsinfo@primeclerk.com*.

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TABLE OF EXHIBITS

THE DEBTORS HEREBY ADOPT AND INCORPORATE EACH EXHIBIT ATTACHED TO THIS DISCLOSURE STATEMENT BY REFERENCE AS THOUGH FULLY SET FORTH HEREIN. HOLDERS OF CLAIMS AND INTERESTS ARE FURTHER ENCOURAGED TO REVIEW THE PLAN SUPPLEMENT(S) PRIOR TO THE CONFIRMATION HEARING.

I. INTRODUCTION AND EXECUTIVE SUMMARY

Global Geophysical Services, LLC ("**Holdings**"), Global Geophysical Services, Inc. ("**GGS Inc.**") and certain of its direct and indirect subsidiaries, as chapter 11 debtors and debtors in possession (each a "**Debtor**" and collectively the "**Debtors**" or the "**Company**"[2]) in the cases to be commenced under chapter 11 (the "**Chapter 11 Cases**") of title 11 of the United States Code (the "**Bankruptcy Code**"), submit this Disclosure Statement pursuant to section 1126 of the Bankruptcy Code for use in the solicitation of votes on the Plan. A copy of the Plan is annexed as **Exhibit A** to this Disclosure Statement. **Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the Plan**.

This Disclosure Statement sets forth certain information regarding the Company's proposed Restructuring, prepetition operating and financial history, the need to seek chapter 11 protection, and the Debtors' anticipated organization, operations, and liquidity upon successful emergence from chapter 11 protection. FOR A COMPLETE UNDERSTANDING OF THE PLAN, YOU SHOULD READ THIS DISCLOSURE STATEMENT, THE PLAN AND THE EXHIBITS, APPENDICES, AND ANY SCHEDULES HERETO AND THERETO IN THEIR ENTIRETY. IF ANY INCONSISTENCY EXISTS BETWEEN THE PLAN AND THIS DISCLOSURE STATEMENT, THE TERMS OF THE PLAN ARE CONTROLLING.

The restructuring provided in the Plan and described herein (the "**Restructuring**") will result in the transfer of certain of the Debtors' businesses and the liquidation of substantially all assets, after which the Debtors would cease to operate as a going concern. Additionally, it will provide for a recovery for unsecured creditors in these Chapter 11 Cases.

The Plan provides, among other things, that the Debtors will appoint a plan administrator, who is expected to be Sean Gore, the Debtors' current Chief Executive Officer (the "**Plan Administrator**"). The Plan Administrator will be the sole officer, sole manager and sole member of the board of managers of Post-Effective Date Holdings. Additionally, the First Lien Lenders will establish a new corporation ("**NewCo**") to hold the following assets (collectively, the "**NewCo Assets**"): (a) all of the Debtors' owned, leased, or sub-leased real property, furniture and fixtures located in the United States, (b) at the First Lien Lenders' discretion, either the equity interests of the legal entity that owns the Debtors' multi-client data library, or the assets thereof, (c) all intellectual property of the Debtors other than the Liquidating Company IP, (d) substantially all of the assets of Autoseis and Ambient, (e) any and all claims and Causes of Action of the Debtors, including claims arising under chapter 5 of the Bankruptcy Code, (f) the Brazilian Receivables, (g) all contracts and leases identified on the Schedule of Assumed Contracts and Leases as being designated for assumption and assignment to NewCo, and (h) with respect to the foregoing, all related assets, rights, contracts and the proceeds therefrom. Any assets not being contributed to NewCo shall vest in the Debtors free and clear of all claims, liens, encumbrances, charges, and other interests, except with respect to the Assumed First Lien Debt, subject to the terms of the Liquidating Companies Exit Credit Agreement. The Debtors, the agent and lenders thereunder, shall enter into the Liquidating Companies Working Capital Facility and the Debtors shall consummate the Plan by (i) making distributions of NewCo common stock and cash, and (ii) causing the Liquidating Companies to enter into the Liquidating Companies Exit Credit Agreement.

Each holder of a Claim entitled to vote on the Plan should read this Disclosure Statement, the Plan, and the instructions accompanying the Ballots, in their entirety before voting on the Plan. These documents contain, among other things, important information concerning the classification of Claims for voting purposes and the tabulation of votes. The statements contained in this Disclosure Statement are made only as of the date hereof unless otherwise specified, and there can be no assurance that the statements contained herein will be correct at any time hereafter. All creditors should also carefully read **Section VIII** of this Disclosure Statement – the "*Certain Risk Factors To Be Considered*" – before voting to accept or reject the Plan.

THE DEBTORS BELIEVE THAT IMPLEMENTATION OF THE PLAN IS IN THE BEST INTERESTS OF THE DEBTORS AND ALL OF THEIR STAKEHOLDERS. FOR ALL OF THE REASONS

[2] The Debtors in these chapter 11 cases are: Global Geophysical Services, LLC (7582); Global Geophysical Services, Inc. (4281); GGS International Holdings, Inc. (2420); Global Geophysical EAME, Inc. (2130); Global Ambient Seismic, Inc. (2256); Autoseis, Inc. (5224); Autoseis Development Company (9066); and Global Geophysical (MCD), LLC (a disregarded entity for tax purposes).

DESCRIBED IN THIS DISCLOSURE STATEMENT, THE DEBTORS URGE YOU TO RETURN YOUR BALLOT ACCEPTING THE PLAN BY THE VOTING DEADLINE, (*I.E.*, THE DATE BY WHICH YOUR BALLOT MUST BE **ACTUALLY RECEIVED**), WHICH IS **AUGUST 1, 2016** AT 5:00 P.M. (CENTRAL TIME).

II. THE PLAN

The Plan provides for a recovery and distribution to the holders of General Unsecured Claims and Second Lien Claims. The Plan has been negotiated with, and represents a consensual comprise of the Claims of, the First Lien Lenders. But for this consensual arrangement with the First Lien Lenders, the Debtors believe that all other creditors, including holders of General Unsecured Claims and Second Lien Claims, would recover substantially less than they would under the Plan or nothing at all, as the First Lien Lenders are substantially under-secured.

A. Unclassified Claims

Unclassified Claims Summary

In accordance with section 1123(a)(1) of the Bankruptcy Code, the Plan does not classify Administrative Claims, Priority Tax Claims and Fee Claims. The aggregate amount of Administrative Claims, Priority Tax Claims and Fee Claims is estimated to be approximately $1,680,000 as of the Effective Date. The Debtors are in negotiations with certain counter-parties to executory contracts and believe that itemization of the estimated $352,000 estimate of cure costs, or alternatively rejection damages claims, on a contract-by-contract basis will impair the Debtors' confidential negotiations and strategy. Depending on the outcome of those negotiations and the claim allowance process, the actual cure costs (and rejection damages) could be smaller or larger than estimated in this Disclosure Statement.

The Claim recoveries for such unclassified Claims are set forth below:

Claim	Plan Treatment	Projected Plan Recovery
Administrative Claims	Paid in full in Cash	100%
Priority Tax Claims	Paid in accordance with Section 1129(a)(9)(C) of the Bankruptcy Code	100%
Fee Claims	Paid in full in Cash	100%

Unclassified Claims Detail

(a) **Administrative Claims**

Each holder of an Allowed Administrative Claim shall be paid 100% of the unpaid Allowed amount of such Claim in Cash on or as soon as reasonably practicable after the Effective Date. Notwithstanding the immediately preceding sentence, Allowed Administrative Claims incurred in the ordinary course of business and on ordinary business terms unrelated to the administration of the Chapter 11 Cases (such as Allowed trade and vendor Claims) shall be paid, at the Debtors' or the Liquidating Companies' option, in accordance with ordinary business terms for payment of such Claims. Notwithstanding the foregoing, the holder of an Allowed Administrative Claim may receive such other, less favorable treatment as may be agreed upon by the claimant and the Debtors or Liquidating Companies.

(b) **Fee Claims**

A Fee Claim in respect of which a final fee application has been properly filed and served pursuant to Section 2.5 of the Plan shall be payable by the Liquidating Companies to the extent approved by a Final Order of the Bankruptcy Court. Prior to the Effective Date, each holder of a Fee Claim shall submit to the Debtors estimates of any Fee Claims that have accrued prior to the Effective Date that have not yet been paid (collectively, the "**Estimated Fee Claims**"). On the Effective Date, the Liquidating Companies shall reserve and hold in an account Cash in an amount equal to the aggregate amount of each unpaid Estimated Fee Claim as of the Effective Date (minus any unapplied retainers). Such Cash shall be disbursed solely to the holders of Allowed Fee Claims as soon as reasonably practicable after a Fee Claim becomes an Allowed Claim. Upon payment of some, but not all, Allowed Fee Claims, Cash remaining in such account shall be reserved until all other Allowed Fee Claims have been paid in full or all remaining Fee Claims have been Disallowed or not otherwise permitted, at which time any remaining Cash held in reserve with respect to the Estimated Fee Claims shall be used to repay any amounts owing under the Liquidating Companies Exit Credit Agreement or, if no such amounts are owing, become Distributable Cash.

(c) **Priority Tax Claims**

Except to the extent that a holder of an Allowed Priority Tax Claim agrees to less favorable treatment, the holder of each Allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code.

(d) **DIP Claims**

The DIP Claims shall be deemed to be Allowed Claims under the Plan. On the Effective Date, all of the Debtors' obligations with respect to the DIP Claims shall be assumed by NewCo.

B. Classified Claims and Interests

Summary of Classification and Treatment

The Plan establishes a comprehensive classification of Claims and Interests.[3] The following table summarizes the classification and treatment of Claims and Interests under the Plan and the estimated distributions to be received by the holders of Allowed Claims under the Plan and in a hypothetical liquidation under chapter 7. Amounts assumed in the recovery analysis are estimates only; actual recoveries received under the Plan, or in a liquidation scenario, may differ materially from the projected recoveries.

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

Class	Claim or Interest	Treatment of Allowed Claims	Voting Rights	Estimated Amount	Projected Plan Recovery	Projected Liquidation Recovery[4]
1	First Lien Claims	Receipt of Pro Rata share of: (i) NewCo common stock (ii) the rights of lenders with respect to any portion of the Debtors' obligations with respect to First Lien Claims that are assumed by	Impaired/ Entitled to Vote	$85,104,644	76%	68%

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

[4] Under the Projected Liquidation Recovery scenarios estimated by the Debtors' advisors, recovery percentages are provided at the high scenario recovery amounts.

		NewCo (such rights, the "**NewCo First Lien Lender Rights**"); and (iii) the rights of lenders under the Liquidating Companies Exit Credit Agreement with respect to the Assumed First Lien Debt (such rights, the "**Holdings First Lien Lender Rights**").				
2	Second Lien Claims	Receipt of Pro Rata share of Distributable Cash to be distributed by the Liquidating Companies from time to time in accordance with the Waterfall.	Impaired/ Entitled to Vote	$40,445,999	7%	0%
3	Other Secured Claims	Receipt, at the Debtors' option, with the consent of the Required First Lien Lenders, of: (i) reinstatement of such claim against the applicable Liquidating Company; (ii) payment in full in Cash of the Allowed amount of such Other Secured Claim by the Liquidating Companies; (iii) delivery of the collateral securing the Other Secured Claim; (iv) other treatment rendering the Other Secured Claim unimpaired; or (v) such other, less favorable treatment as may be agreed between such holder and the Debtors.	Unimpaired/ Deemed to Accept	$110,000	100%	100%
4	Other Priority Claims	Receipt, at the Debtors' option, with the consent of the Required First Lien Lenders, of: (i) payment in full in Cash; (ii) other treatment rendering the Other Priority Claim unimpaired; or (iii) such other, less favorable treatment as may be agreed between such holder and the Debtors.	Unimpaired/ Deemed to Accept	$0	100%	0%
5	General Unsecured Claims	Receipt of Pro Rata share of Distributable Cash to be distributed by the Liquidating Companies from time to time in accordance with the Waterfall.	Impaired/ Deemed to Reject	$1,587,000	7%	0%
6	Intercompany Claims	Reinstated or cancelled in the Debtors' discretion (or Liquidating Companies'), with the consent of the Required First Lien Lenders.	Unimpaired/ Deemed to Accept	N/A	0-100%	0%
7	Intercompany Interests	Reinstated.	Unimpaired/ Deemed to Accept	$0	100%	0%
8	Parent Interests	Cancelled. Holders of Parent Interests shall receive no distribution on account of such Interests.	Impaired/ Deemed to Reject	$0	0%	0%

Classified Claims and Interests Detail

1. **Class 1 -- First Lien Claims**

(1) *Classification*: Class 1 consists of First Lien Claims.

(2) *Treatment:* The First Lien Claims shall be Allowed in an aggregate amount equal to $85,104,644. In full and final satisfaction of the Allowed First Lien Claims, each holder thereof shall receive its Pro Rata share of: (i) the NewCo common stock; (ii) the rights of lenders with respect to any portion of the Debtors' obligations with respect to the First Lien Claims that is assumed by NewCo; and (iii) the rights of lenders under the Liquidating Companies Exit Credit Agreement with respect to any Assumed First Lien Debt.

(3) *Voting:* Class 1 is Impaired. Each holder of a First Lien Claim is entitled to vote to accept or reject the Plan.

2. **Class 2 -- Second Lien Claims**

(1) *Classification*: Class 2 consists of Second Lien Claims.

(2) *Treatment:* The Second Lien Claims shall be deemed Allowed Claims in the amount of $40,445,999. Each holder of an Allowed Second Lien Claim shall receive, in full and final satisfaction of its Allowed Second Lien Claims, its Pro Rata share of Distributable Cash to be distributed by the Liquidating Companies from time to time in accordance with the Waterfall.

(3) *Voting:* Class 2 is Impaired. Each holder of a Second Lien Claim is entitled to vote to accept or reject the Plan.

3. **Class 3 – Other Secured Claims.**

(1) *Classification*: Class 3 consists of Other Secured Claims.

(2) *Treatment*: Subject to the provisions of sections 502(b)(3) and 506(d) of the Bankruptcy Code, each holder of an Allowed Other Secured Claim shall receive, at the Debtors' option, with the consent of the Required First Lien Lenders: (a) the reinstatement of such Claim against the applicable Liquidating Company; (b) payment in full in Cash of the Allowed amount of such Other Secured Claim by the Liquidating Companies; (c) the delivery of the collateral securing any such Other Secured Claim and payment of any interest required under section 506(b) of the Bankruptcy Code; (d) such other treatment rendering such Other Secured Claim Unimpaired; or (e) such other, less favorable treatment as may be agreed between such holder and the Debtors, with the consent of the First Lien Lenders.

(3) *Voting*: Class 3 is Unimpaired. Each holder of an Other Secured Claim is conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No holder of an Other Secured Claim is entitled to vote to accept or reject the Plan

4. **Class 4 – Other Priority Claims.**

(1) *Classification*: Class 4 consists of all Other Priority Claims.

(2) *Treatment:* In satisfaction of each Allowed Other Priority Claim, each holder thereof shall receive the following, at the option of the Debtors, with the consent of the Required First Lien Lenders: (a) payment in full in Cash; (b) other treatment rendering such Other Priority Claim Unimpaired; or (c) such other, less favorable treatment as may be agreed between such holder and the Debtors, with the consent of the First Lien Lenders.

(3) *Voting:* Class 4 is Unimpaired. Each holder of an Other Priority Claim is conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No holder of Other Priority Claims is entitled to vote to accept or reject the Plan.

5. **Class 5 – General Unsecured Claim.**

(1) *Classification*: Class 5 consists of any holder of a General Unsecured Claim.

(2) *Treatment:* Each holder of an Allowed General Unsecured Claim shall receive, in full and final satisfaction of its Allowed General Unsecured Claim, its Pro Rata share of Distributable Cash to be distributed by the Liquidating Companies from time to time in accordance with the Waterfall.

(3) *Voting*: Class 5 is Impaired. Each holder of a General Unsecured Claim is conclusively deemed to have rejected the Plan pursuant to section 1126(f) of the Bankruptcy Code. No holder of General Unsecured Claims is entitled to vote to accept or reject the Plan.

6. **Class 6 – Intercompany Claims.**

(1) *Classification*: Class 6 consists of all Intercompany Claims.

(2) *Treatment*: Each Intercompany Claim shall either be reinstated or cancelled in the Debtors' (or Liquidating Companies') discretion, with the consent of the Required First Lien Lenders.

(3) *Voting*: Class 6 is Unimpaired. Each holder of an Intercompany Claim is conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No holder of Intercompany Claims is entitled to vote to accept or reject the Plan.

7. **Class 7 – Intercompany Interests.**

(1) *Classification*: Class 7 consists of all Intercompany Interests.

(2) *Treatment*: Intercompany Interests shall be reinstated.

(3) *Voting*: Class 7 is Unimpaired. Each holder of an Intercompany Interest is conclusively deemed to have accepted the Plan pursuant to

section 1126(f) of the Bankruptcy Code. No holder of Intercompany Interests is entitled to vote to accept or reject the Plan.

8. **Class 8 – Parent Interests.**

(1) *Classification*: Class 8 consists of all Parent Interests.

(2) *Treatment*: On the Effective Date, all Parent Interests shall be cancelled, and holders of Parent Interests shall receive no distribution on account of such Interests.

(3) *Voting*: Class 8 is Impaired. Each holder of Parent Interests is conclusively deemed to have rejected the Plan pursuant to section 1126(f) of the Bankruptcy Code. No holder of Parent Interests is entitled to vote to accept or reject the Plan.

Additionally, as described in more detail in Sections 8.3 of the Plan, the Plan provides for certain releases of Claims and Causes of Action against, among others, the (a) the Debtors and their respective Estates, (b) the First Lien Agent, (c) the First Lien Lenders, (d) all Second Lien Lenders that do not submit Opt-Out Notices by the Voting Deadline, (e) the Second Lien Agent, (f) the DIP Lenders, (g) the DIP Agent, and each of their respective professionals, employees, officers and directors. Subject to the Bankruptcy Court's confirmation of the Plan, General Unsecured Creditors and Holders of Parent Interests shall also be subject to, and the beneficiaries of, such releases, provided that they do not submit Opt-Out Notices by the Opt-Out Deadline, which is expected to be twenty-one days after the entry of the confirmation order.

Deemed Substantive Consolidation and Use of Sub-classification

The Plan provides for substantive consolidation of the Debtors' Estates for purposes of voting, confirmation, and making distributions to the holders of Allowed Claims under the Plan, among other things. On the Effective Date, for purposes of voting, confirmation, and making distributions to the holders of Allowed Claims under the Plan, among other things: (i) all guarantees of any Debtor of the payment, performance or collection of another Debtor with respect to Claims against such Debtor shall be disregarded; (ii) any single obligation of multiple Debtors shall be treated as a single obligation in the consolidated Chapter 11 Cases; and (iii) all guarantees by a Debtor with respect to Claims against one or more of the other Debtors shall be treated as a single obligation in the consolidated Chapter 11 Cases. Except as provided in Sections 2.3 and 6.3 of the Plan, such substantive consolidation shall not affect (i) the legal and corporate structure of the Debtors, or (ii) any obligations under any leases or contracts assumed in the Plan or otherwise after the Petition Date.

Notwithstanding the substantive consolidation of the Estates or merger of the post-Effective Date Debtors, each Debtor in existence shall pay U.S. Trustee Fees on all disbursements.

Special Provision Governing Unimpaired Claims

Except as otherwise provided herein, the Plan shall not affect the Debtors' rights in respect of any Unimpaired Claims, including legal and equitable defenses or setoff or recoupment rights with respect thereto.

Independent Tax Review

Holders are strongly urged to consult their own tax advisors about the United States federal, state, local, and applicable foreign income and other tax consequences of the Plan, including with respect to tax reporting and record keeping requirements. Please also see Section X of the Disclosure Statement.

III. LIQUIDATION ANALYSIS

The Debtors believe that the Plan provides the same (where holders are receiving no recovery in both instances) or a greater (for all other holders) recovery for holders of Allowed Claims and Interests as would be achieved in a liquidation under chapter 7 of the Bankruptcy Code. This belief is based on a number of considerations, including: (a) the value of the Debtors' assets as result of the downturn in energy commodity prices and the amount of the Debtors' secured obligations to First Lien Lenders; (b) the additional Administrative Claims generated by conversion to a chapter 7 case and any related costs in connection with a chapter 7 liquidation; and (c) the absence of a robust market for the liquidation sale of the Debtors' assets and services in which such assets and services could be marketed and sold.

The Debtors, with the assistance of Alvarez & Marsal ("**A&M**"), have prepared an unaudited liquidation analysis, which is attached hereto as **Exhibit B** (the "**Liquidation Analysis**"), to assist holders of Class 1 Claims and Class 2 Claims in evaluating the Plan. The Liquidation Analysis compares the projected recoveries that would result from the liquidation of the Debtors in a hypothetical case under chapter 7 of the Bankruptcy Code with the estimated distributions to holders of Allowed Claims and Interests under the Plan. The Liquidation Analysis is based on the value of the Debtors' assets and liabilities as of a certain date and incorporates various estimates and assumptions, including a hypothetical conversion to a chapter 7 liquidation as of a certain date. Further, the Liquidation Analysis is subject to potentially material changes, including with respect to economic and business conditions and legal rulings. Therefore, the actual liquidation value of the Debtors could vary materially from the estimate provided in the Liquidation Analysis.

IV. VOTING PROCEDURES AND REQUIREMENTS

A. Classes Entitled to Vote on the Plan

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

Class	Claim or Interest	Status
1	First Lien Claims	Impaired
2	Second Lien Claims	Impaired

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

B. Votes Required for Acceptance by a Class

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

C. Certain Factors To Be Considered Prior to Voting

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

- unless otherwise specifically indicated, the financial information contained in the Disclosure Statement has not been audited and is based on an analysis of data available at the time of the preparation of the Plan and the Disclosure Statement;
- although the Debtors believe that the Plan complies with all applicable provisions of the Bankruptcy Code, the Debtors can neither assure such compliance nor that the Bankruptcy Court will confirm the Plan;
- the Debtors may request confirmation without the acceptance of all Impaired Classes in accordance with section 1129(b) of the Bankruptcy Code; and
- any delays of either confirmation or consummation could result in, among other things, increased Administrative Claims and Fee Claims.

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

For a further discussion of risk factors, please refer to **ARTICLE VIII**, entitled "*Certain Risk Factors to be Considered*," of this Disclosure Statement.

D. Classes Not Entitled To Vote on the Plan

Under the Bankruptcy Code, holders of claims and interests are not entitled to vote if their contractual rights are unimpaired by the proposed plan or if they will receive no property under the plan.

As holders of First Lien Claims are substantially under-secured, holders of Second Lien Claims and General Unsecured Claims are unlikely to recover anything on account of their Claims but for the Plan and thus are deemed to reject the Plan. Nevertheless, if the Plan is confirmed, Second Lien Claims and General Unsecured Claims will receive the respective treatment described in Article II(B)(2) and (5) of this Disclosure Statement. In any case, the Debtors intend to satisfy the cramdown requirements of 1129(b) as necessary with respect to holders of General Unsecured Claims. As substantially all holders of General Unsecured Claims are not "qualified institutional buyers" within the meaning of Rule 144A under the Securities Act, their votes could not be solicited prior to the commencement of the case in accordance with Bankruptcy Code section 1126(g).

Accordingly, the following Classes of Claims and Interests are not entitled to vote to accept or reject the Plan:

Class	Claim or Interest	Status	Voting Rights
3	Other Secured Claims	Unimpaired	Presumed to Accept
4	Other Priority Claims	Unimpaired	Presumed to Accept
5	General Unsecured Claims	Impaired	Deemed to Reject
6	Intercompany Claims	Unimpaired	Presumed to Accept
7	Intercompany Interests	Unimpaired	Presumed to Accept
8	Parent Interests	Impaired	Deemed to Reject

E. Cramdown

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

The Debtors intend to pursue a "cramdown" of: (a) the holders of Claims in Class 5 (General Unsecured Claims), (b) holders of Parent Interests in Class 8, both of which are deemed to have rejected the Plan, (c) any Voting Class that rejects the Plan and (d) any other Class that is ultimately permitted to vote, but rejects the Plan.

F. Allowed Claims

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

G. Impairment generally

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

Only holders of allowed claims or equity interests in impaired classes of claims or equity interests that receive or retain property under a proposed plan of reorganization, but are not otherwise deemed to reject the plan, are entitled to vote on such a plan, with the exception of holders of General Unsecured Claims, holders that are not Accredited Investors and holders that are not Qualified Institutional Buyers.

H. Solicitation and Voting Process

Each holder of a Class 1 Claim or Class 2 Claim as of the Voting Record Date is entitled to vote to accept or reject the Plan and shall receive the Solicitation Package in accordance with the solicitation procedures. Except as otherwise set forth herein, the Voting Record Date and all of the Debtors' solicitation and voting procedures shall apply to all of the Debtors' creditors and other parties in interest.

The following summarizes the procedures for voting to accept or reject the Plan (the "**Solicitation Procedures**"), which the Debtors shall seek approval of in an order of the Bankruptcy Court (the "**Solicitation Procedures Order**") through the plan scheduling motion. Holders of Claims entitled to vote are encouraged to review the relevant provisions of the Bankruptcy Code and Bankruptcy Rules and/or to consult their own attorneys.

The Solicitation Package.

The following materials are provided to each holder of a Claim that is entitled to vote on the Plan (collectively, the "**Solicitation Package**"):

- the applicable Ballot and voting instructions;
- a Disclosure Statement with all exhibits; and
- the Plan.

If you (a) did not receive a Ballot and believe you are entitled to one; (b) received a damaged Ballot; (c) lost your Ballot; (d) have any questions concerning this Disclosure Statement, the Plan, or the procedures for voting on the Plan, or the Solicitation Package of materials you received; or (e) wish to obtain a paper copy of the Plan, this Disclosure Statement or any exhibits to such documents, **please contact Prime Clerk, the Notice and Claims Agent, at 830 3rd Avenue, 9th Floor New York, NY 10022 or by calling (855) 650-7243.**

The Debtors intend to file the Plan Supplement fourteen days before the hearing on confirmation of the Plan. If the Plan Supplement is updated or otherwise modified, such modified or updated documents will be made available on the Debtors' restructuring website: *http://cases.primeclerk.com/ggsballots/*. The Debtors will not serve paper or CD-ROM copies of the Plan Supplement; however, parties may obtain a copy of the Plan Supplement by visiting the Debtors' restructuring website, *http://cases.primeclerk.com/ggsballots/*; and/or by calling (855) 388-4578.

Voting Deadlines.

To be counted, your Ballot(s) must be actually received by the Notice and Claims Agent no later than:

- **August 1, 2016 at 5:00 p.m**. (Central Time) for Holders of Claims entitled to vote. This is the "**Voting Deadline**." **If you miss the Voting Deadline your vote will not be counted.**

Voting Instructions.

THIS DISCUSSION OF THE VOTING PROCESS IS ONLY A SUMMARY. PLEASE REFER TO THE VOTING INSTRUCTIONS PROVIDED WITH YOUR BALLOT. IN THE EVENT OF ANY DISCREPANCY BETWEEN THE VOTING INSTRUCTIONS PROVIDED WITH YOUR BALLOT AND THE INFORMATION IN THIS SUMMARY, THE VOTING INSTRUCTIONS PROVIDED WITH YOUR BALLOT SHALL GOVERN.

If you are entitled to vote to accept or reject the Plan, you may submit a ballot for the purpose of voting on the Plan. Separate forms of Ballots are provided for the holders of Claims in different Voting Classes entitled to vote on the Plan. **A separate Ballot must be used for each Voting Class**. Any Person who holds Claims in more than one Voting Class is required to submit a separate ballot for its Claims in each Voting Class. BALLOTS ARE ONLY BEING SOLICITED FROM HOLDERS OF CLASS 1 CLAIMS AND CLASS 2 CLAIMS THAT ARE ACCREDITED INVESTORS OR QUALIFIED INSTITUTIONAL BUYERS. THE VOTE OF ANY HOLDER OF CLASS 1 CLAIMS OR CLASS 2 CLAIMS THAT DOES NOT CERTIFY THAT IT IS AN ACCREDITED INVESTOR OR QUALIFIED INSTITUTIONAL BUYER WILL NOT BE COUNTED. IF YOU ARE NOT AN ACCREDITED INVESTOR OR QUALIFIED INSTITUTIONAL BUYER, PLEASE DO NOT COMPLETE THE BALLOT. IF YOU WANT TO ELECT TO OPT OUT OF THE RELEASES IN THE PLAN, PLEASE CONTACT THE DEBTORS' VOTING AGENT PRIME CLERK FOR FURTHER INSTRUCTIONS.

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

Ballots that are not received by the Voting Deadline will not be counted. With respect to each Claim, you may submit a Ballot either by (a) completing and submitting a ballot via Prime Clerk's "E-Ballot"

platform at *http://cases.primeclerk.com/ggsballots/* or (b) completing, dating, and signing the enclosed paper Ballot and returning your Ballot(s) directly to the Debtors' voting agent, Prime Clerk, **by hand delivery, overnight courier, or first class mail** to:

Global Geophysical Ballot Processing
c/o Prime Clerk LLC
830 Third Avenue, 9th Floor
New York, NY 10022

You are strongly encouraged to submit your Ballot(s) via the E-Ballot platform. If you cast a ballot using the E-Ballot platform for a Claim, do not also submit a paper ballot for such Claim. **UNLESS THE DEBTORS AGREE OTHERWISE, BALLOTS WILL NOT BE ACCEPTED BY FAX, EMAIL, OR ELECTRONIC TRANSMISSION OTHER THAN THE E-BALLOT PLATFORM.**

With respect to paper Ballots, only Ballots with a signature will be counted. Only Ballots received by Prime Clerk by the Voting Deadline will be counted.

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

EACH BALLOT FOR SECOND LIEN CLAIMS ADVISES HOLDERS THAT, IF THEY (1) DO NOT CERTIFY ON THEIR BALLOT THAT THEY ARE AN ACCREDITED INVESTOR OR QUALIFIED INSTITUTIONAL BUYER AND (2) DO NOT ELECT TO OPT OUT OF THE RELEASE PROVISIONS CONTAINED IN ARTICLE VIII OF THE PLAN, THEY SHALL BE DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND FOREVER RELEASED AND DISCHARGED ALL CLAIMS AND CAUSES OF ACTION AGAINST THE RELEASED PARTIES IN ACCORDANCE WITH THE PLAN. CREDITORS WHO VOTE TO ACCEPT THE PLAN SHALL BE DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND FOREVER RELEASED AND DISCHARGED ALL CLAIMS AND CAUSES OF ACTION AGAINST THE RELEASED PARTIES IN ACCORDANCE WITH THE PLAN. EACH BALLOT ALSO ADVISES CREDITORS THAT, IF THEY FAIL TO RETURN A BALLOT VOTING EITHER TO ACCEPT OR REJECT THE PLAN, THEY SHALL BE DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND FOREVER RELEASED AND DISCHARGED ALL CLAIMS AND CAUSES OF ACTION AGAINST THE RELEASED PARTIES IN ACCORDANCE WITH THE PLAN.

NON-VOTING CLASSES INCLUDE UNIMPAIRED CLAIMS AND INTERESTS. UNIMPAIRED CLAIMS AND INTERESTS ARE ALSO DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND FOREVER RELEASED AND DISCHARGED ALL CLAIMS AND/OR INTERESTS AND CAUSES OF ACTION AGAINST THE DEBTORS IN ACCORDANCE WITH THE PLAN TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW.

I. The Combined Hearing.

The Debtors will request that the Bankruptcy Court schedule a combined hearing to consider the adequacy of the Disclosure Statement, the sufficiency of the solicitation procedures and confirmation of the Plan (the "**Combined Hearing**"), at the United States Bankruptcy Court for the Southern District of Texas. The Debtors will request confirmation of the Plan, as it may be modified from time to time, under section 1129(b) of the Bankruptcy Code, and has reserved the right to modify the Plan to the extent, if any, that confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification.

V. BUSINESS DESCRIPTION AND REASONS FOR CHAPTER 11 FILING

A. Overview of the Debtors and their Business

The Debtors historically have provided an integrated suite of seismic-data solutions to the global oil and gas industry consisting primarily of seismic-data acquisition, micro-seismic monitoring, processing, and interpretation services and the sale of seismic recording equipment. Through these services, the Debtors delivered data that enables the creation of high-resolution images of the earth's subsurface and reveals complex structural and stratigraphic details. These images are used primarily by oil and gas companies to identify geologic structures favorable to the accumulation of hydrocarbons, to reduce risk associated with oil and gas exploration, to optimize well-completion techniques, and to monitor changes in hydrocarbon reservoirs.

The Debtors have historically generated revenues by providing two types of services to their clients, proprietary services and multi-client services. Proprietary services ("**Proprietary Services**") consist of conducting geophysical surveys for clients on a contractual basis where the clients generally acquire all rights to the seismic data obtained through such surveys.[5] Multi-client services ("**Multi-client Services**") include selling licenses, on a non-exclusive basis, to seismic data the Debtors own as a part of their collection of seismic data. This collection of data is generally referred to as a "seismic-data library" or "multi-client library." In return for their underwriting participation in a Multi-client Services project, customers receive a non-exclusive license to a designated portion of the underlying seismic data acquired by the Debtors at a favorable price on a per-square-mile basis. The Debtors include the seismic data sets acquired through multi-client surveys in their multi-client library, which is then available for licensing to other clients on a non-exclusive basis for a fee (referred to as a "**Late Sale**"). The Debtors also historically generate revenues by providing microseismic monitoring, data processing, and interpretation services and through the sale of seismic-recording equipment to third parties.

Many of the world's largest and most technically advanced oil and gas exploration and production companies have used the Debtors' services. These include national oil companies, major integrated oil companies, and large independent oil and gas companies. In prior years, the Debtors and their foreign non-debtor subsidiaries provided seismic-data acquisition services throughout the world, including in some of its most challenging political and natural environments. The Debtors' operated internationally through foreign branch offices of GGS Inc. and foreign non-debtor affiliates.

As of the Petition Date, substantially all of the Debtors' ongoing field operations have ceased, with the exception of certain work in Brazil by a non-debtor foreign subsidiary. As of the Petition Date, the Debtors expect to employ 6 individuals from their headquarters in Houston and execute on an orderly wind down of their business, as further described below. As also described further below, the Debtors were the subject of a corporate reorganization under a chapter 11 plan that became effective on February 9, 2015.[6] The Debtors have filed these cases to pursue a pre-packaged chapter 11 plan of liquidation and implement a wind-down plan of their business.

B. Overview of Capital Structure

Senior Secured First Lien Revolving Credit Facility and Term Loan

Each of the Debtors is a borrower or guarantor under a secured First Lien Credit Agreement, dated as of February 9, 2015 (as amended, the "**First Lien Credit Agreement**"), with Wilmington Savings Fund Society, FSB as the administrative agent and collateral agent (the "**First Lien Agent,**" and the lenders thereunder, the "**First Lien Lenders**"). The First Lien Credit Agreement provides for (i) a senior secured first lien revolving credit facility in an aggregate principal amount of up to $25 million (the "**First Lien Revolving Loan**") and (ii) a first lien term loan in the original principal amount of $60 million (the "**First Lien Term Loan**"). As of the Petition Date, approximately $85,104,644 of principal and accrued and unpaid interest was outstanding under First Lien Credit

[5] For proprietary seismic-data acquisition services, clients typically would request a bid for a seismic survey based on their own survey design specifications. Due to reduced demand for oil and gas exploration, the Debtors have ceased providing Proprietary Services and have no plans for future operations in this line of business.

[6] The Debtors prior cases, which are open, are pending in the United States Bankruptcy Court for the Southern District of Texas, jointly administered under case no. 14-20130.

Agreement. The indebtedness under the First Lien Credit Agreement is secured by substantially all real and personal property of the Debtors, and certain assets of certain foreign non-debtor subsidiaries of the Debtors, pursuant to various security and collateral documents. The indebtedness under the First Lien Credit Agreement is also guaranteed by the following foreign subsidiaries of the Debtors: Global Geophysical Services, Ltd., a Cayman Islands company and Global Servicos Geofisicos Ltda., a Brazilian limited liability company.

The First Lien Revolving Loan and First Lien Term Loan each mature on February 8, 2017, subject to the Debtors' right to extend the maturity date to May 8, 2017 in accordance with the terms and conditions of the First Lien Credit Agreement. The First Lien Revolving Loan bears interest at a rate of 12.5% per annum and the First Lien Term Loan bears interest at a rate of 12.5% per annum. Interest on the First Lien Revolving Loan and on the First Lien Term Loan is payable monthly in arrears.

To address various outstanding defaults under the First Lien Credit Agreement, the First Lien Agent and the First Lien Lenders entered into a Forbearance Agreement and First Amendment to the First Lien Credit Agreement (the "**Forbearance Agreement**"), dated as of April 12, 2016. Thereby, the Debtors acknowledged various outstanding defaults, agreed that interest would apply at the default rate and be payable in kind, and the First Lien Lenders agreed to forebear from exercising any remedies during the Forbearance Period (as defined in the Forbearance Agreement). The Debtors, the First Lien Agent and the First Lien Lenders are also party to a Consent Agreement to Forbearance Agreement, dated May 31, 2016 (the "**Consent Agreement**"), pursuant to which the First Lien Lenders consented to the commencement of insolvency proceedings in Canada with respect to Global Geophysical Services Canada Inc. and Sensor Geophysical Ltd., each an Alberta corporation. Finally, on July 14, 2015, the Debtors and the First Lien Lenders entered into the first amendment to the Forbearance Agreement, which among other things extended the forbearance period and the availability of the revolving loans.

Second Lien Term Loan

Each of the Debtors is also a borrower or guarantor under a secured Second Lien Credit Agreement, dated as of February 9, 2015 (as amended, the "**Second Lien Credit Agreement**") with Wilmington Trust, National Association as the administrative agent and collateral agent (the "**Second Lien Agent**") for the lenders party thereto the (the "**Second Lien Lenders**"). The Second Lien Credit Agreement provides for a senior secured second-lien term loan in the original principal amount of $32,089,257.85. As of the Petition Date, approximately $40,445,999 of principal and accrued and unpaid interest was outstanding under the Second Lien Credit Agreement. The liens securing the Debtors' obligations under the Second Lien Credit Agreement are subordinate and junior to the liens securing the Debtors' obligations under the First Lien Credit Agreement. The indebtedness under the Second Lien Credit Agreement is secured by substantially all real and personal property of the Debtors, and certain assets of certain foreign non-debtor subsidiaries of the Debtors, pursuant to various security and collateral documents. The indebtedness under the Second Lien Credit Agreement is also guaranteed by the following foreign subsidiaries of the Debtors: Global Geophysical Services, Ltd., a Cayman Islands company and Global Servicos Geofisicos Ltda., a Brazilian limited liability company.

The second lien term loan matures on August 9, 2017, subject to the Debtors' right to extend the maturity date to November 9, 2017 in accordance with the terms and conditions of the Second Lien Credit Agreement. The second lien term loans bear interest at a rate of 15.5% per annum, payable in kind monthly in arrears.

Intercreditor Agreement

The First Lien Agent and Second Lien Agent are parties to an intercreditor agreement, dated as of February 9, 2015 (the "**Intercreditor Agreement**"). Under its terms, the Debtors' indebtedness and other obligations under the First Lien Credit Agreement are senior in right, priority, operation, effect and all other respects to the Debtors' indebtedness and obligations under the Second Lien Credit Agreement. The second lien indebtedness is fully subordinated to the first lien indebtedness. Under section 4.02 of the Intercreditor Agreement, any recoveries or payments to the Second Lien Lenders prior to the repayment in full of the first lien obligations—

including in any insolvency proceeding—are to be held in trust and turned over to the First Lien Agent.[7] The Intercreditor Agreement also provides that until the first lien obligations have been fully satisfied, the Second Lien Agent and Lenders will (i) not oppose or object to any post-petition financing offered or supported by the First Lien Lenders under section 364 of the Bankruptcy Code, and (ii) subordinate and consent to such post-petition financing, including with respect to any liens that prime or are pari passu with the First Liens. See Intercreditor Agreement § 6.01(a)(ii). Where DIP financing is to be provided by the First Lien Lenders—as is the case here—the Intercreditor Agreement also provides that the Second Lien Lenders may propose alternative DIP financing only if they irrevocably agree to purchase all outstanding obligations under the First Lien Credit Agreement.

Insurance Financing

Holdings is party to a premium finance agreement with IPFS Corporation ("**IPFS**"), dated April 25, 2016 (the "**Insurance Financing Agreement**"). Under the Insurance Financing Agreement, the Debtors financed more than $900,000 of premiums due in respect of certain insurance policies (the "**Financed Policies**"). With respect to amounts that may become owed under the Insurance Financing Agreement, the Debtors are required to make monthly payments to IPFS, which obligations are secured by security interests in the unearned premiums for the Financed Policies. By the first day insurance motion, the Debtors intend to seek authority to maintain their insurance program and the Financed Polices solely to the extent necessary to implement their liquidating and wind down plan and subject to the DIP budget.

Warrants

Pursuant to the Warrant Agreement between Global Geophysical Services, LLC and Computershare Inc. and Computershare Trust Company, N.A., as warrant agent, dated as of February 9, 2015, holders of Financial Claims (as such term was defined in the *Second Amended Joint Chapter 11 Plan of Reorganization of Global Geophysical Services, Inc. and its Debtor Affiliates, as Reformed* (the "**2015 Plan**")) received a pro rata share of 1,111,111 warrants (each, a "**Warrant**" and collectively the "**Warrants**"). The Warrants entitle the holders thereof to purchase up to 10%, in the aggregate, of the common units in Global Geophysical Services, LLC. The Warrants are exercisable for four years after February 9, 2015, at a per share price based upon a $235 million total enterprise value of the company.

Common Units

The Debtors are a private company. Their parent is debtor Global Geophysical Services, LLC, the equity interest of which is held in the form of common units under the terms of the Amended and Restated Limited Liability Company Agreement of Global Geophysical Services, LLC dated as of February 9, 2015, as amended. As of July 20, 2016, there were approximately 20,657,780 common units outstanding.

C. Organizational Structure

Only the U.S. entities are debtors in these cases. Other than Global Geophysical Services Canada Inc., an Alberta corporation, and Sensor Geophysical Ltd., an Alberta corporation , none of the foreign subsidiaries currently are debtors in any proceeding. The Debtors have historically operated a significant portion of their international business through foreign branch offices of GGS Inc., as opposed to separate foreign subsidiaries. As a result, a material portion of the Debtors' remaining physical assets are still located in foreign jurisdictions, but in the process of being liquidated or otherwise repatriated to the United States in connection with the wind down plan.

[7] Notwithstanding the payment and other subordination provisions of the Intercreditor Agreement, if the Plan filed on the Petition Date is confirmed and becomes effective, holders of Second Lien Claims will receive the treatment and recovery provided for in the Plan, despite the fact that the First Lien Lenders will not be paid in full.

D. Events Leading to Bankruptcy

The Debtors' Prior Restructuring

Having consummated a prior restructuring on February 9, 2015, the Debtors are the subjects of prior chapter 11 cases still pending before this Court. As a result, the Debtors' current capital structure and funded debt obligations were authorized and incurred pursuant to the terms of this Court's prior confirmation order.

On March 25, 2014, GGS Inc. and certain of its affiliates filed voluntary chapter 11 petitions before this Court, commencing cases that were jointly administered under case no. 14-20130 (the "**2014 Cases**"). A combination of events lead to the 2014 Cases,[8] which the Debtors filed for hallmark bankruptcy rationales—to achieve a breathing spell for the development of restructuring alternatives, implement debtor-in-possession financing to resolve immediate liquidity needs, and maximize value for the benefit of all stakeholders.

When the Debtors filed their 2014 Cases, they owed: (i) approximately $81.765 million under a senior secured Financing Agreement, dated as of September 30, 2013 (as amended, the "**September 2013 TPG Financing Agreement**"), with TPG Specialty Lending, Inc. and Tennenbaum Capital Partners, LLC (collectively, the "**2013 Secured Lenders**"); (ii) approximately $255 million aggregate principal and accrued but unpaid interest in respect of publicly traded unsecured notes due in 2017 (the "**10.5% Senior Notes**"); and (iii) other material indebtedness in excess of $10 million, including unsecured bank notes in Colombia and secured tax obligations.

Ultimately, an ad hoc group of holders of the 10.5% Senior Notes provided the Debtors with more than $151.9 million in post-petition financing, pursuant to the terms of a Financing Agreement dated as of April 14, 2014 (the "**2014 DIP Credit Agreement**"), the proceeds of which were used to repay the 2013 Secured Lenders at a compromised amount, fund the administration of the 2014 Cases, and for general corporate purposes. The Debtors thereafter negotiated a chapter 11 plan with various stakeholders that, in general terms, provided for the repayment of the 2014 DIP Credit Agreement in cash and distribution of equity in the reorganized company to the holders of the 10.5% Senior Notes. The Debtors noticed a confirmation hearing on such plan for early December of 2014.

The Downturn in Energy Commodity Prices

As the Court is aware, the energy industry has been burdened broadly by a dramatic decline in the price of oil and gas. With gas prices already relatively low due to the substantial increase in supply in North America over the past decade (due largely to hydraulic fracturing technology), oil prices began a steep descent beginning in the summer of 2014. Aggravating the decline, in November 2014 the Organization of Petroleum Exporting Countries—after years of tempering significant fluctuations in oil prices through the control of supply—announced that it would not reduce production quotas in the face of the significant decrease in the price of oil.

Like other energy-related service companies, the performance of the Debtors' business is indirectly tied to the price of oil and gas. In particular, demand for seismic data services and the projected value of the Debtors' multi-client library depend on the amount of exploration being conducted by upstream energy firms, which is largely driven by the forward price curve of energy commodities. As prices declined, so did the projected capital expenditures of E&P companies, which in turn depressed the fundamental valuations of the Debtors enterprise.

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[8] In the latter part of 2012, following a change in executive leadership, the Company made a strategic decision to increase its emphasis on Proprietary Services in what it viewed to be a more lucrative international market and decrease its emphasis on Multi-client Services in an increasingly competitive U.S. market. This change in emphasis to international Proprietary Services severely impacted the Company's liquidity. The Company thereafter experienced a number of adverse developments that, collectively, further adversely impacted liquidity in the first part of 2014. These developments included higher than anticipated working capital requirements associated with project start-up costs for new international projects; reduced revenues attributable to reductions in programs in Colombia; higher than anticipated project costs and increases in estimated taxes; slower than anticipated production in Kenya; and project cancellations in Libya due to security concerns. Compounding their liquidity problems, the Debtors also faced potential covenant defaults under a prior secured credit facility related to liquidity and restatement of historical financial statements and related consolidated financial information for various annual and quarterly periods going back to 2009.

The Impact of the Downturn on the Debtors

The decline in energy commodity prices greatly hindered the Debtors' ability to confirm a plan and emerge from the 2014 Cases. When the Debtors filed the 2014 Cases and negotiated the terms of the 2014 DIP Credit Agreement, oil prices were in excess of $100/bbl. By the time the Debtors were seeking to confirm a chapter 11 plan in late 2014, however, energy markets and the value of the Debtors' enterprise had fundamentally changed, such that it was unclear how the Debtors would be able to repay their DIP lenders and emerge adequately capitalized for their business. As commodity prices further cratered, it became apparent that the plan then being pursued by the Debtors was not feasible. With the support of their creditors, the Debtors postponed confirmation for approximately two months.

Eventually, the Debtors secured a commitment for exit financing—the First Lien Credit Agreement—that allowed them to emerge from bankruptcy. The Debtors amended the plan to provide for the First Lien Credit Agreement and the lenders under the 2014 DIP Credit Agreement agreed to receive take-back notes in the form of the Second Lien Credit Agreement, as well as equity in the reorganized Debtors. In effect, the ad hoc group (and DIP lenders) determined that it was better for the company to emerge from chapter 11, giving such group of holders the opportunity to participate if and when oil and gas prices recovered. The Bankruptcy Court confirmed the Debtors' chapter 11 plan on February 6, 2015 and the plan became effective on February 9, 2015.[9]

Further Decreases in Oil Prices Following the Debtors' Exit from the 2014 Cases

By the end of the third quarter of 2015, the price of oil had decreased by more than 50% year over year—from approximately $92/bbl as of September 15, 2014, to below $50/bbl as of September 15, 2015. On January 12, 2016, oil fell below $30/bbl for the first time in 12 years. These market conditions continue to affect oil and gas companies at every level of the industry. Even the largest multinational integrated oil and gas companies have been substantially affected by the current market conditions. Current equity and debt trading prices in the sector reflect the scale of the current financial distress.

Notwithstanding the Debtors' and their management's vast efforts to improve revenues amid industry-wide challenges, by January of 2016 the Debtors were in breach of multiple covenants under the First Lien Credit Agreement and facing mounting liquidity pressures. As currently organized, the Debtors do not have a business plan that can withstand the trough in commodity prices and the associated decline in capital expenditures in the exploration market. As described in the Disclosure Statement, the valuation of the Debtors' enterprise is substantially less than the amount of indebtedness owed to the First Lien Lenders, who have senior first priority lien on substantially all assets of the Debtors, which liens and security interests are valid, perfected and not subject to challenge per the terms of the confirmation order.

After months of negotiation and forbearance, the First Lien Lenders have agreed upon the terms of the Plan filed on the Petition Date, which includes DIP financing, the means to implement an orderly wind-down of the Debtors' business, and a transfer of the multi-client library, real property, and the other NewCo Assets to an entity formed by the First Lien Lenders. While the First Lien Lenders are under-secured, the Plan for which the Debtors have negotiated nevertheless provides for eventual distributions to the Debtors' unsecured creditors, including the subordinated Second Lien Lenders.

E. The Debtors' Wind-down and Liquidation

In January of 2016, the Debtors began to execute on a plan to wind down their business. Such initiatives include the marketing and disposition of non-core assets, multiple rounds of work-force reductions, an orderly cessation of operations in various jurisdictions, and the filings of insolvency proceedings in Canada for certain subsidiaries.

The Debtors' wind down will be more fully implemented pursuant to the Plan. First, the Debtors' business will be divided into two primary groups: (i) NewCo, a new entity to be owned 100% by the First Lien

[9] *See* Docket No. 997 in the 2014 Cases.

Lenders, which will own the multi-client library, real property owned by the Debtors on the Petition Date (including their headquarters facility near Houston), causes of action, and the proceeds of certain intercompany receivables;[10] and (ii) a liquidating company, which will retain the Liquidating Company assets (as defined in the Plan, the "**Liquidating Company Assets**") in order to implement an orderly wind-down. Following the repayment of an exit working capital facility to be provided to the Liquidating Companies by affiliates of the First Lien Lenders, proceeds from the Liquidating Company Assets will be shared as follows: the First Lien Lenders will receive 66.66% of the net proceeds on account of approximately $6 million of First Lien obligations assumed by the Liquidating Companies (as further defined in the Plan, the "**Assumed First Lien Debt**"), and holders of allowed General Unsecured Claims and the Second Lien Lenders will receive a Pro Rata share of 33.33% of such proceeds. After the Assumed First Lien Debt has been satisfied, 100% of net proceeds of the Liquidating Company Assets will go Pro Rata to the holders of Second Lien Claims and allowed General Unsecured Claims.[11]

In order to implement the plan, liquidate the assets of the Liquidating Companies, and make distributions to creditors, on or before the Effective Date the Debtors will effectuate the following restructuring transactions, as further described in Article VI of the Plan[12]:

- As of the Effective Date, all Parent Interests shall be deemed cancelled, and Post-Effective Date Holdings shall issue new membership interests, all of which shall be issued to the Plan Administrator, and the Plan Administrator shall be appointed as the sole officer and sole member of Post-Effective Date Holdings;

- On or prior to the Effective Date, NewCo shall be incorporated under the laws of Delaware;

- As of the Effective Date, NewCo shall authorize and issue one class of equity securities consisting of the NewCo Common Stock, which shall be distributed on the Effective Date in accordance with Section 5.2 of the Plan;

- NewCo and the Liquidating Companies shall enter into the Shared Services Agreement as of the Effective Date;

- The Plan Administrator and the Liquidating Companies shall enter into the Plan Administrator Agreement as of the Effective Date;

- Pursuant to Section 1141(b) and (c) of the Bankruptcy Code, and except as otherwise provided in the Plan, the Liquidating Companies Exit Credit Agreement, the other Plan Documents or the Confirmation Order (or, with respect to NewCo, any portion of the obligations constituting the First Lien Claims that are assumed by NewCo), on the Effective Date: (i) the Liquidating Company Assets shall vest in the Liquidating Companies free and clear of all Claims, liens, encumbrances, charges and other interests and (ii) the NewCo Assets shall vest in NewCo, free and clear of all Claims, liens, encumbrances, charges, and other interests;

- The Liquidating Companies, and the agent and lenders thereunder, shall enter into the Liquidating Companies Working Capital Facility;

- The Debtors shall consummate the Plan by (i) making Distributions of the NewCo Common Stock and Cash, and (ii) causing the Liquidating Companies to enter into the Liquidating Companies Exit Credit Agreement; and

- The releases provided for in Article VIII of the Plan will become effective.

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[10] Defined as the "NewCo Assets" in the Plan, the First Lien Lenders have valid and perfected security interests in substantially all of such assets pursuant to, among other things, the Court's confirmation order on the 2015 Plan.

[11] Should total recoveries exceed 250% of the Assumed Net Recoveries, then NewCo will be entitled to certain contingent value. Likewise, should NewCo's disposition of certain NewCo Assets--Autoseis and Ambient lines of business in particular--result in recoveries above an expected threshold, the Liquidating Companies will be entitled to certain contingent value payments.

[12] Capitalized terms used in this section and not otherwise defined herein shall have the meaning ascribed to them in the Plan.

Operationally, the Debtors' wind down plan consists of three categories of simultaneous initiatives, on which the Debtors have been executing since January of 2016:

- *Group 1*: the immediate cessation of any remaining operations in approximately 18 jurisdictions in which the Debtors' business is already mostly inactive;

- *Group 2*: near-term disposition or other cessation of operations in 11 jurisdictions or business units; and

- *Group 3*: longer-term plans to exit other jurisdictions and business units upon completion of current contracts and work in process, including in Brazil and the Isle of Man and with respect to corporate operational support.

The liquidity challenges the Debtors face are substantial. Having explored their alternatives, sought to maximize value for their stakeholders, and negotiated at arms' length with the First Lien Lenders—who have liens on substantially all assets and are undersecured—the pre-packaged plan and orderly wind down represent the best outcome available for all stakeholders under the Debtors' circumstances. To be sure, the Debtors' liquidity and budget for administrative expenses are precarious , and leave no margin for protracted chapter 11 cases. These cases will succeed only if the timeline contemplated by the Plan and DIP financing holds. Otherwise, the Debtors are likely to become administratively insolvent, with the result of the First Lien Lenders receiving all remaining value.

F. Prepetition Litigation

The Debtors are involved in a number of lawsuits, illustrated in the chart below, all of which have arisen in the ordinary course of business. On March 25, 2015, the Debtors filed a lawsuit styled *Global Geophysical Services, Inc. v. Lewis Petro Properties, Inc.*, No. 16-DCV-231133 (434th Dist. Ct., Fort Bend County, Tex. Mar. 25, 2015) (the "**Lewis Action**") against Lewis Petro Properties, Inc. ("**Lewis**"). The Lewis Action was filed for Lewis' failure to disclose important information to GGS Inc. in connection with a March 2012 exchange of seismic data between Lewis and the Debtors.

Pursuant to the transaction, the Debtors granted Lewis access to certain survey data maintained by the Debtors and in exchange Lewis granted the Debtors access to certain survey data maintained by Lewis (the "**Lewis Data**"). The exchange agreement specified that the only other entity to have previously received access to the Lewis Data was BP p.l.c. In June 2012, Lewis disclosed that it had also previously provided the Lewis Data to Laredo Energy IV, LP. At that time, the Debtors and Lewis amended the exchange agreement to include this information and Lewis made an additional $1.2 million payment to the Debtors. In September of 2015, Lewis further disclosed that there are an additional 13 entities who were granted access to the Lewis Data prior to the parties' 2012 exchange. Lewis requested a second amendment to the exchange agreement to provide for these additional entities but has not agreed to pay a supplementary fee.

The Company cannot predict with certainty the outcome or effect of any of its pending litigation. There can be no assurance that the Company's belief or expectations as to the outcome or effect of any lawsuit or other litigation matter will prove correct, and the eventual outcome of these matters could materially differ from management's current estimates.

Case Description	Nature of Proceeding	Court or Agency and Location	Status or Disposition
BRITTANY MCEINTIRE, ET ALV.GGS, INC. CASE NO.2013-1941-B	PERSONAL INJURIES MINORS - TRAFFIC ACCIDENT	124TH DISTRICT COURT GREGG COUNTY, TEXAS	PENDING
EEOC CHARGE NO. 460-2013-02149	EEOC CLAIM AGE/RACE DISCRIMINATION	EEOC STATE OF TEXAS	PENDING
GERALD THIBEAUX V.GGS, INC. CASE NO.2013-01580	PERSONAL INJURY / JONES ACT	41ST JUDICIAL DISTRICT COURT PARISH OF ORLEANS, STATE OF LOUISIANA (PENDING TRANSFER 19TH DISTRICT CT BATON ROUGE PARISH, LA.)	PENDING
GLOBALGEOPHYSICAL SERVICES,INC. V. AGUILA EXPLORATION MANAGEMENT, INC.	CONTRACT DISPUTE	113TH DISTRICT COURT HARRIS COUNTY,TEXAS	PENDING
GRANT V.GGS, INC.	PERSONAL INJURY / JONES ACT	41ST JUDICIAL DISTRICT COURT PARISH OF ORLEANS, STATE OF LOUISIANA (PENDING TRANSFER 19TH DISTRICT CT BATON ROUGE PARISH, LA.)	PENDING
GLOBAL GEOPHYSICAL SERVICES, INC. V. LEWIS PETRO PROPERTIES, INC.	MISREPRESENTATION AND BREACH OF CONTRACT	434TH JUDICIAL DISTRICT COURT, FORT BEND COUNTY, TEXAS	PENDING

VI. THE CHAPTER 11 CASES

A. Significant Events During the Chapter 11 Cases.

First Day Matters

On the Petition Date, the Debtors intend to file several motions requesting that the Bankruptcy Court enter orders authorizing the Debtors to continue operating in the ordinary course (the "**First Day Motions**"). The First Day Motions will be designed to facilitate a smooth transition into chapter 11 and ease the strain on the Debtors' businesses as a consequence of filing the Chapter 11 Cases.

(a) DIP Financing

As discussed above, the Company will seek interim and final orders approving the DIP Financing, a super-priority priming senior secured revolving credit facility in the aggregate principal amount of up to $2.0 million, which will be fully funded and drawn. The DIP Loan will be provided by the First Lien Lenders.

(b) Cash Management System and foreign operations

The Company maintains a centralized cash management system to collect, track, aggregate and disburse cash on a daily basis between the Debtors and non-debtor subsidiaries with operations abroad. To facilitate a smooth transition into the Chapter 11 Cases, the Debtors will seek Bankruptcy Court approval to continue using their existing cash management system, bank accounts and business forms and to continue intercompany transactions, including ordinary course transactions and matters in respect of the Debtors' operations abroad.

(c) Employee Motion

The Debtors' employees rely on their compensation and benefits to pay their daily living expenses; absent which they would be exposed to significant financial difficulties. The Debtors will need the sole focus of their employees during the Chapter 11 Cases and cannot afford for their employees to be distracted by unnecessary concern over the payment of their wages and other benefits in the ordinary course of operations. Accordingly, the Debtors will seek authority to (a) honor and pay certain prepetition amounts due to its employees related to, among other things, compensation, benefit programs and reimbursable expenses; and (b) continue certain benefit programs and policies, consistent with the ordinary course of business and past practices, on a post-petition basis, whether arising before or after the Petition Date.

(d) Insurance

The Debtors will seek authorization to allow the Debtors to preserve their insurance coverage by authorizing the continued maintenance, administration, finance and payment of premiums on insurance policies, to the extent needed to implement their orderly wind down plan.

(e) Utilities

The Debtors will seek authorization (i) prohibiting the Debtors' utility companies from altering, refusing, or discontinuing services on account of prepetition amounts outstanding or on account of any perceived inadequacy of the Debtors' proposed adequate assurance; (ii) determining that the utility companies have been provided adequate assurance of payment within the meaning of Section 366 of the Bankruptcy Code; and (iii) approving the Debtors' proposed offer of adequate assurance and procedures governing the utility companies' requests for additional or different adequate assurance.

(f) Rejection of Leases

The Debtors are party to two unexpired non-residential real property leases that are not beneficial to the Debtors and should be rejected. The Debtors will seek authorization to reject the leases, and all amendments thereto, effective *nunc pro tunc* pursuant to Sections 105(a) and 365 of the Bankruptcy Code.

Retention of Professionals

The Debtors will seek authorization to retain the following professionals to provide professional services in connection with the Chapter 11 Cases:

- Baker Botts L.L.P., as counsel;
- Alvarez & Marsal North America LLC, as financial advisor;
- Prime Clerk, LLC, as notice and claims agent; and
- other professionals relied upon in the Debtors' ordinary course of business.

VII. CONFIRMATION PROCEDURES

A. Combined Disclosure Statement and Confirmation Hearing

Section 1129(a) of the Bankruptcy Code requires a bankruptcy court, after notice, to hold a hearing on confirmation of a chapter 11 plan and section 1129(b) provides that any party in interest may object to the confirmation of the chapter 11 plan. On the Petition Date, the Debtors anticipate filing a plan scheduling motion, which will, among other things, request that the Bankruptcy Court schedule the Combined Hearing at which the Bankruptcy Court will consider the adequacy of the Disclosure Statement, the sufficiency of the solicitation procedures and confirmation of the Plan. Notice of the Combined Hearing will be provided to holders of Claims and Interests or their agents or representatives as established in the order establishing the schedule for the Combined Hearing and related objections (the "**Notice of Combined Hearing**"). Objections to the Disclosure Statement and confirmation of the Plan must be filed with the Bankruptcy Court by the date set forth in the Notice of Combined Hearing and will be governed by Bankruptcy Rules 3020(b) and 9014 and the local rules of the Bankruptcy Court. UNLESS AN OBJECTION IS TIMELY FILED AND SERVED, IT MAY NOT BE CONSIDERED BY THE COURT.

B. Confirmation of the Plan

At the Combined Hearing, the Bankruptcy Court will confirm the Plan only if all of the requirements of section 1129 of the Bankruptcy Code are met. Among the requirements for confirmation of a plan

are that the plan is (i) accepted by all Impaired classes of Claims and Interests or, if rejected by an Impaired class, that the plan "does not discriminate unfairly" and is "fair and equitable" as to such class, (ii) feasible and (iii) in the "best interests" of creditors and equity interest holders that are Impaired under the Plan.

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

- The Plan complies with the applicable provisions of the Bankruptcy Code.
- The proponents of the Plan have complied with the applicable provisions of the Bankruptcy Code.
- The Plan has been proposed in good faith and not by any means forbidden by law.
- Any payment made or to be made by the Debtors (or any other proponent of the Plan) 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 Chapter 11 Cases, in connection with the Plan and incident to the Chapter 11 Cases is subject to the approval of the Bankruptcy Court as reasonable.
- The Debtors (or any other proponent of the Plan) have disclosed (or will disclose prior to the Combined Hearing) the identity and affiliations of any individual proposed to serve, after confirmation, as a director, or officer, the Debtors, any Affiliate of the Debtors reorganized under the Plan, or any successor to the Debtors under the Plan, and the appointment to, or continuance in, such office of such individual is consistent with the interests of Creditors and holders of Interests and with public policies.
- The proponent of the Plan has disclosed (or will disclose prior to the Combined Hearing) the identity of any Insider (as defined in the Bankruptcy Code) that will be employed or retained the Debtors and the nature of any compensation for such Insider.
- With respect to each holder within an Impaired Class of Claims or Interests, each such holder (a) has accepted the Plan or (b) will receive or retain under the Plan on account of such Claim or Interest property of a value, as of the Effective Date, that is not less than the amount that such holder would so receive or retain if the Debtors were liquidated under chapter 7 of the Bankruptcy Code on such date.
- With respect to each Class of Claims or Interests, such Class (a) has accepted the Plan or (b) is Unimpaired under the Plan (subject to the "cram-down" provisions discussed below).
- The Plan provides for treatment of Claims, as applicable, in accordance with the provisions of section 507(a) of the Bankruptcy Code.
- If a Class of Claims or Interests is Impaired under the Plan, at least one Class of Claims or Interests that is Impaired under the Plan has accepted the Plan, determined without including any acceptance of the Plan by any Insider (as defined in the Bankruptcy Code).
- Confirmation is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtors, or any successor to the Debtors under the Plan, unless such liquidation or reorganization is proposed in the Plan.
- All fees payable under 28 U.S.C. § 1930 have been paid or the Plan provides for the payment of all such fees on the Effective Date.

Best Interests Test/Liquidation Analysis

As described above, section 1129(a)(7) of the Bankruptcy Code requires that each holder of an Impaired Claim or Interest either (a) accept the Plan or (b) receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the value such holder would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code. The Debtors believe that the Plan provides the same (where holders are receiving no recovery in both instances) or a greater (for all other holders) recovery for holders of Allowed Claims and Interests as would be achieved in a liquidation under chapter 7 of the Bankruptcy Code. This belief is based on a number of considerations, including: (a) the Debtors' primary assets are intangible and include goodwill and customer relationships, which would have little to no value in a chapter 7 liquidation; (b) the additional Administrative Claims generated by conversion to a chapter 7 case and any related costs in connection with a chapter 7 liquidation; and (c) the absence of a robust market for the sale of the Debtors' assets and services in which such assets and services could be marketed and sold.

To assist holders in determining whether the Plan meets this requirement, the Debtors, with the assistance of Alvarez & Marsal, have prepared an unaudited liquidation analysis, which is attached hereto as **Exhibit B** (the "Liquidation Analysis"). As more fully discussed below, the Debtors believe that the Plan satisfies the best interests test of Bankruptcy Code section 1129(a)(7).

Feasibility

The Bankruptcy Code requires that a debtor demonstrate that the confirmation of a plan of reorganization is not likely to be followed by liquidation or the need for further financial reorganization. For purposes of determining whether the Plan meets this requirement, the Debtors have analyzed their ability to meet their obligations under the Plan.

C. Confirmation Without Acceptance by All Impaired Classes

The Bankruptcy Court may confirm a plan of reorganization over the rejection or deemed rejection of the plan of reorganization by a class of claims or interests if the plan of reorganization "does not discriminate unfairly" and is "fair and equitable" with respect to such class.

No Unfair Discrimination

This test applies to Classes of Claims or Interests that are of equal priority and are receiving different treatment under the Plan. The test does not require that the treatment be the same or equivalent, but that such treatment be "fair." The Debtors do not believe the Plan discriminates unfairly against any Impaired Class of Claims or Interests. The Debtors believe the Plan and the treatment of all Classes of Claims and Interests under the Plan satisfy the foregoing requirements for nonconsensual confirmation.

Fair and Equitable Test

This test applies to Classes of different priority and status (e.g., secured versus unsecured) and includes the general requirement that no Class of Claims or Interests receive more than 100% of the amount of the allowed Claims or Interests in such Class. As to the dissenting Class, the test sets different standards depending on the type of Claims or Interests of the Debtor in such Class. In order to demonstrate that a plan is fair and equitable, the plan proponent must demonstrate:

- Secured Creditors: Each holder of a secured claim: (1) retains its liens on the property, to the extent of the allowed amount of its secured claim, and receives deferred cash payments having a value, as of the effective date of the chapter 11 plan, of at least the allowed amount of such claim; (2) has the right to credit bid the amount of its claim if its property is sold and retains its liens on the proceeds of the sale (or if sold, on the proceeds thereof); or (3) receives the "indubitable equivalent" of its allowed secured claim.

- Unsecured Creditors: Either (1) each holder of an impaired unsecured claim receives or retains under the chapter 11 plan property of a value equal to the amount of its allowed claim or (2) the holders of claims and interests that are junior to the claims of the non-accepting class will not receive any property under the chapter 11 plan.

- Interests: Either (1) each holder of an impaired interest will receive or retain under the chapter 11 plan property of a value equal to the greatest of the fixed liquidation preference to which such holder is entitled, the fixed redemption price to which such holder is entitled, or the value of the interest or (2) the holders of interests that are junior to the non-accepting class will not receive or retain any property under the chapter 11 plan.

The Debtors believe the Plan satisfies the "fair and equitable" requirement notwithstanding that each of Class 5 and Class 8 is deemed to reject the Plan, because, as to such Class, there is no Class of equal priority receiving more favorable treatment and no Class that is junior to such Class will receive or retain any property on account of the Claims in such Class.

D. Alternatives to Confirmation and Consummation of the Plan

If the Plan cannot be confirmed, the Debtors may seek to liquidate under chapter 7 of the Bankruptcy Code. If the Debtors were to pursue a liquidation, the Chapter 11 Cases would be converted to cases under chapter 7 of the Bankruptcy Code and a trustee would be elected or appointed to liquidate the assets of the Debtors for distribution in accordance with the priorities established by the Bankruptcy Code. A discussion of the effects that a chapter 7 liquidation would have on Creditors' recoveries and the Debtors is described in the unaudited Liquidation Analysis, attached hereto as **Exhibit B**.

VIII. CERTAIN RISK FACTORS TO BE CONSIDERED

HOLDERS OF CLAIMS AGAINST THE DEBTORS SHOULD READ AND CONSIDER CAREFULLY THE RISK FACTORS SET FORTH BELOW, AS WELL AS THE OTHER INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT (AND THE DOCUMENTS DELIVERED TOGETHER HEREWITH AND/OR INCORPORATED HEREIN BY REFERENCE), PRIOR TO VOTING TO ACCEPT OR REJECT THE PLAN. THESE RISK FACTORS SHOULD NOT, HOWEVER, BE REGARDED AS CONSTITUTING THE ONLY RISKS INVOLVED IN CONNECTION WITH THE PLAN AND ITS IMPLEMENTATION. ANY OF THE FOLLOWING RISKS, AS WELL AS ADDITIONAL RISKS AND UNCERTAINTIES NOT CURRENTLY KNOWN TO THE DEBTORS OR THAT THE DEBTORS DEEM IMMATERIAL, COULD MATERIALLY ADVERSELY AFFECT THE DEBTORS' BUSINESS, FINANCIAL CONDITION, RESULTS OF OPERATIONS AND CASH FLOWS OR CAUSE THE VALUE OF THE SECURITIES OFFERED UNDER THE PLAN TO DECLINE. THE DEBTORS CANNOT ASSURE YOU THAT ANY OF THE EVENTS DISCUSSED IN THE RISK FACTORS BELOW WILL NOT OCCUR, AND IF SUCH EVENTS DO OCCUR YOU MAY LOSE ALL OR PART OF YOUR INVESTMENT IN THE COMPANY.

A. General

The following provides a summary of various important considerations and risk factors associated with the Plan; however, it is not exhaustive. In considering whether to vote to accept or reject the Plan, holders of Claims and Interests should read and carefully consider the risk factors set forth below, as well as all other information set forth or otherwise referenced or incorporated by reference in this Disclosure Statement.

B. Risk Relating to the Plan and Other Bankruptcy Considerations

Parties in Interest May Object to the Debtors' Classification of Claims and Interests

Section 1122 of the Bankruptcy Code provides that a debtor may place a claim or an equity interest in a particular class under a plan of reorganization only if such claim or equity interest is substantially similar to the other claims or equity interests in such class. The Debtors believe that the classification of Claims and

Interests in the Plan complies with the Bankruptcy Code requirements because the Debtors classified Claims and Interests, each encompassing Claims or Interests, as applicable, that are substantially similar to the other Claims and Interests in each such Class. Nevertheless, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

The Debtors May Fail to Satisfy the Solicitation Requirements Requiring a Re-Solicitation

Section 1126(b) of the Bankruptcy Code provides that the holder of a claim against, or equity interest in, a debtor who accepts or rejects a plan of reorganization before the commencement of a chapter 11 case is deemed to have accepted or rejected such plan under the Bankruptcy Code so long as the solicitation of votes was made in accordance with applicable nonbankruptcy law governing the adequacy of disclosure in connection with such solicitation or, if such laws do not exist, such acceptance was solicited after disclosure of "adequate information" as defined in section 1125 of the Bankruptcy Code.

Additionally, Bankruptcy Rule 3018(b) states that a holder of a claim or equity interest who has accepted or rejected a plan before commencement of the case under the Bankruptcy Code will not be deemed to have accepted or rejected the plan if the Bankruptcy Court finds that the plan was not transmitted to substantially all creditors and equity security holders of the same class, that an unreasonably short time was prescribed for solicitation of creditors or equity security holders to accept or reject the plan, or that the solicitation was not in compliance with section 1126(b) of the Bankruptcy Code.

To satisfy the requirements of Bankruptcy Code section 1126(b) and Bankruptcy Rule 3018(b), the Debtors will be delivering the solicitation materials to all holders of claims in the Voting Classes as of the Voting Record Date, although only Accredited Investors and Qualified Institutional Buyers are being solicited and will have their votes counted. Accordingly, the Debtors believe that the solicitation is proper under applicable nonbankruptcy law, rules and regulations. The Debtors cannot be certain, however, that the solicitation of acceptances or rejections will be approved by the Bankruptcy Court, and if such approval is not obtained, confirmation of the Plan could be denied. If the Bankruptcy Court were to conclude that the Debtors did not satisfy the solicitation requirements, then the Debtors may seek to re-solicit votes to accept or reject the Plan or solicit votes from one or more Classes not previously solicited. The Debtors cannot provide any assurances that such a re-solicitation would be successful. Re-solicitation could delay or jeopardize confirmation of the Plan. Non-confirmation of the Plan could result in protracted Chapter 11 Cases, which could significantly and detrimentally impact relationships with vendors, suppliers, employees and major customers.

The Plan could be denied Confirmation or delayed

Because the Plan is proposed as a prepackaged plan, the Debtors will begin soliciting votes before the commencement of the Chapter 11 Cases. If votes are received from holders of Claims in the Voting Classes in number and amount sufficient to satisfy the requirements to confirm a chapter 11 plan, then the Debtors will commence the Chapter 11 Cases and seek confirmation of the Plan as soon as reasonably practicable. If insufficient votes are received, the Debtors may seek to accomplish an alternative to the Plan. There can be no assurance that the terms of an alternative plan would be similar, or as favorable, to the holders of Allowed Claims or Allowed Interests as those proposed by the Plan. Additionally, if the Plan is not accepted prior to the Petition Date by the requisite number of votes from the holders of Claims in the Voting Classes, then the Debtors may commence the Chapter 11 Cases without the benefit of a pre-negotiated plan of reorganization or could pursue other out-of-court restructuring alternatives.

For the Debtors to emerge successfully from the Chapter 11 Cases, the Debtors, like any other chapter 11 debtor, must obtain approval of the Plan from their creditors and confirmation of the Plan through the Bankruptcy Court, and then successfully implement the Plan. The foregoing process requires the Debtors to (i) meet certain statutory requirements with respect to the adequacy of this Disclosure Statement, (ii) solicit and obtain creditor acceptances of the Plan and (iii) fulfill other statutory conditions with respect to the confirmation of the Plan. Moreover, there can be no assurance that modifications to the Plan will not be required for confirmation or that such modifications will not necessitate the resolicitation of votes. If the Plan is not confirmed, it is unclear what Distributions holders of Claims or Interests would ultimately receive with respect to their Claims or Interests in a subsequent plan of reorganization. Although the Debtors believe that the Plan satisfies all of the requirements

necessary for confirmation by the Bankruptcy Court, there can be no assurance that the Bankruptcy Court will reach the same conclusion. Additionally, by its terms, the Plan will not become effective unless, among other things, the conditions precedent have been satisfied or waived.

The impact that prolonging the Chapter 11 Cases may have on the Debtors' operations cannot be accurately predicted or quantified. The continuation of the Chapter 11 Cases, particularly if the Plan is not approved, confirmed, or implemented within the time frame currently contemplated, could adversely affect operations and relationships between the Debtors and their customers and charterers, suppliers, service providers and creditors; and result in increased professional fees and similar expenses. Failure to confirm the Plan could further weaken the Debtors' liquidity position, which could jeopardize the Debtors' exit from chapter 11.

A number of agreements and other documents relating to or governing the Debtors have not been negotiated or finalized

A number of agreements and other documents relating to or governing the Debtors following the Effective Date remain subject to documentation and/or further negotiations, including those to be in included in the Plan Supplement. The terms and conditions of these agreements and other documents may adversely affect the Debtors, their operations, their financial condition or results of operations in a number of ways that cannot be predicted at this time. In addition, certain of the documents described in this Disclosure Statement have not been finalized, and the terms and provisions of the final agreements and other documents include other material terms not included in the summaries contained herein. Furthermore, failure to finalize or successfully negotiate these documents or obtain any required approvals, including any required approvals from the First Lien Lenders, may delay or prevent consummation of the Plan.

The Chapter 11 Cases may have negatively impacted the Debtors' business

The Chapter 11 Cases may affect the Debtors' relationships with, and their ability to negotiate favorable terms with, creditors, customers, vendors, employees, and other personnel and counterparties. Public perception of their continued viability may affect, among other things, the desire of potentially interested parties from entering into or continuing agreements or arrangements with the Debtors. The failure to maintain any of these important relationships could adversely affect the Debtors' business, financial condition and remaining operations.

The Debtors may object to the amount or classification of a Claim or Interest

Except as otherwise provided in the Plan, the Debtors and other parties in interest reserve the right to object to the amount or classification of any Claim or Interest under the Plan. The estimates set forth in this Disclosure Statement cannot be relied on by any holder of a Claim or Interest where such Claim or Interest is subject to an objection. Any holder of a Claim that is subject to an objection may not receive its expected share of the estimated Distributions described in this Disclosure Statement.

The Debtors may fail to meet all conditions precedent to effectiveness of the Plan

The confirmation and effectiveness of the Plan are subject to certain conditions that may or may not be satisfied. The Debtors cannot assure anyone that all requirements for confirmation and effectiveness required under the Plan will be satisfied. In particular, the Plan is predicated on the Debtors' ability to consummate the Liquidating Companies Exit Credit Agreement on the terms and conditions set forth in the Plan. Failure to obtain such financing will make consummation of the Plan impossible.

Contingencies may affect Distributions to Holders of Allowed Claims

The Distributions available to holders of Allowed Claims under the Plan can be affected by a variety of contingencies, including, without limitation, whether the Bankruptcy Court orders certain Allowed Claims to be subordinated to other Allowed Claims and whether the Bankruptcy Court orders that certain Disputed Claims become Allowed Claims. The occurrence of any and all such contingencies could affect Distributions under the Plan.

The Plan is based upon assumptions the Debtors developed that may prove incorrect and could render the Plan unsuccessful

The Plan affects the Debtors' capital structure and the ownership, the structure and operation of their businesses, and reflects assumptions and analyses based on the Debtors' experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the Debtors consider appropriate under the circumstances. Whether actual future results and developments will be consistent with the Debtors' expectations and assumptions depends on a number of factors, including but not limited to (i) the ability to implement the substantial changes to the capital structure contemplated by the Plan; (ii) the ability to obtain adequate liquidity and financing sources and (iii) the overall strength and stability of general economic conditions of the financial and shipping industries, both in the United States and in global markets. The failure of any of these factors could materially adversely affect the continued operation of the Debtors' multi-client data library businesses.

Accordingly, the Debtors expect that their actual financial condition and results of operations will differ, perhaps materially, from what is anticipated. Consequently, there can be no assurance that the results or developments contemplated by the Plan the Debtors may implement will occur or, even if they do occur, that they will have the anticipated effects on the Debtors and their subsidiaries or their businesses or operations. Moreover, the Debtors' operations could result in an increase of General Unsecured Claims if certain contracts are rejected. The failure of any such results or developments to materialize as anticipated could materially adversely affect the successful execution of the Plan or any other plan of reorganization.

The Debtors may seek to amend, waive, modify, or withdraw the Plan at any time prior to Confirmation

The Debtors, with the consent of the Investors, reserve the right, in accordance with the Bankruptcy Code, the Bankruptcy Rules, and consistent with the terms of the Plan, to amend the terms of the Plan or waive any conditions thereto if and to the extent such amendments or waivers are necessary or desirable to consummate the Plan. The potential impact of any such amendment or waiver on the holders of Claims and Interests cannot presently be foreseen but may include a change in the economic impact of the Plan, either positively or negatively, on some or all of the proposed Classes or a change in the relative rights of such Classes.

The Debtors' liquidation may be negatively affected if the Debtors are unable to assume certain of their executory contracts

Generally, an executory contract is a contract where performance remains due to some extent by both parties to the contract. The Plan provides for the assumption of certain executory contracts and unexpired leases. The Debtors intend to preserve as much of the benefit of their existing executory contracts and unexpired leases that are valuable to their liquidation as possible. However, with respect to some limited classes of executory contracts, the Debtors may need to obtain the consent of the counterparty to maintain the benefit of the executory contract. There is no guarantee that such consent either would be forthcoming or that conditions would not be attached to any such consent that makes assuming the executory contracts in question unattractive. The Debtors then would be required to either forego the benefits offered by such executory contracts or find alternative arrangements to replace them.

The results of an actual chapter 7 liquidation may be different from the liquidation analysis

Conversion to chapter 7 liquidation would, in the view of the Debtors, produce a less favorable outcome for holders of Allowed Claims than would the Plan. However, underlying the Liquidation Analysis set forth in Exhibit B is the extensive use of estimates and assumptions that, although considered reasonable by the Debtors' management and their financial advisors, are inherently subject to significant business, economic and competitive uncertainties and contingencies beyond the control of the Debtors. The Liquidation Analysis is based on assumptions with regard to liquidation decisions that are subject to change. Actual results may vary materially from the estimates and projections set forth in the Liquidation Analysis if the Debtors were, in fact, to undergo a liquidation. Events and circumstances subsequent to the date on which the Liquidation Analysis was prepared may be different from those assumed, or alternatively, may have been unanticipated.

Failure to confirm and consummate the Plan could negatively impact the Debtors

If the Plan is not confirmed and consummated there may be various consequences, including:

- the incurrence of substantial costs and investment of time and resources by the Debtors in connection with the Restructuring transaction, without realizing any of the anticipated benefits of the Restructuring;
- the possibility, for the Debtors, of being unable to repay indebtedness when due and payable; and
- the Debtors pursuing chapter 7 proceedings that would result in recoveries for creditors that are less than contemplated under the Plan and no recovery for certain creditors.

C. Business and Financial Risks

The Debtors' results of operations could be materially adversely affected by economic conditions

Prices for oil and natural gas have been volatile. During the most recent period of depressed commodity prices, many oil and gas exploration and production companies significantly reduced their levels of capital spending, including amounts dedicated to the purchase of seismic data services. Historically, demand for the Debtors' services has depended significantly on the level of exploration spending by oil and gas companies. A return of depressed commodity prices, or a decline in existing commodity prices or other economic factors, could have a material adverse effect on demand for the Debtors' multi-client data library business.

Industry spending on the Debtors' services is subject to rapid and material change

The willingness of the Debtors' clients to explore, develop and produce depends largely upon prevailing industry conditions that are influenced by numerous factors over which the Debtors have no control, such as:

- demand for oil and natural gas, especially in the United States, China and India;
- the ability of oil and gas exploration and production companies to generate funds or otherwise obtain external capital for exploration, development, construction and production operations;
- the sale and expiration dates of leases and concessions in the United States and the international markets where the Debtors operate;
- domestic and foreign tax and environmental policies;
- the cost of exploring for, developing, producing and delivering oil and natural gas;
- the expected rates of decline related to current production;
- the availability and discovery rates of new oil and gas reserves;
- technical advances affecting energy exploration, production, transportation and consumption;
- weather conditions, including hurricanes and monsoons that can affect oil and gas operations over a wide area as well as less severe inclement weather that can preclude or delay seismic data acquisition;
- political and economic instability in oil and gas producing countries;

- government and other organizational policies, including those of the Organization of the Petroleum Exporting Countries, regarding the exploration, production and development of oil and gas reserves; and

- merger and divestiture activity among oil and gas producers.

In addition, increases in oil and natural gas prices may not have a positive effect on the Debtors' results of operations or financial condition. Although demand for the Debtors' services may decrease when depressed economic conditions are present, including lower oil and natural gas prices, the reverse is not necessarily true due to the factors listed herein as well as other factors beyond the Debtors' control.

The Debtors are dependent upon a relatively small number of remaining clients. Additionally, from time to time, a significant portion of the Debtors' revenues are generated by a single project

The Debtors derive a significant amount of their revenues at any one time from a relatively small number of clients. If one or more clients encounter financial difficulties, the Debtors' multi-client data library businesses could be materially and adversely affected.

Additionally, from time to time, a significant portion of the Debtors' revenues are generated by a single project. The Debtors' dependence from time to time on a single project for a significant percentage of their revenues may result in significant variability of earnings from period to period as these projects are completed.

The Debtors have invested significant amounts of money in acquiring and processing seismic data for multi-client surveys and for their seismic data library without knowing precisely how much of this seismic data they will be able to license or when and at what price they will be able to license such data

Multi-client surveys and the resulting seismic data library are an important part of the Debtors' business. Investing in, acquiring and processing seismic data involves the following risks:

- The costs of acquiring, processing and interpreting seismic data may not fully be covered through future sales. The amounts of these data sales are uncertain and depend on a variety of factors, many of which are beyond the Debtors' control.

- The timing of these sales is unpredictable and can vary greatly from period to period. The costs of each survey are capitalized and then amortized over the expected useful life of the data. This amortization will affect earnings and, when combined with the sporadic nature of the sales, will result in increased earnings volatility.

- Regulatory changes that affect companies' ability to drill, either generally or in a specific location where the Debtors have acquired seismic data, could materially and adversely affect the value of the seismic data contained in the Debtors' library. Technology changes could also make existing data sets obsolete. Additionally, each of the Debtors' individual surveys has a limited book life based on its location and oil and gas companies' interest in prospecting for reserves in such location, so a particular survey may be subject to a significant and/or accelerated decline in value beyond initial estimates.

- The value of the Debtors' multi-client data could be significantly adversely affected if any material adverse change occurs in the general prospects for oil and gas exploration, development and production activities.

- The cost estimates upon which the Debtors base their pre-commitments of funding could be wrong, which could result in losses that have a material adverse effect on the Debtors' business, results of operations and financial condition.

- Pre-commitments of funding are subject to the creditworthiness of the Debtors' clients. In the event that a client refuses or is unable to pay its commitment, it could result in the loss of a material amount of money.

- If the Debtors' clients significantly increase their preference toward licensing seismic data from multi-client data libraries, the Debtors may not have the appropriate existing data library assets to be able to obtain permits and access rights to geographic areas of interest from which to record such data, or make appropriate levels of investment in the creation of new data library assets.

Any reduction in the market value of such data will require a write down its recorded value, which could have a significant material adverse effect on the multi-client data library business.

The Debtors are subject to compliance with stringent environmental laws and regulations that may expose them to significant costs and liabilities

The Debtors' operations are subject to stringent federal, provincial, state and local environmental laws and regulations in the United States and foreign jurisdictions relating to environmental protection. In their business, the Debtors use explosives and certain other regulated hazardous materials that are subject to such regulation. These laws and regulations may impose numerous obligations that are applicable to the Debtors' operations including:

- the acquisition of permits before commencing regulated activities;
- the limitation or prohibition of seismic activities in environmentally sensitive or protected areas such as wetlands, wilderness areas or archaeological sites;
- restrictions pertaining to the management and operation of vehicles and equipment; and
- licensing requirements for personnel handling explosives and other regulated hazardous materials.

Numerous governmental authorities, such as the U.S. Environmental Protection Agency ("**EPA**"), BATFE, the Bureau of Land Management ("**BLM**") and analogous state agencies in the United States and governmental bodies with control over environmental matters in foreign jurisdictions, have the power to enforce compliance with these laws and regulations and any licenses and permits issued under them, oftentimes requiring difficult and costly actions. In addition, failure to comply with these laws, regulations and permits may result in the assessment of administrative, civil and criminal penalties, the imposition of obligations to investigate and/or remediate contaminations, and the issuance of injunctions limiting or preventing some or all of the Debtors' operations.

The Debtors have invested financial and management resources to comply with these laws and related licensing and permitting requirements, and the Debtors believe that the regulatory environment for the oil and natural gas industry and related service providers is likely to become more burdensome and time consuming in future years. If oil and natural gas companies face regulation that makes drilling for resources uneconomic, the demand for the Debtors' services may be adversely affected. In addition, the ongoing revision of such environmental laws and regulations, sometimes as a direct result of particular economic, political, or social events, makes it difficult for seismic data acquisition companies to predict future costs or the impact of such laws and regulations on future projects. As a result, there could be capital and operating expenses, as well as compliance costs, beyond those anticipated which could adversely affect the multi-client data library business.

There is inherent risk of incurring significant environmental costs and liabilities in the Debtors' operations due to their controlled storage, use and disposal of explosives. In the event of an accident, there could be liability for any damages that result or there could be fines, and any liability could exceed the limits of or fall outside of applicable insurance coverage.

The Debtors rely on proprietary information, proprietary software, trade secrets, and confidentiality and licensing agreements to conduct operations

The Debtors rely on certain proprietary information, proprietary software, trade secrets, and confidentiality and licensing agreements to conduct current operations. Future success will be partly dependent on

the ability to maintain and extend the Debtors' existing technology base and preserve intellectual property without infringing on the rights of any third parties. There can be no assurance that competitors will not develop technologies that are substantially equivalent or superior to the Debtors' technologies.

In addition, third parties may claim that the Debtors or other parties indemnified by the Debtors are infringing upon their intellectual property rights. Such claims may be made by competitors seeking to block or limit the Debtors' use of certain intellectual property for competitive or other reasons. Additionally, in recent years, individuals and groups have begun purchasing intellectual property assets for the sole purpose of making claims of infringement and attempting to extract settlements from large companies like the Debtors. Even if the Debtors believe that such claims are without merit, such claims can be time consuming and costly to defend and distract management's attention and resources. Claims of intellectual property infringement also might require a redesign of affected methods or trademarks, entry into costly settlement or license agreements or payment of costly damage awards, or face a temporary or permanent injunction prohibiting the use of certain intellectual property. Even if the Debtors have an agreement to indemnify them against such costs, the indemnifying party may be unable to uphold its contractual obligations. If the infringed technology is not licensed at all or is not licensed on reasonable terms or replaced by similar technology from another source, the multi-client data library business could be adversely impacted.

The Debtors relied on certain exemptions from registration under the Securities Act

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

D. Additional Factors to Be Considered

The Debtors have no duty to update

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

No admissions are made by this Disclosure Statement

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

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

No representations outside this Disclosure Statement are authorized

No representations concerning or related to the Debtors, the Chapter 11 Cases, once commenced, or the Plan are authorized by the Bankruptcy Court or the Bankruptcy Code, other than as set forth in this Disclosure Statement. Any representations or inducements made to secure your acceptance or rejection of the Plan that are

other than as contained in, or included with, this Disclosure Statement should not be relied upon by you in arriving at your decision.

Forward-looking statements are not assured, and actual results may vary

This Disclosure Statement contains forward-looking statements. These forward-looking statements are based on the current expectations and observations of the Debtors' management, and include factors that could cause actual results to differ materially such as the following: the Debtors' ability to obtain Bankruptcy Court approval with respect to motions in the Chapter 11 Cases; the effects of the Bankruptcy Court rulings in the Chapter 11 Cases and the outcome of the case in general; the length of time the Debtors will operate under the Chapter 11 Cases; the pursuit by the Debtors' various creditors, equity holders and other constituents of their interests in the Chapter 11 Cases; risks associated with third party motions in the Chapter 11 Cases, which may interfere with the ability to consummate the Plan; the adverse effects of the Chapter 11 Cases on the Debtors' liquidity or results of operations generally; the increased administrative and restructuring costs related to the Chapter 11 Cases; the Debtors' ability to maintain adequate liquidity to fund operations during the Chapter 11 Cases; the sufficiency of the "exit" financing contemplated by the Plan; the timing and realization of the recoveries of assets and the payments of Claims and the amount of expenses projected to recognize such recoveries and reconcile such Claims; and the other factors described in this **Article VIII**.

Certain tax consequences of the plan raise unsettled and complex legal issues and involve various factual determinations

Certain United States federal income tax consequences of the Plan are summarized in **Article X** below. Many of these consequences are dependent in part upon facts that are uncertain at this time (such as valuations) and legal questions that are complex and unsettled. The Debtors cannot ensure that the IRS will not take views contrary to those expressed in **Article X** below and no ruling from the IRS has been or will be sought regarding the tax consequences described therein. In addition, the Debtors cannot ensure that the IRS will not challenge the various positions the Debtors have taken, or intend to take, with respect to the tax treatment of the Plan to the Debtors or the holders of Claims, or that a court would not sustain such a challenge. Holders of Claims should consult their own tax advisors regarding the consequences of distributions to them and the tax positions taken by the Debtors in implementing the Plan.

No legal or tax advice is provided to you by this Disclosure Statement

The contents of this Disclosure Statement should not be construed as legal, business or tax advice. Each holder of Claims and Interests against the Debtors should consult his, her or its own legal counsel and accountants as to legal, tax and other matters concerning such holder's Claims or Interests. This Disclosure Statement is not legal advice to you and may not be relied upon for any purpose other than to determine how to vote on the Plan or object to confirmation of the Plan.

IX. CERTAIN SECURITIES LAW MATTERS

No registration statement will be filed under the Securities Act or pursuant to any state securities laws with respect to the offer and distribution of securities under the Plan. The Debtors will rely on the exemption provided by section 4(a)(2) of the Securities Act and applicable exemptions from Blue Sky Laws. The Debtors believe that the provisions of section 1145(a)(1) of the Bankruptcy Code will exempt the issuance and distribution of securities issued under the Plan (the "**1145 Securities**") from federal and state securities registration requirements.

A. Bankruptcy Code Exemptions from Registration Requirements.

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

Section 1145(a)(1) of the Bankruptcy Code exempts the offer and sale of securities under a plan of reorganization from registration under the Securities Act and state laws if three principal requirements are satisfied: (i) the securities must be offered and sold under a plan of reorganization and must be securities of the debtor, of an

affiliate participating in a joint plan with the debtor or of a successor to the debtor under the plan; (ii) the recipients of the securities must each hold a prepetition or administrative expense claim against the debtor or an interest in the debtor; and (iii) the securities must be issued entirely in exchange for the recipient's claim against or interest in the debtor, or principally in such exchange and partly for cash or other property.

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

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

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

(c) offers to buy securities from the holders of such securities, if the offer to buy is (i) with a view to distributing such securities and (ii) made under a distribution agreement; and

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

Persons who are not deemed "underwriters" may generally resell the securities they receive that comply with the requirements of Section 1145(a)(1) without registration under the Securities Act or other applicable law. Persons deemed "underwriters" may sell such securities without registration only pursuant to exemptions from registration under the Securities Act and other applicable law.

Subsequent Transfers of 1145 Securities

Section 1145(c) of the Bankruptcy Code provides that securities issued pursuant to section 1145(a)(1) are deemed to have been issued in a public offering. In general, therefore, resales of and subsequent transactions in the 1145 Securities will be exempt from registration under the Securities Act pursuant to section 4(a)(1) of the Securities Act, unless the holder thereof is deemed to be an "issuer," an "underwriter" or a "dealer" with respect to such securities. For these purposes, an "issuer" includes any "affiliate" of the issuer, defined as a person directly or indirectly controlling, controlled by or under common control with the issuer.

"Control," as defined in Rule 405 of the Securities Act, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise. A "dealer," as defined in section 2(a)(12) of the Securities Act, is any person who engages either for all or part of his or her time, directly or indirectly, as agent, broker or principal, in the business of offering, buying, selling or otherwise dealing or trading in securities issued by another person. Whether or not any particular person would be deemed to be an "affiliate" of Reorganized GGS or an "underwriter" or a "dealer" with respect to any 1145 Securities will depend upon various facts and circumstances applicable to that person.

Notwithstanding the provisions of section 1145(b) of the Bankruptcy Code regarding accumulators and distributors, the staff of the SEC has taken the position that resales of securities distributed under a plan of reorganization by accumulators and distributors of securities who are not affiliates of the issuer of such securities are exempt from registration under the Securities Act if effected in "ordinary trading transactions." The staff of the SEC has indicated in this context that a transaction by such non-affiliates may be considered an "ordinary trading transaction" if it is made on a national securities exchange or in the over-the-counter market and does not involve any of the following factors:

(a) (i) concerted action by the recipients of securities issued under a plan in connection with the sale of such securities or (ii) concerted action by distributors on behalf of one or more such recipients in connection with such sales;

(b) the use of informational documents concerning the offering of the securities prepared or used to assist in the resale of such securities, other than a bankruptcy court-approved Disclosure Statement and supplements thereto, and documents filed with the SEC pursuant to the Exchange Act; or

(c) the payment of special compensation to brokers and dealers in connection with the sale of such securities designed as a special incentive to the resale of such securities (other than the compensation that would be paid pursuant to arm's-length negotiations between a seller and a broker or dealer, each acting unilaterally, not greater than the compensation that would be paid for a routine similar-sized sale of similar securities of a similar issuer).

The staff of the SEC has not provided any guidance for privately arranged trades. The views of the staff of the SEC on these matters have not been sought by the Debtors and, therefore, no assurance can be given regarding the proper application of the "ordinary trading transaction" exemption described above. Any person intending to rely on such exemption is urged to consult their counsel as to the applicability thereof to their circumstances.

The 1145 Securities generally may be resold without registration under state securities laws pursuant to various exemptions provided by the respective laws of those states.

However, the availability of such state exemptions depends on the securities laws of each state, and holders of Claims should consult with their own legal advisors regarding the availability of these exemptions in their particular circumstances.

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

A. Introduction

The following discussion summarizes certain U.S. federal income tax consequences of the Plan to the Debtors and to U.S. holders (as defined below) of Allowed Claims in their capacities as such. For U.S. federal income tax purposes, Holdings has elected (and Post-Effective Date Holdings will continue to elect) to be treated as an association taxable as a corporation.

This summary is provided for informational purposes only and is based on the Internal Revenue Code of 1986, as amended (the "**Tax Code**"), applicable Treasury regulations, judicial authority and current administrative rulings and practice, all as in effect as of the date hereof and all of which are subject to change, possibly with retroactive effect. A substantial amount of time may elapse between the date of this Disclosure Statement and the receipt of a final distribution under the Plan. Events subsequent to the date of this Disclosure Statement, such as the enactment of additional tax legislation, court decisions or administrative changes, could affect the U.S. federal income tax consequences of the Plan and the transactions contemplated thereunder. No ruling will be sought from the Internal Revenue Service (the "**IRS**") with respect to any of the tax aspects of the Plan and no opinion of counsel has been obtained by the Debtors with respect thereto. No representations are being made regarding the particular tax consequences of the confirmation and consummation of the Plan to the Debtors or any U.S. holder of a Claim. No assurance can be given that the IRS would not assert, or that a court would not sustain, a different position from any discussed herein. This summary does not address any aspects of U.S. federal non-income, state, local, or non-U.S. taxation.

This summary does not address all aspects of U.S. federal income taxation that may be relevant to a particular U.S. holder of a Claim in light of its particular facts and circumstances or to particular types of U.S. holders subject to special treatment under the Tax Code (for example, financial institutions; banks; broker-dealers;

insurance companies; tax-exempt organizations; retirement plans or other tax-deferred accounts; mutual funds; real estate investment trusts; traders in securities that elect mark-to-market treatment; persons subject to the alternative minimum tax; certain former U.S. citizens or long-term residents; persons who hold their Claims as part of a hedge, straddle, constructive sale, conversion or other integrated transaction; persons that have a functional currency other than the U.S. dollar; governments or governmental organizations; pass-through entities; investors in pass-through entities that hold Claims; and persons who received their Claims upon exercise of employee unit options or otherwise as compensation). Furthermore, this summary of certain U.S. federal income tax consequences to U.S. holders of Claims applies only to holders that hold their Claims as capital assets for U.S. federal income tax purposes (generally, property held for investment) and to NewCo common stock held as a capital asset.

This summary assumes that the various debt and other arrangements to which the Debtors are parties will be respected for U.S. federal income tax purposes in accordance with their form (e.g., each of the NewCo First Lien Lender Rights and the Holdco First Lien Lender Rights will be respected as debt and will not be recharacterized, in whole or in part, as equity for U.S. federal income tax purposes). If any of the various debt and other arrangements to which the Debtors are parties are not respected in accordance with their form for U.S. federal income tax purposes, the U.S. federal income tax consequences of the Plan could be materially different than what is described below.

A "U.S. holder" for purposes of this summary is a beneficial owner of a Class 1 Claim or Class 2 Claim that is, for U.S. federal income tax purposes:

- an individual who is a U.S. citizen or U.S. resident alien;

- a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, that was created or organized in or under the laws of the United States, any state thereof or the District of Columbia;

- an estate whose income is subject to U.S. federal income taxation regardless of its source; or

- a trust (1) if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or (2) that has a valid election in effect under applicable Treasury regulations to be treated as a U.S. person.

*This summary does not describe the tax consequences of the Plan to any holder of a Claim that is not a U.S. holder (a "***Non-U.S. holder***"). Non-U.S. holders are urged to consult their tax advisors regarding the tax consequences (including the U.S. federal income tax consequences) to them of the Plan, including the possible imposition of U.S. withholding taxes in certain circumstances if the Non-U.S. holder fails to establish an exemption by providing an applicable IRS Form W-8 or otherwise. All distributions to holders of Claims will be subject to any applicable withholding and backup withholding.*

If a partnership (including any entity or arrangement treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of a Claim, the treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. Partnerships and their partners should consult their tax advisors about the U.S. federal income tax consequences of participating in the Plan.

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

B. Certain U.S. Federal Income Tax Consequences of the Plan to the Debtors

Cancellation of Debt and Reduction of Tax Attributes

In general, absent an exception, a debtor will realize and recognize cancellation of debt income ("**COD Income**") upon satisfaction of its outstanding indebtedness for total consideration less than the amount of such indebtedness. The amount of COD Income, in general, is the excess of (a) the adjusted issue price of the indebtedness satisfied, over (b) the sum of (x) the amount of cash paid, (y) the issue price of any new indebtedness of the taxpayer issued and (z) the fair market value of any other consideration.

A debtor will not, however, be required to include any amount of COD Income in gross income if the debtor is under the jurisdiction of a court in a case under chapter 11 of the Bankruptcy Code and the discharge of debt occurs pursuant to that proceeding. Instead, as a consequence of such exclusion, a debtor must reduce its tax attributes by the amount of COD Income that it excluded from gross income. In general, tax attributes will be reduced in the following order: (a) net operating losses ("**NOLs**") and NOL carryovers; (b) certain tax credit carryovers; (c) net capital losses and capital loss carryovers; (d) tax basis in assets (but not below the amount of liabilities to which the debtor remains subject); (e) passive activity loss and credit carryovers; and (f) foreign tax credit carryovers. A debtor with COD Income may elect first to reduce the basis of its depreciable assets.

As a result of having their debt reduced in connection with their bankruptcy, the Debtors generally will not recognize COD Income from the discharge of indebtedness pursuant to the Plan; however, the Debtors expect that, subject to the limitations discussed herein, they will be required to make material reductions in their tax attributes. Because the Plan provides that holders of certain Claims may receive NewCo common stock, NewCo First Lien Lender Rights and Holdings First Lien Lender Rights, the amount of COD Income, and accordingly the amount of tax attributes required to be reduced, will depend in part on the fair market value of the NewCo common stock and the issue prices of such NewCo First Lien Lender Rights and Holdings First Lien Lender Rights. Such amounts cannot be known with certainty as of the date hereof.

Transfer of Assets to NewCo

While not free from doubt, gain or loss will generally be recognized as a result of the transfer of assets to NewCo under the Plan in an amount equal to the difference between (1) the fair market value of such transferred assets and (2) the adjusted tax basis in such assets. **This conclusion is based on our assumption below that the Class 1 Claims are not securities for U.S. federal income tax purposes. See "—Certain U.S. Federal Income Tax Consequences of the Plan to U.S. Holders of Allowed Claims—Definition of Securities." If Class 1 Claims are treated as securities for U.S. federal income tax purposes, the tax consequences of the transfer of assets to NewCo could be materially different than described above.**

Limitation of NOL Carryforwards and Other Tax Attributes

The Debtors expect that, as a consequence of the consummation of the Plan, including as a result of the Debtors' COD Income, any NOLs that the Debtors may have will be substantially reduced. The amount of tax attributes, if any, that will be available to Holdings following such reduction is based on a number of factors and is impossible to calculate at this time. Some of the factors that will impact the amount of available tax attributes include: the amount of taxable income or loss incurred by the Debtors in 2016 (including the amount of gain or loss recognized on the transfer of assets to NewCo pursuant to the Plan) and the amount of COD Income recognized by the Debtors in connection with the consummation of the Plan. Following the consummation of the Plan, the Debtors anticipate that any remaining NOLs and other tax attributes, if any, may be subject to limitation under section 382 of the Tax Code by reason of the transactions under the Plan. In determining the manner in which section 382 of the Tax Code applies by reason of the transactions under the Plan, the Debtors' prior restructuring on February 9, 2015, and the application of section 382 of the Tax Code to such prior restructuring, must also be taken into account.

Under section 382 of the Tax Code, if a corporation undergoes an "ownership change," the amount of its pre-ownership change NOLs (collectively, "**Pre-Change Losses**") that may be utilized to offset future taxable income generally is subject to an annual limitation. Corresponding rules may reduce a corporation's ability

to use losses if it has built-in losses in its assets at the time of an ownership change. Capital loss carryovers and certain tax credit carryovers are also generally limited after an ownership change under Section 383 of the Tax Code. As discussed in greater detail herein, the Debtors anticipate that the Plan may result in an "ownership change" of Holdings for these purposes, and that Holdings' use of the Debtors' Pre-Change Losses will be subject to limitation unless an exception to the general rules of Section 382 of the Tax Code applies. This limitation is independent of, and in addition to, the reduction of tax attributes described in the preceding section resulting from the exclusion of COD Income.

(a) **General Section 382 Annual Limitation**

In general, the annual limitation determined under section 382 of the Tax Code in the case of an "ownership change" of a corporation (the "**Section 382 Limitation**") is equal to the product of (a) the fair market value of the stock of the corporation immediately before the ownership change (with certain adjustments) multiplied by (b) the "long-term tax-exempt rate" posted by the IRS in effect for the month in which the ownership change occurs (*e.g.*, 2.24% for July 2016). Generally, the Section 382 Limitation may be increased if the debtor corporation has a net unrealized built-in gain at the time of the ownership change. If, however, the debtor corporation has a net unrealized built-in loss at the time of the ownership change, the Section 382 Limitation may apply to such net unrealized built-in loss. Any unused limitation may be carried forward, thereby increasing the annual limitation in the subsequent taxable year. The debtor corporation's Pre-Change Losses may be subject to further limitations if the debtor experiences additional future ownership changes. In addition, if the debtor corporation does not continue its business enterprise for at least two years following the ownership change, the Section 382 Limitation is generally zero. As discussed below, however, special rules may apply in the case of a corporation which experiences an ownership change as the result of a bankruptcy proceeding.

(b) **Special Bankruptcy Exceptions**

An exception to the foregoing annual limitation rules generally applies when the existing shareholders and/or so-called "qualified creditors" of a debtor corporation in a chapter 11 bankruptcy case receive, in respect of their claims or interests, at least 50% of the vote and value of the stock of the reorganized debtor (or stock of a controlling corporation if also in bankruptcy) pursuant to a confirmed chapter 11 plan (the "**382(l)(5) Exception**"). Under the 382(l)(5) Exception, a debtor's Pre-Change Losses are not limited on an annual basis but, instead, the debtor's NOLs are required to be computed without regard to any interest deductions claimed during any taxable year ending during the three-year period preceding the taxable year that includes the effective date of the plan of reorganization, and during the part of the taxable year prior to and including the effective date of the plan of reorganization, in respect of all debt converted into stock pursuant to the Bankruptcy Code. If the 382(l)(5) Exception applies and the debtor undergoes another ownership change within two years after consummation of the plan, then the debtor's Pre-Change Losses effectively would be eliminated in their entirety.

When the 382(l)(5) Exception is not applicable (either because the debtor does not qualify for it or the debtor otherwise elects not to utilize the 382(l)(5) Exception), a second special rule will generally apply to a debtor in chapter 11 (the "**382(l)(6) Exception**"). When the 382(l)(6) Exception applies, a debtor corporation that undergoes an ownership change generally is permitted to determine the fair market value of its stock after taking into account the increase in value resulting from any surrender or cancellation of creditors' claims in the bankruptcy. This differs from the ordinary rule that requires the fair market value of a debtor corporation that undergoes an ownership change to be determined before the events giving rise to the change. The 382(l)(6) Exception also differs from the 382(l)(5) Exception in that the debtor corporation is not required to reduce its NOLs by interest deductions in the manner described above, and the debtor may undergo a change of ownership within two years without triggering the elimination of its Pre-Change Losses.

Because it is expected that Holdings will not qualify for the Section 382(l)(5) Exception with respect to the Plan, Holdings' use of Pre-Change Losses may be subject to the Section 382 Limitation following confirmation of the Plan, calculated under the special rule of Section 382(1)(6) of the Tax Code described above. However, any NOLs generated in any post-Effective Date taxable year (including the portion of the taxable year of the ownership change following the Effective Date) should not be subject to this limitation.

Alternative Minimum Tax

In general, an alternative minimum tax ("**AMT**") is imposed on a corporation's alternative minimum taxable income ("**AMTI**") at a 20% rate to the extent such tax exceeds the corporation's regular federal income tax for the year. AMTI is generally equal to regular taxable income with certain adjustments. For purposes of computing AMTI, certain tax deductions and other beneficial allowances are modified or eliminated. For example, except for AMT NOLs for certain taxable years, only 90% of a corporation's AMTI may be offset by available AMT NOL carryforwards. Additionally, an ownership change (as discussed above) that occurs with respect to a corporation having a net unrealized built-in loss in its assets may cause the corporation's aggregate tax basis in its assets to be reduced for certain AMT purposes to reflect the fair market value of such assets as of the change date.

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

The U.S. federal income tax consequences of the Plan to a U.S. holder's Claims will depend, in part, on what type of consideration was received in the exchange for the Claim, whether the related Claim constitutes a "security" of Holdings for federal income tax purposes, whether the holder reports income on the accrual or cash basis, whether the holder has taken a bad debt deduction or worthless security deduction with respect to the Claim and whether the holder receives distributions under the Plan in more than one taxable year. U.S. holders should consult their tax advisors regarding the tax consequences of the Plan based on their individual circumstances.

Definition of Securities

Whether an instrument constitutes a "security" is determined based upon all the facts and circumstances, but most authorities have held that the length of the term of a debt instrument is an important factor in determining whether such instrument is a security for federal income tax purposes. These authorities have indicated that a term of less than five years is evidence that the instrument is not a security, whereas a term of ten years or more is evidence that it is a security. Under somewhat different facts, the IRS has ruled that new debt obligations with a term of less than five years issued in exchange for and bearing the same terms (other than interest rate) as securities should also be classified as securities for this purpose, since the new debt represents a continuation of the holder's investment in the corporation in substantially the same form. There are numerous other factors that could be taken into account in determining whether a debt instrument is a security, including the security for payment, the creditworthiness of the obligor, the subordination or lack thereof to other creditors, the right to vote or otherwise participate in the management of the obligor, convertibility of the instrument into an equity interest of the obligor, whether payments of interest are fixed, variable, or contingent, and whether such payments are made on a current basis or accrued.

The First Lien Revolving Loan and the First Lien Term Loan each have a term of approximately two years. Based on this and other factors, we have assumed for purposes of this discussion that the Class 1 Claims are not securities for U.S. federal income tax purposes. Because of the inherently factual nature of this determination, however, each U.S. holder of a Class 1 Claim is urged to consult its tax advisor regarding whether such Claim constitutes a security for U.S. federal income tax purposes. If the Class 1 Claims were treated as securities for U.S. federal income tax purposes, the consequences of the Plan may be materially different from the consequences described in this summary, including with respect to the ability of U.S. holders to recognize a loss with respect to their Class 1 Claims and with respect to the tax consequences of the transfer of assets to NewCo (discussed above).

Exchange of Allowed Class 1 Claims

We have assumed for purposes of this discussion that the consummation of the Plan will result in a "significant modification" under U.S. federal income tax law of the First Lien Revolving Loan and the First Lien Term Loan as of the Effective Date. If there is a "significant modification" of the First Lien Revolving Loan and the First Lien Term Loan, then there would be a deemed exchange for U.S. federal income tax purposes of the "old" First Lien Revolving Loan and the "old" First Lien Term Loan (each, an "**Old Loan**") for a "new" loan (a "**New Loan**"). Subject to the treatment of accrued but untaxed interest as described under "Accrued Interest" below, a

U.S. holder of a Class 1 Claim would generally recognize gain or loss on the exchange of an Old Loan in an amount equal to (i) the "amount realized," which is the sum of (a) the "issue price" of the New Loan for U.S. federal income tax purposes and (b) any other property received for such Old Loan (including any applicable NewCo common stock), less (ii) the U.S. holder's adjusted tax basis in the Old Loan. The character of such gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the nature of the Old Loan in such U.S. holder's hands, whether the Old Loan was purchased at a discount, and whether the Old Loan is a "contingent payment debt instrument" under applicable U.S. federal income tax law. See the discussion below under "Accrued Interest" and "Market Discount."

The issue price of the New Loan for U.S. federal income tax purposes generally will depend on whether the property exchanged therefor or the New Loan is "publicly traded" within the meaning of applicable Treasury regulations. If the New Loan is publicly traded, then its issue price will equal its fair market value on the issue date. If the New Loan is not publicly traded, but the property exchanged therefor is publicly traded, then the issue price of the New Loan will be the fair market value of the property exchanged therefor on the issue date less the fair market value of the NewCo common stock received. If neither the New Loan nor the property exchanged therefor is publicly traded, the general rule is that the issue price of the New Loan will be its "stated principal amount" if it has "adequate stated interest" (and its "imputed principal amount" if it does not have "adequate stated interest"), in each case as such terms are defined under applicable U.S. federal income tax law. A U.S. holder generally will have an adjusted tax basis in an Old Loan equal to the amount paid for the Old Loan, plus any original issue discount or market discount (as discussed below) previously included in such U.S. holder's income in respect of the Old Loan and minus (i) any amounts received with respect to the Old Loan, other than payments of "qualified stated interest" (as defined under applicable U.S. Treasury regulations), and (ii) any amortizable bond premium applied to reduce interest on the Old Loan.

U.S. holders of Allowed Class 1 Claims should consult their tax advisors regarding the tax consequences of the exchange of their Class 1 Claims, including the tax consequences of an exchange of Class 1 Claims if the exchange of the First Lien Revolving Loan and/or the First Lien Term Loan is not a "significant modification" of the First Lien Revolving Loan and/or the First Lien Term Loan, the possibility that some (but not all) of the property exchanged for the New Loan is publicly traded, the determination of the issue price of the New Loan if neither the New Loan nor the property exchanged therefor is publicly traded, the possible characterization of the First Lien Revolving Loan and/or the First Lien Term Loan as a contingent payment debt instrument (and the consequences of a such a characterization), the potential application (and ability to elect out) of the installment sale rules and possible alternative characterizations of the exchange.

Consequences to U.S. Holders of Allowed Class 2 Claims

The tax treatment of U.S. holders of Allowed Class 2 Claims is uncertain. Assuming that Class 2 Claims are not characterized as securities for U.S. federal income tax purposes (and subject to the discussion under "Distributions After the Effective Date" below), a U.S. holder of an Allowed Class 2 Claim should generally recognize gain or loss as a result of the exchange of its Class 2 Claim under the Plan in an amount equal to the difference between (1) the amount of cash and the fair market value of any other property (or, in the case of property treated as debt, the "issue price" of such debt) deemed to be received by such U.S. holder in exchange for the U.S. holder's Class 2 Claim (other than any amount allocable to accrued interest, which is taxable as described below under "Accrued Interest") and (2) the U.S. holder's adjusted tax basis in such Allowed Class 2 Claim. The character of such gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the nature of the Claim in such U.S. holder's hands and whether the Claim was purchased at a discount. See the discussion below under "Accrued Interest" and "Market Discount."

The foregoing discussion assumes that Class 2 Claims are not securities for U.S. federal income tax purposes. If such assumption is not correct, the U.S. federal income tax consequences of the exchange of Class 2 Claims may differ materially from the consequences described above. Therefore, U.S. holders of Allowed Class 2 Claims should consult their tax advisors regarding the status of the Class 2 Claims as securities. Furthermore, U.S. holders of Allowed Class 2 Claims should consult their tax advisors regarding the proper timing for recognizing gain or loss with respect to the exchange of their Class 2 Claims

and the tax consequences of the Plan under their particular circumstances. See the discussion below under "Distributions After the Effective Date."

NewCo First Lien Lender Rights and Holdings First Lien Lender Rights

Regardless of its method of accounting, a U.S. holder will generally be required to accrue any original issue discount with respect to the NewCo First Lien Lender Rights and Holdings First Lien Lender Rights over the term of the NewCo First Lien Lender Rights and Holdings First Lien Lender Rights, as applicable. Consequently, holders may be required to include original issue discount in income in advance of the receipt of cash in respect of such income.

However, if the NewCo First Lien Lender Rights and/or the Holdings First Lien Lender Rights were to be treated as "contingent payment debt instruments" under applicable Treasury regulations, such treatment could alter the tax consequences of holding the NewCo First Lien Lender Rights and Holdings First Lien Lender Rights. Additionally, if the NewCo First Lien Lender Rights and Holdings First Lien Lender Rights are contingent payment debt instruments, all or a portion of any gain on a sale of the NewCo First Lien Lender Rights or Holdings First Lien Lender Rights would be ordinary income.

U.S. holders of the NewCo First Lien Lender Rights and/or Holdings First Lien Lender Rights should consult their own tax advisors regarding the U.S. federal income tax consequences of acquiring, holding, and disposing of the NewCo First Lien Lender Rights and/or Holdings First Lien Lender Rights, including with respect to the accrual of original issue discount (including original issue discount resulting from interest with respect to such rights being payable in the form of an increase in the principal amount of such rights) and the possibility that the NewCo First Lien Lender Rights and/or Holdings First Lien Lender Rights will be characterized for U.S. federal income tax purposes as a contingent payment debt instrument or as equity.

NewCo Common Stock

(a) **Distributions**

The gross amount of any distribution of cash or property made to a U.S. holder with respect to NewCo common stock generally will be includible in gross income by a U.S. holder as dividend income to the extent such distribution is paid out of current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Dividends received by non-corporate U.S. holders may qualify for reduced rates of taxation. Subject to applicable limitations, a distribution which is treated as a dividend for U.S. federal income tax purposes may qualify for the dividends-received deduction if such amount is distributed to a U.S. holder that is a corporation and certain holding period and certain other requirements are satisfied. Any dividend received by a U.S. holder that is a corporation may be subject to the "extraordinary dividend" provisions of the Tax Code. A distribution in excess of current and accumulated earnings and profits, as determined under U.S. federal income tax principles, will first be treated as a return of capital to the extent of the U.S. holder's adjusted tax basis in its NewCo common stock and will be applied against and reduce such basis dollar-for-dollar (thereby increasing the amount of gain or decreasing the amount of loss recognized on a subsequent taxable disposition of the NewCo common stock). To the extent that such distribution exceeds the U.S. holder's adjusted tax basis in its NewCo common stock, the distribution will be treated as capital gain, which will be treated as long-term capital gain if such U.S. holder's holding period in its NewCo common stock exceeds one year as of the date of the distribution.

(b) **Sale, Exchange, or Other Taxable Disposition**

For U.S. federal income tax purposes, a U.S. holder generally will recognize gain or loss on the sale, exchange, or other taxable disposition of any of its NewCo common stock in an amount equal to the difference, if any, between the amount realized for the NewCo common stock and the U.S. holder's adjusted tax basis in the NewCo common stock. Any such gain or loss generally will be capital gain or loss, and will be long-term capital gain or loss if the holder has a holding period in the NewCo common stock of more than one year as of the date of disposition. Capital gains of non-corporate U.S. holders derived with respect to a sale, exchange, or other taxable

disposition of NewCo common stock held for more than one year may be eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations. Holders are urged to consult their own tax advisors regarding such limitations.

Holders of NewCo common stock are urged to consult their tax advisors regarding the tax consequences related to the receiving NewCo common stock pursuant to the Plan.

Distributions After the Effective Date

If a U.S. holder of an Allowed Claim receives a distribution pursuant to the Plan subsequent to the Effective Date, a portion of such distributions may be treated as imputed interest under the imputed interest provisions of the Tax Code. Such imputed interest may accrue over time, in which case a holder may be required to include such imputed interest in income prior to the actual distributions. Any loss and a portion of any gain realized by such holder may be subject to deferral. Furthermore, the "installment sale" rules of the Tax Code may apply to gain recognized by such U.S. holder unless the U.S. holder elects out of such rules. Special rules apply to installment sales in which the total amount to be realized is contingent and some of these rules may, in certain circumstances, provide for disadvantageous recovery of a holder's basis.

U.S. holders of Claims should consult their tax advisors regarding the tax consequences of distributions made after the Effective Date, including the potential applicability of (and ability to elect out of) the installment sale rules and the potential applicability of the imputed interest rules.

Accrued Interest

To the extent that any amount received by a U.S. holder of a surrendered Allowed Claims under the Plan is attributable to accrued but unpaid interest and such interest has not previously been included in the U.S. holder's gross income for U.S. federal income tax purposes, such amount would generally be taxable to the U.S. holder as ordinary interest income. A U.S. holder of a surrendered Allowed Claim may be able to recognize a deductible loss to the extent that any accrued interest on the debt instrument constituting such Claim was previously so included in the U.S. holder's gross income but was not paid in full by the Debtors.

The extent to which any amount received by a U.S. holder of a surrendered Allowed Claim will be attributable to accrued but untaxed interest is unclear. **Holders of Claims should consult their own tax advisors regarding the proper allocation of the consideration received by them under the Plan.**

Market Discount

Under the "market discount" provisions of sections 1276 through 1278 of the Tax Code, some or all of any gain realized by a U.S. holder exchanging any debt instrument constituting its Allowed Claim may be treated as ordinary income (instead of capital gain), to the extent of the amount of accrued "market discount" on the debt constituting the surrendered Allowed Claim.

A debt instrument to which sections 1276 through 1278 of the Tax Code may apply is generally considered to have been acquired with "market discount" if it is acquired other than on original issue and its basis immediately after its acquisition by the U.S. holder is less than (i) its "stated redemption price at maturity," or (ii) in the case of a debt instrument issued with OID, its "revised issue price," by at least a statutorily defined *de minimis* amount.

Any gain recognized by a U.S. holder on the taxable disposition of debts to which sections 1276 through 1278 of the Tax Code may apply and that it acquired with market discount would be treated as ordinary income to the extent of the market discount that accrued thereon while such debts were considered to be held by the U.S. holder (unless the U.S. holder elected to include market discount in income as it accrued).

Medicare Tax

Certain U.S. holders that are individuals, estates, or trusts are required to pay an additional 3.8% tax on, among other things, dividends, interest, and gains from the sale or other disposition of capital assets. U.S. holders that are individuals, estates, or trusts should consult their tax advisors regarding the effect, if any, of this tax provision on their own situation.

D. Information Reporting and Backup Withholding

Payments made pursuant to the Plan and other payments made by Holdings or NewCo (*e.g.*, dividends on the NewCo common stock) will generally be subject to any applicable federal income tax information reporting and backup withholding requirements. The Tax Code imposes backup withholding tax on certain payments, including payments of interest and dividends, if a taxpayer (a) fails to furnish its correct taxpayer identification number (generally on IRS Form W-9 for a U.S. holder); (b) furnishes an incorrect taxpayer identification number; (c) is notified by the IRS that it has previously failed to report properly certain items subject to backup withholding tax; or (d) fails to certify, under penalty of perjury, that such taxpayer has furnished its correct taxpayer identification number and that the IRS has not notified such taxpayer that it is subject to backup withholding tax. However, taxpayers that are corporations generally are excluded from these information reporting and backup withholding tax rules provided that evidence of such corporate status is furnished to the payor. Backup withholding is not an additional federal income tax. Any amounts withheld under the backup withholding tax rules will generally be allowed as a credit against a taxpayer's federal income tax liability, if any, or will be refunded to the extent the amounts withheld exceed the taxpayer's actual tax liability, if such taxpayer timely furnishes required information to the IRS. **Each taxpayer should consult its own tax advisor regarding the information reporting and backup withholding tax rules as they relate to distributions under the Plan.**

In addition, from an information reporting perspective, U.S. Treasury regulations generally require disclosure by a taxpayer on its U.S. federal income tax return of certain types of transactions in which the taxpayer participated, including, among other types of transactions, certain transactions that result in the taxpayer's claiming a loss in excess of specified thresholds. **U.S. holders are urged to consult their tax advisors regarding these regulations and whether the transactions contemplated by the Plan would be subject to these regulations and require disclosure on the holders' tax returns.**

E. Importance of Obtaining Professional Tax Assistance

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

XI. RECOMMENDATION AND CONCLUSION

The Debtors believe that confirmation of the Plan is in the best interests of all Creditors and Interest holders and urge all creditors in the Voting Classes to vote in favor of the Plan. In addition, the Plan has the support of the First Lien Lenders.

Exhibit A

Joint Prepackaged Plan of Liquidation for Global Geophysical Services, LLC and its Affiliated Debtors

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
CORPUS CHRISTI DIVISION

In re	§	**Chapter 11**
GLOBAL GEOPHYSICAL SERVICES, LLC, *et al.*[1]	§	**Case No. 16-20306**
Debtors.	§	**Joint Administration Requested**

JOINT PREPACKAGED PLAN OF LIQUIDATION FOR GLOBAL GEOPHYSICAL SERVICES, LLC AND ITS AFFILIATED DEBTORS

Dated: July 20, 2016
Corpus Christi, Texas

BAKER BOTTS L.L.P.
C. Luckey McDowell
Ian E. Roberts
Noah M. Schottenstein
2001 Ross Avenue
Dallas, Texas 75201-2980

Proposed Counsel for Debtors
and Debtors in Possession

[1] The Debtors in these Chapter 11 Cases are: Global Geophysical Services, LLC (7582); Global Geophysical Services, Inc. (4281); Global Geophysical EAME, Inc. (2130); GGS International Holdings, Inc. (2420); Global Ambient Seismic, Inc. (2256); Autoseis, Inc. (5224); Autoseis Development Company (9066); and Global Geophysical (MCD), LLC (a disregarded entity for tax purposes).

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EXHIBITS

EXHIBITS TO BE FILED IN THE PLAN SUPPLEMENT

Exhibit 1	Liquidating Companies Exit Credit Agreement
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Exhibit 5	Schedule of Retained Causes of Action
Exhibit 6	Amended LLC Agreement of Post-Effective Date Holdings

ARTICLE I

DEFINITIONS AND INTERPRETATIONS

A. Definitions.

The capitalized terms set forth below shall have the following meanings:

1.1 Administrative Claim means a Claim (other than a Fee Claim, a claim for payment of U.S. Trustee Fees or a DIP Claim) for payment of costs or expenses of administration specified in sections 503(b) and 507(a)(1) of the Bankruptcy Code, including, without limitation, the actual and necessary costs and expenses incurred after the Petition Date of preserving the Estates and operating the business of the Debtors (such as wages, salaries or commissions for services rendered).

1.2 Allowed _____ Claim means a Claim that is Allowed in the specified Class. For example, an Allowed Class 1 Claim or Allowed First Lien Claim is an Allowed Claim in the First Lien Claims Class designated herein as Class 1.

1.3 Allowed means, with respect to any Claim or Interest that is: (a) not Disputed; and (b) (i) is scheduled by the Debtors in their schedules of assets and liabilities pursuant to the Bankruptcy Code and Bankruptcy Rules in a liquidated amount and not listed as contingent, unliquidated or disputed and for which no proof of claim has been filed, (ii) proof of which has been timely filed, or deemed timely filed, with the Bankruptcy Court pursuant to the Bankruptcy Code, the Bankruptcy Rules and/or any applicable orders of the Bankruptcy Court, or late filed with leave of the Bankruptcy Court, and as to which the period fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules and/or applicable orders of the Bankruptcy Court for objecting to such Claim or Interest has expired without any objection having been filed, (iii) allowed by an agreement between the holder of such Claim or Interest and the Debtors or Liquidating Companies, or (iv) otherwise allowed by a Final Order or pursuant to the Plan. An Allowed Claim: (a) includes a previously Disputed Claim to the extent such Disputed Claim becomes allowed; and (b) shall be net of any setoff amount that may be asserted by any Debtor against the holder of such Claim, which shall be deemed to have been setoff in accordance with the provisions of the Plan.

1.4 Ambient means Global Ambient Seismic, Inc.

1.5 Ambient Net Proceeds means the net proceeds realized by NewCo from a sale or other disposition of the business or assets of Ambient on or after the Effective Date.

1.6 Assumed First Lien Debt means $6,000,000 in First Lien Claims, accruing interest at a rate of 5.0% annually, paid in kind monthly, which shall be assumed by the Liquidating Companies, subject to the terms of the Liquidating Companies Exit Credit Agreement.

1.7 Assumed Net Recoveries means $8,409,000, representing the projected recoveries with respect to the sale or other disposition of the Liquidating Company Assets, net of

(a) the amount of the Wind-down Reserve and (b) interest, fees and other costs related to the Liquidating Companies Exit Credit Agreement.

1.8 Autoseis means Autoseis, Inc. and Autoseis Development Company

1.9 Autoseis Net Proceeds means the net proceeds realized by NewCo from a sale or other disposition of the business or assets of Autoseis on or after the Effective Date.

1.10 Ballot means the ballot distributed to holders of First Lien Claims and Second Lien Claims eligible to vote on the Plan, on which ballot such holder may, inter alia, vote for or against the Plan.

1.11 Bankruptcy Code means title 11 of the United States Code, as now in effect or hereafter amended, as applicable to the Chapter 11 Cases.

1.12 Bankruptcy Court means the United States Bankruptcy Court for the Southern District of Texas, or any other court exercising competent jurisdiction over the Chapter 11 Cases or any proceeding therein.

1.13 Bankruptcy Rules means the Federal Rules of Bankruptcy Procedure and the local rules of the Bankruptcy Court (including any applicable local rules of the United States District Court for the Southern District of Texas), as applicable to the Chapter 11 Cases.

1.14 Bar Date means any deadline for filing proof of a Claim that arose on or prior to the Petition Date as established by an order of the Bankruptcy Court or the Plan.

1.15 Brazilian Receivables means any intercompany claims and receivables due to any Debtor by the Brazilian Sub, including any proceeds therefrom. The Brazilian Receivables shall constitute NewCo Assets.

1.16 Brazilian Sub means Global Serviços Geofisicos Ltda.

1.17 Business Day means any day except a Saturday, Sunday, or "legal holiday" as such term is defined in Bankruptcy Rule 9006(a).

1.18 Cash means cash and cash equivalents, including, but not limited to, bank deposits, checks, and other similar items in the legal tender of the United States of America.

1.19 Causes of Action means any claims, causes of action, demands, rights, actions, suits, obligations, liabilities, accounts, defenses, offsets, powers, privileges, licenses, and franchises of any kind or character whatsoever, known, unknown, contingent or non-contingent, matured or unmatured, suspected or unsuspected, in contract or in tort, in law or in equity, or pursuant to any other theory of law. Causes of Action also include: (a) all rights of setoff, counterclaim, or recoupment and claims on contracts or for breaches of duties imposed by law; (b) the right to object to or otherwise contest Claims or Interests; (c) claims pursuant to sections 362, 510, 542, 543, 544 through 550, or 553 of the Bankruptcy Code; and (d) such claims and

defenses as fraud, mistake, duress, and usury and any other defenses set forth in section 558 of the Bankruptcy Code.

1.20 Chapter 11 Cases means the chapter 11 cases of the Debtors pending before the Bankruptcy Court.

1.21 Claim means a claim against a Debtor, whether or not asserted, known or unknown, as such term is defined in section 101(5) of the Bankruptcy Code, including: (a) any right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured; or (b) any right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

1.22 Class means a group of Claims or Interests classified by the Plan pursuant to section 1123(a)(1) of the Bankruptcy Code, and as set forth in Article III of the Plan.

1.23 Confirmation Date means the date the Bankruptcy Court enters the Confirmation Order on its docket.

1.24 Confirmation Hearing means the hearing to adjudicate confirmation of the Plan.

1.25 Confirmation Order means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code and approving the Disclosure Statement pursuant to sections 1125 and 1126(b) of the Bankruptcy Code, which shall be in form and substance reasonably satisfactory to the Debtors and the Required First Lien Lenders and which shall include a finding of good faith with respect to the Released Parties within the meaning of 1125(e) of the Bankruptcy Code.

1.26 Cure Amount shall have the meaning ascribed to such term in Section 9.2(a) of the Plan.

1.27 Cure Dispute shall have the meaning ascribed to such term in Section 9.2(b) of the Plan.

1.28 Debtors means: Global Geophysical Services, LLC; Global Geophysical Services, Inc.; Global Geophysical EAME, Inc.; GGS International Holdings, Inc.; Global Ambient Seismic, Inc.; Autoseis, Inc.; Autoseis Development Company; and Global Geophysical (MCD), LLC.

1.29 DIP Agent means Wilmington Savings Fund Society, FSB in its capacity as the administrative agent under the DIP Facility.

1.30 DIP Claim means a Claim of a DIP Lender in respect of the obligations of the Debtors arising under the DIP Facility.

1.31 DIP Facility means the $2.0 million senior secured superpriority debtor-in-possession credit facility provided to the Debtors pursuant to that certain Senior Secured Superpriority Debtor-In-Possession Credit Agreement, dated as of August [▪], 2016, among GGS Inc., as borrower, and each of the other Debtors, as guarantors, each of the DIP Lenders, and the DIP Agent, as the same may be modified and amended from time to time, in accordance with the terms thereof.

1.32 DIP Lenders means the lenders that are party to the DIP Facility.

1.33 DIP Order means that certain order or orders of the Bankruptcy Court authorizing and approving the DIP Facility, and approving the Debtors' use of cash claimed as collateral.

1.34 Disallowed means a finding of the Bankruptcy Court in a Final Order or provision of the Plan providing that a Claim shall not be an Allowed Claim.

1.35 Disclosure Statement means the Disclosure Statement that relates to the Plan and is approved by the Bankruptcy Court pursuant to sections 1125 and 1126(b) of the Bankruptcy Code, as such Disclosure Statement may be amended, modified, or supplemented (and all exhibits and schedules annexed thereto or referred to therein and all supplements thereto).

1.36 Disputed means, with respect to a Claim or Interest, that portion (including, when appropriate, the whole) of such Claim or Interest that: (a) if the Debtors are required by the Bankruptcy Court to file schedules of assets and liabilities, (i) has not been scheduled by the Debtors or has been scheduled in a lesser amount or priority than the amount or priority asserted by the holder of such Claim or Interest, or (ii) has been scheduled as contingent, unliquidated or disputed and for which no proof of claim has been timely filed; (b) is the subject of an objection or request for estimation filed in the Bankruptcy Court which has not been withdrawn or overruled by a Final Order; and/or (c) is otherwise disputed by any of the Debtors or Liquidating Companies in accordance with applicable law or written notice to the Claim holder, which dispute has not been withdrawn, resolved, or overruled by final, non-appealable order of a court of competent jurisdiction.

1.37 Disputed Claims Reserve shall have the meaning ascribed to such term in Section 7.11(b) hereof

1.38 Distributable Cash means all Cash held by the Liquidating Companies, net of amounts necessary to fund the Wind-down Reserve, repayment of the Liquidating Companies Working Capital Facility, and Distributions on account of Administrative Claims, Fee Claims, U.S. Trustee Fees, Priority Tax Claims, First Lien Agent Fees, Other Priority Claims, Other Secured Claims. Distributable Cash shall be available for distribution to holders of Assumed First Lien Debt, Second Lien Claims and General Unsecured Claims under Section 7.3 of the Plan.

1.39 Distribution means the distribution in accordance with the terms of the Plan of: (a) Cash, (b) NewCo Common Stock, or (c) rights under the Liquidating Companies Exit Credit Agreement, in each case, if any, and as the case may be.

1.40 Distribution Address means the address set forth in the relevant proof of claim. If no proof of claim is filed in respect to a particular Claim, then the address set forth in the Debtors' books and records or in any applicable register maintained by the First Lien Agent or Second Lien Agent.

1.41 Distribution Agent means any stock transfer agents, agents contractually authorized and/or obligated to make Distributions to certain claimants and similar intermediaries and agents participating in making or conveying Distributions as required by the Plan, which may include any Liquidating Company or the Plan Administrator.

1.42 Effective Date means a Business Day, selected by the Debtors, which is after the entry of the Confirmation Order, on which all conditions to the Effective Date set forth in Section 10.2 of the Plan have been satisfied or waived.

1.43 Estates means the estates created in the Chapter 11 Cases pursuant to section 541 of the Bankruptcy Code.

1.44 Estimated Fee Claims shall have the meaning ascribed to such term in Section 4.3 of the Plan.

1.45 Estimation Order means an order or orders of the Court estimating for voting and/or distribution purposes (under section 502(c) of the Bankruptcy Code) the allowed amount of any Claim. The defined term Estimation Order includes the Confirmation Order if the Confirmation Order grants the same relief that would have been granted in a separate Estimation Order.

1.46 Fee Claim means a Claim by a Professional Person (other than an ordinary course professional retained pursuant to an order of the Bankruptcy Court) for compensation or reimbursement pursuant to section 327, 328, 330, 331, 503(b) or 1103(a) of the Bankruptcy Code in connection with the Chapter 11 Cases.

1.47 Final Order means an order or judgment of the Bankruptcy Court, as entered on the docket of the Bankruptcy Court that has not been reversed, stayed, modified, or amended, and as to which: (a) the time to appeal, seek review or rehearing or petition for certiorari has expired and no timely-filed appeal or petition for review, rehearing, remand or certiorari is pending; or (b) any appeal taken or petition for certiorari filed has been resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought; provided, however, that the possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules or other rules governing procedure in cases before the Bankruptcy Court, may be filed with respect to such order shall not cause such order not to be a Final Order.

1.48 Final Waterfall Distribution shall have the meaning set forth in Section 7.11(c)(v) of the Plan.

1.49 First Lien Agent means Wilmington Savings Fund Society, FSB, as administrative agent and collateral agent under the First Lien Credit Agreement.

1.50 First Lien Agent Fees means the reasonable and documented compensation, fees, expenses, disbursements, and indemnity claims arising under the First Lien Credit Agreement, including attorneys' and agents' fees, expenses, and disbursements, incurred under the First Lien Credit Agreement by the First Lien Agent, whether prior to or after the Petition Date.

1.51 First Lien Credit Agreement means that certain First Lien Credit Agreement, dated as of February 9, 2015, by and among Holdings, GGS Inc., as borrower, the guarantors thereto, the lenders party thereto, and the First Lien Agent, together with the Intercreditor Agreement, any guaranties, and other collateral or ancillary documents (as amended, modified or supplemented).

1.52 First Lien Facility means the term loan and revolving credit facility provided to the Debtors pursuant to the First Lien Credit Agreement.

1.53 First Lien Claim means any Claim derived from or based upon the First Lien Facility.

1.54 First Lien Lenders means those several banks and other financial institutions from time to time lenders under the First Lien Credit Agreement.

1.55 General Unsecured Claim means any Claim that is not: (a) an Administrative Claim, (b) an Other Priority Claim, (c) a Priority Tax Claim, (d) a claim for U.S. Trustee Fees, (e) an Other Secured Claim, (f) a DIP Claim, (g) a First Lien Claim, (h) a Fee Claim, (i) a Second Lien Claim, (j) an Intercompany Claim, or (k) a Subordinated Securities Claim.

1.56 GGS Inc. means Global Geophysical Services, Inc., a Delaware corporation.

1.57 Holdings means Global Geophysical Services, LLC, a Delaware limited liability company.

1.58 Impaired means with respect to any Class of Claims or Interests, a Class of Claims or Interests that is impaired within the meaning of section 1124 of the Bankruptcy Code.

1.59 Initial Waterfall Distribution Date shall have the meaning ascribed thereto in Section 7.11(c)(i).

1.60 Intercompany Claim means any Claim (including an Administrative Claim), cause of action, or remedy held by a Debtor against another Debtor.

1.61 Intercompany Interest means an Interest, other than an Parent Interest, in a Debtor held by another Debtor.

1.62 Intercreditor Agreement means that certain Intercreditor Agreement, dated as of February 9, 2015, by and between the First Lien Agent, the Second Lien Agent and acknowledged and agreed to by the Debtors.

1.63 Interest means any equity interest in any Debtor, including an equity security within the meaning of section 101(16) of the Bankruptcy Code or any option, warrant, or right, contractual or otherwise, to acquire any such interest.

1.64 Liquidating Companies Exit Credit Agreement means a new senior secured first lien credit agreement by and among Post-Effective Date Holdings as the borrower thereunder, the Liquidating Companies as guarantors, and the lenders from time to time party thereto, which shall provide for (a) the first-out Liquidating Companies Working Capital Facility of up to $3,750,000, and (b) a last-out term loan in the amount of the Assumed First Lien Debt. The Claims arising under the Liquidating Companies Exit Credit Agreement shall be secured by a first priority lien on the assets of the Liquidating Companies.

1.65 Liquidating Companies Working Capital Facility means a new money committed budget-based working capital facility of up to $3,750,000 provided to the Liquidating Companies on the Effective Date pursuant to the terms of the Liquidating Companies Exit Credit Agreement. Upon the closing of the Liquidating Companies Exit Credit Agreement, a payment in kind fee of $37,500 shall be added to the amount owed by the Liquidating Companies under the Liquidating Companies Working Capital Facility. The amount owed by the Liquidating Companies pursuant to the Liquidating Companies Working Capital Facility shall accrue interest at a rate of 15% annually, paid in kind monthly. Pursuant to the Liquidating Companies Exit Credit Agreement, an unused line fee shall apply to the undrawn portion of the Liquidating Companies Working Capital Facility. The Liquidating Companies Working Capital Facility shall mature at the earlier of (i) two (2) years following the Effective Date, or (ii) one hundred twenty (120) days after the Liquidating Companies have converted all the Liquidating Company Assets into Cash.

1.66 Liquidating Company IP means the intellectual property owned by the Debtors which does not specifically relate to the NewCo Assets.

1.67 Liquidating Company means a Debtor on and after the Effective Date.

1.68 Liquidating Company Assets means, other than the (a) NewCo Assets and (b) any Claims or Causes of Action released pursuant to this Plan, all legal or equitable interests of each of the Debtors and their respective Estates in any real or personal property or assets of any kind or nature, including without limitation, the Intercompany Interests, the Intercompany Claims, all equity in domestic and foreign non-Debtor subsidiaries, all real estate,

buildings, structures, improvements, privileges, rights, easements, leases, subleases, licenses, goods, materials, supplies, furniture, fixtures, equipment, work in process, accounts, chattel paper, tax refunds, net operating losses, proceeds of insurance, reserves, deposits, equity interests, contractual rights, intellectual property rights, assumed executory contracts and unexpired leases, other general intangibles, and the proceeds, products, offspring, rents or profits thereof.

1.69 NewCo means a newly formed Delaware entity established on or prior to the Effective Date to hold and operate the NewCo Assets.

1.70 NewCo Assets means (a) all of the Debtors' owned, leased, or sub-leased real property, furniture and fixtures located in United States, (b) at the First Lien Lenders' discretion, either the equity interests of the legal entity that owns the Debtors' multi-client data library, or the assets thereof, (c) all intellectual property of the Debtors, other than the Liquidating Company IP, (d) substantially all of the assets of Autoseis and Ambient, (e) any and all claims and Causes of Action of the Debtors, including claims arising under chapter 5 of the Bankruptcy Code, (d) the Brazilian Receivables, (e) all contracts and leases identified on the Schedule of Assumed Contracts and Leases as being designated for assumption and assignment to NewCo, and (f) with respect to each of the forgoing, all related assets, rights, contracts and the proceeds therefrom.

1.71 NewCo Common Stock means the common stock of NewCo issued on the Effective Date and distributed in the manner provided in the Plan.

1.72 Opt-Out Deadline means the date that is twenty-one days following the entry of the Confirmation Order.

1.73 Opt-Out Notice means a notice returned to the Solicitation Agent in accordance with the terms of the voting instructions or Confirmation Order, as applicable, by a holder of Claims or Interests indicating that such party opts out of the release provisions set forth in Section 8.3 of the Plan.

1.74 Other Priority Claim means any Claim entitled to priority pursuant to section 507(a) of the Bankruptcy Code, other than: (a) an Administrative Claim; (b) a Priority Tax Claim; (c) a Fee Claim; (d) a DIP Claim; or (e) any Claim for "adequate protection" of the security interests of the First Lien Lenders or the Second Lien Lenders authorized pursuant to the terms of the DIP Order.

1.75 Other Secured Claim means a Secured Claim other than a DIP Claim, a First Lien Claim, a Second Lien Claim or an Intercompany Claim.

1.76 Parent Interests means all existing Interests in Holdings, including the warrants issued pursuant to the Warrant Agreement between Holdings, Computershare Inc. and Computershare Trust Company, N.A., as warrant agent, dated as of February 9, 2015, and any Subordinated Securities Claims related to such Interests.

1.77 Periodic Waterfall Distribution Date means, subject to Section 7.11(c)(iv), the first Business Day of each calendar quarter following the Initial Waterfall Distribution Date.

1.78 Person means any individual, corporation, partnership, association, indenture trustee, organization, joint stock company, joint venture, estate, trust, governmental unit or any political subdivision thereof, including, for the avoidance of doubt, Interest holders, current or former employees of the Debtors, or any other entity.

1.79 Petition Date means the date on which the Debtors file petitions for relief under the Bankruptcy Code to pursue the transactions contemplated hereby.

1.80 Plan means this Joint Prepackaged Plan of Reorganization, dated as of the date set forth on the first page hereof, for the Debtors, together with any amendments or modifications hereto as the Debtors may file hereafter (such amendments or modifications only being effective if approved by order of the Bankruptcy Court), which shall be in form and substance satisfactory to the Debtors and the Required First Lien Lenders.

1.81 Plan Administrator means Sean Gore, or another Person identified in the Confirmation Order, or other filing with the Bankruptcy Court, and retained as of the Effective Date pursuant to the Plan Administrator Agreement, as the employee or fiduciary responsible for implementing the applicable provisions of the Plan relating to the liquidation of the Liquidating Company Assets.

1.82 Plan Administrator Agreement means an agreement, to be entered into as of the Effective Date, by the Liquidating Companies and the Plan Administrator, which sets forth, among other things, the duties, indemnification and compensation of the Plan Administrator.

1.83 Plan Documents means the Liquidating Companies Exit Credit Agreement, the Schedule of Assumed Contracts and Leases and the Shared Services Agreement and the Plan Administrator Agreement each in form and substance reasonably satisfactory to the Debtors and the Required First Lien Lenders, and each to be executed, delivered, assumed, and/or performed in conjunction with the consummation of the Plan on the Effective Date.

1.84 Plan Supplement means the supplemental appendix to the Plan, which contains, among other things, substantially final forms or executed copies, as the case may be, of the Plan Documents.

1.85 Post-Effective Date Holdings means Holdings on and after the Effective Date.

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

1.87 Pro Rata means the proportion that a Claim or Interest in a particular Class bears to the aggregate amount of the Claims or Interests in such Class, excluding

Disallowed Claims or Disallowed Interests; provided that, "Pro Rata" with respect to Second Lien Claims and General Unsecured Claims shall mean the proportion each such Claim holds to the aggregate amount of Second Lien Claims and General Unsecure Claims.

1.88 Professional Person means a Person retained by order of the Bankruptcy Court in connection with the Chapter 11 Cases, pursuant to section 327, 328, 330 or 1103 of the Bankruptcy Code.

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

1.90 Released Parties means each of, and solely in its capacity as such: (a) the Debtors; (b) the First Lien Agent; (c) the First Lien Lenders; (d) all Second Lien Lenders that do not submit Opt-Out Notices by the Voting Deadline; (e) the Second Lien Agent; (f) the DIP Lenders; (g) the DIP Agent; (h) the holders of General Unsecured Claims that do not submit Opt-Out Notices by the Opt-Out Deadline; (i) holders of Interests that do not submit Opt-Out Notices by the Opt-Out Deadline; and (j) with respect to each of the foregoing entities in clauses (a) through (i), such entity's current affiliates, subsidiaries, officers, directors, principals, members, employees, agents, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, equity holders, partners and other professionals.

1.91 Releasing Party means each of, and solely in its capacity as such, (a) the First Lien Agent; (b) the First Lien Lenders; (c) all Second Lien Lenders that do not submit Opt-Out Notices by the Voting Deadline; (d) the DIP Lenders; (e) the DIP Agent; (f) the holders of Unimpaired Claims; (g) the holders of General Unsecured Claims that do not submit Opt-Out Notices by the Opt-Out Deadline; (h) holders of Interests that do not submit Opt-Out Notices by the Opt-Out Deadline; and (i) with respect to the foregoing entities in clauses (a) through (h), such entity's current affiliates, subsidiaries, officers, directors, principals, members, employees, agents, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, equity holders, partners and other professionals.

1.92 Required First Lien Lenders means First Lien Lenders holding a majority in dollar amount of the First Lien Claims.

1.93 Restructuring Transaction shall have the meaning ascribed to such term in Section 6.1 of the Plan.

1.94 Schedule of Assumed Contracts and Leases means a schedule of the contracts and leases to be assumed by the Liquidating Companies or assumed and assigned to

NewCo pursuant to section 365 of the Bankruptcy Code and Section 8.1 of the Plan hereof, which shall (a) be filed by the Debtors at least ten (10) calendar days prior to the start of the Confirmation Hearing, as such schedule may be amended from time to time on or before the Confirmation Date, (b) set forth whether such contract or lease shall be assumed by the applicable Liquidating Company, or, if applicable, assumed and assigned to NewCo, and (c) be reasonably acceptable to the Required First Lien Lenders.

1.95 Second Lien Agent means Wilmington Trust, National Association.

1.96 Second Lien Claim means any Claim derived from or based upon the Second Lien Facility.

1.97 Second Lien Credit Agreement means that certain Second Lien Credit Agreement, dated as of February 9, 2015, by and among GGS Inc., Holdings, the other guarantors party thereto, the lenders party thereto and Wilmington Trust, National Association, as administrative agent and collateral agent, as the same may have been amended, restated, replaced, supplemented or otherwise modified from time to time.

1.98 Second Lien Facility means the term loan facility provided to the Debtors pursuant to the Second Lien Credit Agreement.

1.99 Second Lien Lenders means the lenders under the Second Lien Credit Agreement.

1.100 Secured Claim means, pursuant to section 506 of the Bankruptcy Code and section 1111 of the Bankruptcy Code, as applicable, that portion of a Claim that is secured by a valid, perfected and enforceable security interest, lien, mortgage or other encumbrance, that is not subject to avoidance under applicable bankruptcy or non-bankruptcy law, in or upon any right, title or interest of a Debtor in and to property of such Debtor's Estate, to the extent of the value of the holder's interest in such property as of the relevant determination date. The defined term Secured Claim includes any Claim that is a secured Claim pursuant to sections 506 and 553 of the Bankruptcy Code.

1.101 Securities Act means the United States Securities Act of 1933, as amended.

1.102 Shared Services Agreement means an agreement to be entered into by and among NewCo and the Liquidating Companies with respect to the sharing of expenses among such entities.

1.103 Solicitation Agent means PrimeClerk, LLC, the Debtors' solicitation, notice and claims agent.

1.104 Subordinated Securities Claim means a Claim of the type described in, and subject to subordination pursuant to section 510(b) of the Bankruptcy Code, if any, which Claim is related to an Interest in a Debtor.

1.105 Unclaimed Property means any Cash or other property unclaimed on or after the Effective Date or date on which a Distribution would have been made in respect of the relevant Allowed Claim. Unclaimed Property shall include: (a) checks (and the funds represented thereby) and other property mailed to a Distribution Address and returned as undeliverable without a proper forwarding address; (b) funds for uncashed checks; and (c) checks (and the funds represented thereby), not mailed or delivered because no Distribution Address to mail or deliver such property was available.

1.106 United States Trustee means the Office of the United States Trustee for the Southern District of Texas.

1.107 Unimpaired means with respect to a Class of Claims or Interests, a Class of Claims or Interests that is not Impaired.

1.108 U.S. Trustee Fees means fees arising under 28 U.S.C. § 1930(a)(6) and accrued interest thereon arising under 31 U.S.C. § 3717.

1.109 Voting Deadline means August 1, 2016, or such other date as provided in the voting instructions accompanying the Ballots.

1.110 Waterfall means the distribution of Distributable Cash (including proceeds of the sale of the Liquidating Company Assets) pursuant to Sections 7.3 and 7.11 of the Plan.

1.111 Waterfall Claims means General Unsecured Claims, Second Lien Claims and rights to payment under the Liquidating Companies Exit Credit Agreement.

1.112 Wind-down Budget means the budget, which shall be subject to the approval of the Required First Lien Lenders, governing the Plan Administrator's use of funds from the Wind-down Reserve. A preliminary draft of the Wind-down Budget is attached to the Disclosure Statement as Exhibit C.

1.113 Wind-down Reserve means the fund to be established on the Effective Date, and funded in part through the Liquidating Companies Working Capital Facility, in the aggregate amount of $5,271,000, representing the amount necessary to fund the winding up of the affairs of the Debtors and the dissolution of the Liquidating Companies, including amounts set aside with respect to the preparation of the final tax return for the Liquidating Companies and payment of any tax liabilities with respect thereto. The amount of the Wind-down Reserve may be adjusted, following the Effective Date, by agreement between NewCo and the Liquidating Companies.

B. Interpretation; Application of Definitions and Rules of Construction.

Unless otherwise specified, all section or exhibit references in the Plan are to the respective section in, or exhibit to, the Plan. The words "herein," "hereof," "hereto," "hereunder," and other words of similar import refer to the Plan as a whole and not to any particular section, subsection, or clause contained therein. Any capitalized term used herein that

is not defined herein shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules. Except for the rules of construction contained in sections 102(5) of the Bankruptcy Code, which shall not apply, the rules of construction contained in section 102 of the Bankruptcy Code shall apply to the construction of the Plan. Any reference in the Plan to a contract, instrument, release, indenture, or other agreement or documents being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions, and any reference in the Plan to an existing document or exhibit filed or to be filed means such document or exhibit as it may have been or may be amended, modified, or supplemented. The headings in the Plan are for convenience of reference only and shall not limit or otherwise affect the provisions hereof. To the extent there is an inconsistency between any of the provisions of the Plan and any of the provisions contained in the Plan Documents to be entered into as of the Effective Date, the Plan Documents shall control.

C. Appendices and Plan Documents.

All Plan Documents and appendices to the Plan are incorporated into the Plan by reference and are a part of the Plan as if set forth in full herein.

ARTICLE II

METHOD OF CLASSIFICATION OF CLAIMS AND INTERESTS AND GENERAL PROVISIONS

2.1 General Rules of Classification.

Generally, a Claim is classified in a particular Class for voting and distribution purposes only to the extent the Claim qualifies within the description of that Class, and is classified in another Class or Classes to the extent any remainder of the Claim qualifies within the description of such other Class or Classes. Unless otherwise provided, to the extent a Claim qualifies for inclusion in a more specifically defined Class and a more generally-defined Class, it shall be included in the more specifically defined Class.

2.2 Settlement.

Pursuant to Bankruptcy Rule 9019, and in consideration for the classification, distribution and other benefits provided under the Plan, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims and controversies resolved pursuant to the Plan, including, without limitation, all claims arising prior to the Petition Date, whether known or unknown, foreseen or unforeseen, asserted or unasserted, by or against any Released Party, or holders of Claims, arising out of, relating to or in connection with the business or affairs of or transactions with the Debtors. 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 Debtors, the Estates, creditors and other parties in interest, and are fair, equitable and within the

range of reasonableness. The provisions of the Plan, including, without limitation, its release, injunction, exculpation and compromise provisions, are mutually dependent and non-severable.

2.3 Substantive Consolidation of Debtors for Purposes of Voting, Confirmation and Distribution.

(a) This Plan provides for substantive consolidation of the Debtors' Estates for purposes of voting, confirmation, and making distributions to the holders of Allowed Claims under this Plan. On the Effective Date, and for purposes of voting, confirmation, and making distributions to the holders of Allowed Claims under this Plan: (i) all guarantees of any Debtor of the payment, performance or collection of another Debtor with respect to Claims against such Debtor shall be disregarded; (ii) any single obligation of multiple Debtors shall be treated as a single obligation in the consolidated Chapter 11 Cases; and (iii) all guarantees by a Debtor with respect to Claims against one or more of the other Debtors shall be treated as a single obligation in the consolidated Chapter 11 Cases. Except as set forth in this Section 2.3 and Section 6.3 of the Plan, such substantive consolidation shall not affect (i) the legal and corporate structure of the Liquidating Companies, or (ii) any obligations under any leases or contracts assumed in this Plan or otherwise after the Petition Date.

(b) Notwithstanding the substantive consolidation of the Estates for the purposes set forth in Section 2.3(a) of the Plan, each Liquidating Company shall pay U.S. Trustee Fees on all disbursements as set forth in Section 2.6 of the Plan.

2.4 Administrative, DIP Lender, Fee and Priority Tax Claims.

Administrative Claims, DIP Claims, Fee Claims, U.S. Trustee Fees and Priority Tax Claims have not been classified and are excluded from the Classes set forth in Article III in accordance with section 1123(a)(1) of the Bankruptcy Code.

2.5 Deadline for Filing Fee Claims.

All proofs or applications for payment of Fee Claims must be filed with the Bankruptcy Court by the date that is forty-five (45) days after the Effective Date (or, if such date is not a Business Day, by the next Business Day thereafter). **Any Person that fails to file such a proof of Claim or application on or before such date shall be forever barred from asserting such Claim against the Debtors, the Liquidating Companies or their property and the holder thereof shall be enjoined from commencing or continuing any action, employment of process or act to collect, offset or recover such Claim.**

Objections to Fee Claims, if any, must be filed and served pursuant to the procedures set forth in the Confirmation Order no later than sixty-five (65) days after the Effective Date or such other date as established by the Bankruptcy Court.

2.6 U.S. Trustee Fees.

On the Effective Date or as soon as practicable thereafter, the Debtors or Plan Administrator shall pay all U.S. Trustee Fees that are then due. Any U.S. Trustee Fees due

thereafter shall be paid by the Liquidating Companies in the ordinary course until the earlier of the entry of a final decree closing the applicable Chapter 11 Case, or a Bankruptcy Court order converting or dismissing the applicable Chapter 11 Case. Any deadline for filing Administrative Claims or Fee Claims shall not apply to U.S. Trustee Fees.

2.7 First Lien Agent Fees.

On the Effective Date, the First Lien Agent Fees shall be paid in cash, without the need for the First Lien Agent to file a fee application with the Bankruptcy Court. To the extent that the Debtors object to the reasonableness of any portion of First Lien Agent Fees, the Debtors shall not be required to pay such Disputed portion until either such objection is resolved or a further order of the Bankruptcy Court is entered providing for payment of such Disputed portion.

ARTICLE III

CLASSIFICATION OF CLAIMS AND INTERESTS

The following table designates the Classes of Claims and Interests under the Plan and specifies which Classes are (a) Impaired or Unimpaired by this Plan, (b) entitled to vote to accept or reject this Plan in accordance with section 1126 of the Bankruptcy Code, or (c) deemed to accept or reject this Plan:

Class	Designation	Impairment	Entitled to Vote
Class 1	First Lien Claims	Yes	Yes
Class 2	Second Lien Claims	Yes	Yes
Class 3	Other Secured Claims	No	No (Deemed to accept)
Class 4	Other Priority Claims	No	No (Deemed to accept)
Class 5	General Unsecured Claims	Yes	No (Deemed to reject)
Class 6	Intercompany Claims	No	No (Deemed to accept)
Class 7	Intercompany Interests	No	No (Deemed to accept)
Class 8	Parent Interests	Yes	No (Deemed to reject)

Each Allowed Secured Claim in Class 3 shall be considered to be a separate subclass within Class 3, and each such subclass shall be deemed to be a separate Class for purposes of the Plan.

ARTICLE IV

TREATMENT OF UNIMPAIRED CLASSES

4.1 Administrative Claims.

Each holder of an Allowed Administrative Claim shall be paid 100% of the unpaid Allowed amount of such Claim in Cash on or as soon as reasonably practicable after the Effective Date. Notwithstanding the immediately preceding sentence, Allowed Administrative Claims incurred in the ordinary course of business and on ordinary business terms unrelated to

the administration of the Chapter 11 Cases (such as Allowed trade and vendor Claims) shall be paid, at the Debtors' or Liquidating Companies' option, in accordance with ordinary business terms for payment of such Claims. Notwithstanding the foregoing, the holder of an Allowed Administrative Claim may receive such other, less favorable treatment as may be agreed upon by the claimant and the Debtors or Liquidating Companies.

4.2 Priority Tax Claims.

Except to the extent that a holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, each holder of an Allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code.

4.3 Fee Claims.

A Fee Claim in respect of which a final fee application has been properly filed and served pursuant to Section 2.5 of the Plan shall be payable by the Liquidating Companies to the extent approved by a Final Order of the Bankruptcy Court. Prior to the Effective Date, each holder of a Fee Claim shall submit to the Debtors estimates of any Fee Claims that have accrued prior to the Effective Date that have not yet been paid (collectively, the "**Estimated Fee Claims**"). On the Effective Date, the Liquidating Companies shall reserve and hold in an account Cash in an amount equal to the aggregate amount of each unpaid Estimated Fee Claim as of the Effective Date (minus any unapplied retainers). Such Cash shall be disbursed solely to the holders of Allowed Fee Claims as soon as reasonably practicable after a Fee Claim becomes an Allowed Claim. Upon payment of some, but not all, Allowed Fee Claims, Cash remaining in such account shall be reserved until all other Allowed Fee Claims have been paid in full or all remaining Fee Claims have been Disallowed or not otherwise permitted, at which time any remaining Cash held in reserve with respect to the Estimated Fee Claims shall be used to repay any amounts owing under the Liquidating Companies Exit Credit Agreement or, if no such amounts are owing, become Distributable Cash.

4.4 Other Secured Claims – Class 3.

Subject to the provisions of sections 502(b)(3) and 506(d) of the Bankruptcy Code, each holder of an Allowed Other Secured Claim shall receive, at the Debtors' option, with the consent of the Required First Lien Lenders: (a) the Reinstatement of such Claim against the applicable Liquidating Company; (b) payment in full in Cash of the Allowed amount of such Other Secured Claim by the Liquidating Companies; (c) the delivery of the collateral securing any such Other Secured Claim and payment of any interest required under section 506(b) of the Bankruptcy Code; (d) such other treatment rendering such Other Secured Claim Unimpaired; or (e) such other, less favorable treatment as may be agreed between such holder and the Debtors or Liquidating Companies, with the consent of the Required First Lien Lenders.

4.5 Other Priority Claims – Class 4.

In satisfaction of each Allowed Other Priority Claim, each holder thereof shall receive the following, at the option of the Debtors, with the consent of the Required First Lien

Lenders: (a) payment in full in Cash; (b) other treatment rendering such Other Priority Claim Unimpaired; or (c) such other, less favorable treatment as may be agreed between such holder and the Debtors, with the consent of the Required First Lien Lenders.

4.6 Intercompany Claims – Class 6.

Each Intercompany Claim shall either be Reinstated or cancelled in the Debtors' (or Liquidating Companies') discretion, with the consent of the Required First Lien Lenders.

4.7 Intercompany Interests – Class 7.

Intercompany Interests shall be Reinstated.

ARTICLE V

TREATMENT OF IMPAIRED CLASSES

5.1 DIP Claims.

The DIP Claims shall be deemed to be Allowed Claims under the Plan. On the Effective Date, all of the Debtors' obligations with respect to the DIP Claims shall be assumed by NewCo.

5.2 First Lien Claims – Class 1.

The First Lien Claims shall be Allowed in an aggregate amount equal to $85,104,644. In full and final satisfaction of the Allowed First Lien Claims, each holder thereof shall receive its Pro Rata Share of:

(a) the NewCo Common Stock;

(b) the rights of lenders with respect to any portion of the Debtors' obligations with respect to the First Lien Claims that is assumed by Newco; and

(c) the rights of lenders under the Liquidating Companies Exit Credit Agreement with respect to the Assumed First Lien Debt.

5.3 Second Lien Claims – Class 2.

The Second Lien Claims shall be deemed Allowed Claims in the amount of $40,445,999. Each holder of an Allowed Second Lien Claim shall receive, in full and final satisfaction of its Allowed Second Lien Claims, its Pro Rata share of Distributable Cash to be distributed by the Liquidating Companies from time to time in accordance with the Waterfall.

5.4 General Unsecured Claims – Class 5.

Each holder of an Allowed General Unsecured Claim shall receive, in full and final satisfaction of its Allowed General Unsecured Claim, its Pro Rata share of Distributable Cash to be distributed by the Liquidating Companies from time to time in accordance with the Waterfall.

5.5 Parent Interests – Class 8.

On the Effective Date, all Parent Interests shall be cancelled, and holders of Parent Interests shall receive no distribution on account of such Interests.

ARTICLE VI

MEANS OF IMPLEMENTATION

6.1 Restructuring Transaction.

The Distributions provided for under the Plan shall be effectuated pursuant to the following transactions (collectively, the "**Restructuring Transaction**"):

(a) As of the Effective Date, all Parent Interests shall be deemed cancelled, and Post-Effective Date Holdings shall issue ten (10) new membership interests, all of which shall be issued to the Plan Administrator in exchange for one dollar ($1.00), and the Plan Administrator shall be appointed as the sole officer and sole member of Post-Effective Date Holdings;

(b) on or prior to the Effective Date, NewCo shall be incorporated under the laws of Delaware;

(c) as of the Effective Date, NewCo shall authorize and issue one class of equity securities consisting of the NewCo Common Stock, which shall be distributed on the Effective Date in accordance with Section 5.2 of the Plan;

(d) NewCo and the Liquidating Companies shall enter into the Shared Services Agreement as of the Effective Date;

(e) the Plan Administrator and the Liquidating Companies shall enter the Plan Administrator Agreement as of the Effective Date;

(f) pursuant to sections 1141(b) and (c) of the Bankruptcy Code, and except as otherwise provided in the Plan, the Liquidating Companies Exit Credit Agreement, the other Plan Documents or the Confirmation Order (or, with respect to NewCo, any portion of the obligations constituting First Lien Claims that are assumed by NewCo), on the Effective Date: (i) the Liquidating Company Assets shall vest in the Liquidating Companies free and clear of all Claims, liens, encumbrances, charges, and other interests; and (ii) the NewCo Assets shall vest in NewCo, free and clear of all Claims, liens, encumbrances, charges, and other interests;

(g) the Liquidating Companies, and the agent and lenders thereunder, shall enter into the Liquidating Companies Working Capital Facility;

(h) the Debtors shall consummate the Plan by (i) making Distributions of the NewCo Common Stock and Cash, and (ii) causing the Liquidating Companies to enter into the Liquidating Companies Exit Credit Agreement; and

(i) the releases provided for herein, which are an essential element of the Restructuring Transaction, shall become effective.

6.2 Corporate Action.

The Confirmation Order shall provide that it establishes conclusive corporate or other authority, and evidence of such corporate or other authority, required for each of NewCo, the Debtors and the Liquidating Companies to undertake any and all acts and actions required to implement or contemplated by the Plan, including without limitation, the specific acts or actions or documents or instruments identified in this Section 6.2, and any subsequent merger or dissolution of the Liquidating Companies, and no board, member or shareholder vote shall be required with respect thereto.

6.3 Merger of Debtors.

Upon the Effective Date, (a) the members of the board of director or managers, as the case may be, of each of the Debtors other than Holdings shall be deemed to have resigned and (b) each of the Debtors other than Holdings shall be merged with and into Post-Effective Date Holdings without the necessity of any other or further action to be taken by or on behalf of the Debtors; provided, however, that each of the Debtors shall be authorized to execute and file all documents to the extent necessary to effectuate or record such merger and dissolution with the appropriate authorities in accordance with applicable non-bankruptcy law (if any); and provided further, however that the Chapter 11 Cases of the Debtors other than Holdings shall be closed upon the entry of a separate order of the Court, upon motion by the Debtors, the Liquidating Companies or the Plan Administrator. On the Effective Date, the Plan Administrator shall serve as the sole shareholder, sole officer and sole director of the Liquidating Companies. The Plan Administrator shall be responsible for the daily operations of the Liquidating Companies, subject to the terms and conditions of the Plan Administration Agreement and other Plan Documents.

6.4 Effectuating Documents and Further Transactions.

NewCo, the Debtors and the Liquidating Companies shall be authorized to execute, deliver, file, or record such documents, contracts, instruments, and other agreements and take such other action as may be necessary to effectuate and further evidence the terms and conditions of the Plan.

6.5 Resignation of Officers and Directors of Debtors.

As of the Effective Date, the boards of directors of the Liquidating Companies shall each consist solely of the Plan Administrator, unless otherwise set forth in the Plan Supplement. The officers members of the board of directors of each Debtor prior to the Effective Date, in their capacities as such, shall be deemed to have resigned as of the Effective Date, and shall have no continuing obligations to the Liquidating Companies on or after the Effective Date.

6.6 Withholding Taxes.

Any federal or state withholding taxes or other amounts required to be withheld under any applicable law shall be deducted and withheld from any Distributions hereunder. All Persons holding Claims shall be required to provide any information necessary to effect the withholding of such taxes.

6.7 Exemption from Certain Transfer Taxes.

To the fullest extent permitted by applicable law, all sale transactions and other transfers, including, without limitation, the transfer of the NewCo Assets to NewCo, consummated by the Debtors and approved by the Bankruptcy Court on and after the Confirmation Date through and including the Effective Date, including the transfers effectuated under the Plan, the sale by the Debtors of any owned property pursuant to section 363(b) or 1123(b)(4) of the Bankruptcy Code, any assumption, assignment, and/or sale by the Debtors of their interests in unexpired leases of non-residential real property or executory contracts pursuant to section 365(a) of the Bankruptcy Code, and the creation, modification, consolidation or recording of any mortgage pursuant to the terms of the Plan, Liquidating Companies Exit Credit Agreement or ancillary documents, shall constitute a "transfer under a plan" within the purview of section 1146 of the Bankruptcy Code, and shall not be subject to any stamp, real estate transfer, mortgage recording, or other similar tax. The Confirmation Order shall specifically authorize and order each respective clerk, recorder or other governmental official charged with accepting, filing or recording any instrument of conveyance or transfer to file or record any such document without imposition or collection of any such tax or charge.

6.8 Exemption from Securities Laws.

The issuance of NewCo Common Stock and new interests in Post-Effective Date Holdings shall be exempt from any securities laws registration requirements to the fullest extent permitted by section 1145 of the Bankruptcy Code.

6.9 Setoffs and Recoupments.

Each Liquidating Company, or such entity's designee as instructed by such Liquidating Company, may, pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, set off and/or recoup against any Allowed Claim, and the distributions to be made pursuant to the Plan on account of such Allowed Claim, any and all claims, rights and causes of action that a Liquidating Company holds following the Effective Date against the

holder of such Allowed Claim after the Effective Date; provided, however, that neither the failure to effect a setoff or recoupment nor the allowance of any Claim hereunder will constitute a waiver or release by a Liquidating Company or its successor (including NewCo) of any and all claims, rights and causes of action that a Liquidating Company or its successor (including NewCo) may possess against such holder.

6.10 Insurance Preservation and Proceeds.

Nothing in the Plan, including any releases, shall diminish or impair the enforceability of any insurance policies that may cover claims against the Debtors or any other Person.

6.11 Shared Services Agreement.

On the Effective Date, NewCo and the Liquidating Companies shall enter into the Shared Services Agreement, substantially in the form set forth in the Plan Supplement. The Shared Services Agreement shall set forth the allocations of costs and expenses related to certain services and assets utilized by both NewCo and the Liquidating Companies, which may include, but are not limited to (i) combined office space, (ii) administrative support, (iii) human resources, including the salary and benefits expense of the Plan Administrator to the extent that the Plan Administrator also manages NewCo, (iv) intellectual property, information technology and related support services, (v) accounting, (vi) finance, (vii) legal and (viii) procurement services.

ARTICLE VII

OPERATIONS OF LIQUIDATING COMPANIES; DUTIES OF THE PLAN ADMINISTRATOR

7.1 Powers and Duties of Plan Administrator.

Subject to the terms and provisions of the Plan Administrator Agreement, the Plan Administrator shall have all duties, powers, and standing and authority necessary to implement the Plan and to administer and liquidate the Liquidating Company Assets for the benefit of lenders under the Liquidating Companies Exit Credit Agreement and holders of Second Lien Claims and General Unsecured Claims, including, without limitation, entering into the Liquidating Companies Exit Credit Agreement (including related security documents), pledging or otherwise encumbering the assets of the Liquidating Companies in connection with the Liquidating Companies Exit Credit Agreement, reconciling claims filed in the Chapter 11 Cases, and winding up the Liquidating Companies.

7.2 Compensation of Plan Administrator.

The compensation of the Plan Administrator shall be as specified in the Plan Administrator Agreement. Anticipated compensation terms for the Plan Administrator under the Plan Administrator Agreement include (i) an annual salary of $400,000, (ii) a bonus of up to $200,000 to be paid in accordance with the formula and schedule established in the Plan

Administrator Agreement, and (iii) incentive compensation bonuses of 2%-5% of the proceeds of certain specified assets. The Plan Administrator shall also be entitled to reimbursement of reasonable expenses, as more fully described in the Plan Administrator Agreement.

7.3 Liquidation Waterfall.

Distributable Cash shall be distributed by the Liquidating Companies in the following manner:

(a) First, after payment in full of the Liquidating Companies Working Capital Facility and permanent reduction of the entire commitment thereunder, then

(i) 66.66% of proceeds from the sale of the Liquidating Company Assets shall be distributed to lenders under the Liquidating Companies Exit Credit Agreement for so long as any amounts under the Liquidating Companies Exit Credit Agreement remain outstanding, and

(ii) 33.33% of proceeds from the sale of the Liquidating Company Assets shall be distributed to holders of General Unsecured Claims and Second Lien Claims on a Pro Rata basis; and

(b) Second, if there are no remaining outstanding claims under the Liquidating Companies Exit Credit Agreement, then 100% of the proceeds from the sale of the Liquidating Company Assets shall be distributed to holders of General Unsecured Claims and Second Lien Claims on a Pro Rata basis;

provided, however, that:

(I) if proceeds of the Liquidating Company Assets, net of (A) the amount of the Wind-down Reserve and (B) interest, fees and other costs related to the Liquidating Companies Exit Credit Agreement, exceed 250% of Assumed Net Recoveries, 75% of such excess proceeds shall be transferred to NewCo and shall not become Distributable Cash;

(II) upon a sale or other disposition by NewCo of the business or assets of Ambient, (A) if Ambient Net Proceeds exceed $3 million and are equal to or less than $5 million, 10% of the Ambient Net Proceeds in excess of $3 million shall be transferred to the Liquidating Companies, (B) if Ambient Net Proceeds exceed $5 million and are equal to or less than $7 million, $200,000 plus 15% of the Ambient Net Proceeds in excess of $5 million shall be transferred to the Liquidating Companies, (C) if Ambient Net Proceeds exceed $7 million and are equal to or less than $10 million, $500,000 plus 20% of the Ambient Net Proceeds in excess of $7 million shall be transferred to the Liquidating Companies, and (D) if Ambient Net Proceeds exceed $10 million, $1.1 million plus 25% of the Ambient Net Proceeds in excess of $10 million shall be transferred to the Liquidating Companies; and

(III) upon a sale or other disposition by NewCo of the business or assets of Autoseis, (A) if Autoseis Net Proceeds exceed $500,000 and are equal to or less than $1 million, 15% of the Autoseis Net Proceeds in excess of $500,000 shall be transferred to the Liquidating Companies, and (B) if Autoseis Net Proceeds exceed $1 million, $75,000 plus 25% of the Autoseis Net Proceeds in excess of $1 million shall be transferred to the Liquidating Companies.

7.4 Liquidating Companies.

Subject to Section 6.3 and the implementation of the merger and dissolution of the Debtors other than Holdings into Post-Effective Date Holdings in accordance with any applicable non-bankruptcy law, the Debtors shall continue to exist as the Liquidating Companies on and after the Effective Date, with all of the powers of corporations or limited liability companies under applicable law. The certificates of incorporation and by-laws, and similar equity documents, of the Liquidating Companies shall, inter alia, prohibit the issuance of nonvoting stock to the extent required by section 1123(a)(6) of the Bankruptcy Code.

7.5 Succession of Plan Administrator.

On the Effective Date, the Plan Administrator shall be appointed and shall succeed to such powers as would have been applicable to the Liquidating Companies' officers and directors. The Liquidating Companies shall be authorized to be (and, upon the conclusion of the winding up of their affairs, shall be) dissolved by the Plan Administrator. Following the Effective Date, all Liquidating Company Assets shall be managed by the Plan Administrator and shall be held in the name of the Liquidating Companies free and clear of all Claims against the Debtors and Interests in Holdings, except for obligations under the Liquidating Companies Exit Credit Agreement and the rights to Distribution afforded to holders of Claims under the Plan. The Liquidating Companies shall make the remaining Distributions required under the Plan in accordance with the Plan's terms. After the Effective Date, the Debtors shall have no liability to holders of Claims or Interests other than as provided for in the Plan, Plan Documents and Confirmation Order. The Plan will be administered and actions will be taken in the name of Liquidating Companies through the Plan Administrator irrespective of whether any of the Debtors or Liquidating Companies have been dissolved. The Plan Administrator shall comply with all applicable provisions of the Plan.

7.6 Liquidation of Estates and Distribution of Proceeds.

After the Effective Date, all Liquidating Company Assets shall be sold or otherwise liquidated or abandoned pursuant to the Plan. Any proceeds of such sale or other liquidation shall be used to fund the Wind-down Reserve (to the extent of any shortfall therein), repay the Liquidating Companies Working Capital Facility, make Distributions on account of Administrative Claims, Fee Claims, U.S. Trustee Fees, Priority Tax Claims, First Lien Agent Fees, Other Priority Claims, Other Secured Claims, and thereafter become Distributable Cash.

7.7 Wind-down Reserve.

The activities and operations of the Liquidating Companies and the Plan Administrator shall be funded through the Wind-down Reserve, and shall be subject to the Wind-down Budget. The Liquidating Companies may maintain appropriate reserves for Disputed Administrative Claims, Fee Claims, Priority Tax Claims, Other Priority Claims and Other Secured Claims. Upon the dissolution of the Liquidating Companies, or such earlier time as it appears, in the reasonable view of the Plan Administrator, that the Wind-down Reserve is overfunded, all amounts remaining (or constituting excess funds) in the Wind-down Reserve shall be used to repay the Liquidating Companies Working Capital Facility, make Distributions on account of Administrative Claims, Fee Claims, U.S. Trustee Fees, Priority Tax Claims, First Lien Agent Fees, Other Priority Claims, Other Secured Claims, and thereafter become Distributable Cash.

7.8 Designation and Powers of Plan Administrator.

The salient terms of the Plan Administrator's employment, including the Plan Administrator's duties and compensation, shall be reflected in the Plan Administrator Agreement. The Plan Administrator shall act for the Liquidating Companies in a fiduciary capacity as applicable to a board of directors, subject to the provisions hereof. The duties and powers of the Plan Administrator shall include the following, but in all cases shall be consistent with the terms of the Plan:

(a) To exercise all power and authority that may be or could have been exercised, commence all proceedings that may be or could have been commenced and take all actions that may be or could have been taken by any officer, director, member, managing member, shareholder or partner of the Liquidating Companies with like effect as if authorized, exercised and taken by unanimous action of such officers, directors, member, managing member, shareholders and partners, including, without limitation, amendment of the certificates of incorporation and by-laws of the Liquidating Companies, merger of any Liquidating Company into another Liquidating Company and the dissolution of any Liquidating Company;

(b) To maintain accounts, make Distributions and take other actions consistent with the Plan and the implementation hereof, including the establishment, re-evaluation, adjustment and maintenance of appropriate reserves, in the name of the Liquidating Companies, even in the event of the dissolution of the Liquidating Companies;

(c) Subject to the applicable provisions of the Plan, to collect and liquidate all Liquidating Company Assets pursuant to the Plan and to administer the winding-up of the affairs of the Liquidating Companies;

(d) To object to any Claims (Disputed or otherwise) not allowed pursuant to the Plan or Final Order of the Court, and to compromise or settle any Claims prior to objection without supervision or approval of the Court, free of any restrictions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules of the Court, and the guidelines and requirements of the

United States Trustee, other than those restrictions expressly imposed by the Plan or the Confirmation Order, and/or to seek Court approval, as necessary, for any Claims settlements;

(e) To make decisions, without further Court approval, regarding the retention or engagement of professionals, employees and consultants by the Liquidating Companies or the Plan Administrator and to pay, from the Wind-down Reserve, subject to the Wind-down Budget, the fees and charges incurred by the Liquidating Companies on or after the Effective Date for fees of professionals, disbursements, expenses or related support services relating to the winding down of the Liquidating Companies and implementation of the Plan without application to the Court;

(f) To seek a determination of tax liability under section 505 of the Bankruptcy Code and to file tax returns and pay taxes, if any, related to the Debtors, the Liquidating Companies or the sale of Liquidating Company Assets;

(g) To take all other actions not inconsistent with the provisions of the Plan which the Plan Administrator deems reasonably necessary or desirable with respect to administering the Plan;

(h) To make all Distributions to holders of Allowed Claims provided for or contemplated by the Plan;

(i) To invest Cash in accordance with section 345 of the Bankruptcy Code or as otherwise permitted by a Final Order of the Court and as deemed appropriate by the Liquidating Companies or the Plan Administrator;

(j) To collect any accounts receivable or other claims of the Liquidating Companies or the Estates not released, transferred to NewCo or otherwise disposed of pursuant to the Plan;

(k) To enter into any agreement or execute any document required by or consistent with the Plan and perform all of the Liquidating Companies' obligations thereunder;

(l) To abandon in any commercially reasonable manner, including abandonment or donation to a charitable organization of his or her choice, any assets of the Liquidating Companies if the Plan Administrator concludes that such assets are of no benefit to the Estates or Liquidating Companies;

(m) To prosecute and/or settle claims held by the Liquidating Companies and exercise, participate in or initiate any proceeding before the Court or any other court of appropriate jurisdiction and participate as a party or otherwise in any administrative, arbitrative or other nonjudicial proceeding and litigate or settle such claims on behalf of the Debtors or Liquidating Companies, and pursue to settlement or judgment such actions;

(n) To purchase or create and carry all insurance policies on behalf of the Liquidating Companies and pay all insurance premiums and costs it deems necessary or advisable;

(o) To implement and/or enforce all provisions of the Plan; and

(p) To collect and liquidate all Liquidating Company Assets and administer the winding-up of the affairs of the Debtors and the Liquidating Companies including, but not limited to, causing the dissolution of each Liquidating Company and closing the Reorganization Cases.

7.9 Resignation, Death or Removal of Plan Administrator.

The replacement of the Plan Administrator in the event of resignation, death or removal shall be governed by the Plan Administrator Agreement. Any resigning or removed Plan Administrator (or the executor or other representative of any deceased or incapacitated Plan Administrator) shall transfer, in exchange for consideration of one dollar ($1), all common stock of Holdings owned by such Plan Administrator to the successor Plan Administrator.

7.10 Distributions to Holders of Claims Generally.

(a) **Distributions on Account of Allowed Claims Only.** Notwithstanding anything herein to the contrary, no Distribution shall be made on a Disputed Claim until such Disputed Claim becomes an Allowed Claim.

(b) **Method of Cash Distributions.** Any Cash payment to be made pursuant to the Plan will be in U.S. dollars and may be made by draft, check, wire transfer, or as otherwise required or provided in any relevant agreement or applicable law.

(c) **Distributions on Non-Business Days.** Any payment or Distribution due on a day other than a Business Day may be made, without interest, on the next Business Day.

(d) **Disputed Payments.** If any dispute arises as to the identity of a holder of an Allowed Claim who is to receive any Distribution, the Liquidating Companies may, in lieu of making such Distribution to such Person, make such Distribution into an escrow account until the disposition thereof shall be determined by Court order or by written agreement among the interested parties to such dispute.

(e) **Withholding Taxes.** Any federal or state withholding taxes or other amounts required to be withheld under any applicable law shall be deducted and withheld from any Distributions hereunder. All Persons holding Claims shall be required to provide any information necessary to effect the withholding of such taxes.

7.11 Distributions to Holders of Second Lien Claims and General Unsecured Claims.

(a) **Claims Reconciliation.** The Plan Administrator shall (i) issue detailed quarterly reports respecting the progress made in reconciling General Unsecured Claims and any Distributions or other payments made by the Liquidating Companies pursuant to the Waterfall and (ii) maintain an accurate register (including based on information provided by the Bankruptcy Court-appointed claims agent) of Claims and the status of each.

(b) **Disputed Claims Reserve.** The Liquidating Companies shall set aside and reserve, from the funds distributed under the Waterfall, for the benefit of each holder of a Disputed General Unsecured Claim, an amount equal to the distribution to which the holder of such Disputed Claim would be entitled if such Disputed Claim were an Allowed Claim as of the Effective Date in an amount equal to (i) the amount of such Claim as estimated by the Court pursuant to an Estimation Order or (ii) if no Estimation Order has been entered with respect to such Claim, the greater of (A) the amount listed in the Debtors' schedules and (B) the amount set forth in a proof of claim or application for payment filed with the Bankruptcy Court as a liquidated amount. Such reserved amounts, collectively, shall constitute the "**Disputed Claims Reserve**" and the difference between (y) the amount so reserved for each such Claim and (z) the amount of federal, state and local taxes paid by the Liquidating Companies with respect to such Claim shall constitute the maximum Distribution amount to which the holder of such Claim may ultimately become entitled under the Plan.

(c) **Waterfall Distributions.**

(i) Initial Distributions. As soon as reasonably practicable after (A) the initial deadline for objecting to Claims and (B) payment in full of all obligations under the Liquidating Companies Working Capital Facility and termination of the commitment thereunder, the Liquidating Companies shall distribute to each holder of an Allowed Second Lien Claim and Allowed General Unsecured Claim, such holder's Pro Rata share of Distributable Cash. The date of such Distributions shall be the "**Initial Waterfall Distribution Date**."

(ii) Distributions on Disputed Claims. No Distributions shall be made with respect to a Disputed Claim until such Disputed Claim becomes an Allowed Claim. On or as soon as reasonably practicable after the Periodic Waterfall Distribution Date after a Disputed Claim becomes an Allowed Claim, the Liquidating Companies shall distribute to the holder thereof Cash, from the Disputed Claims Reserve, in an amount equal to the aggregate amount of Cash that would have been distributed to such holder by such Periodic Waterfall Distribution Date in respect of such Claim had such Claim been an Allowed Claim, in the amount in which it is ultimately allowed, as of the Effective Date. Subsequent distributions, if any, to holders of such Claims shall be made in accordance with Section 7.11(c)(iv) of the Plan.

(iii) Treatment of Excess Cash in Disputed Claims Reserve. To the extent a Disputed Claim (or a portion thereof) is determined by Final Order or agreement of the parties not to be an Allowed Claim, any Cash previously reserved for such Disputed Claims (or portion thereof) shall become Distributable Cash.

(iv) Periodic Distributions of Distributable Cash. After the Initial Waterfall Distribution Date, additional Cash shall become Distributable Cash from: (A) the subsequent sale of Liquidating Company Assets, (B) a transfer of a Ambient Net Proceeds or Autoseis Net Proceeds to the Liquidating Companies under Section 7.3, (C) amounts released from the Disputed Claims Reserve pursuant to the terms of the Plan; and (D) pursuant to Section 7.13(b) hereof, certain Unclaimed Property. On each

Periodic Waterfall Distribution Date, the Liquidating Companies shall distribute to each holder of an Allowed Waterfall Claim each such holder's share of the Distributable Cash remaining on such date. Periodic Waterfall Distribution Dates shall continue to occur until (W) all Liquidating Company Assets have been sold or abandoned by the Plan Administrator, (X) the sale of the Ambient and Autoseis assets by NewCo shall have occurred and any net proceeds attributable to the Liquidating Companies under Section 7.3 shall have been distributed to the Liquidating Companies, (Y) all Disputed Claims have been resolved, and (Z) all Unclaimed Property, if any, shall have become Distributable Cash.

(v) Final Distributions to Holders of Waterfall Claims. On the first Business Day that is ten (10) days after the date on which all of the events described in clauses (W) through (Z) of subsection 7.11(c)(iv) hereof shall have occurred, the Liquidating Companies shall distribute (each such Distribution, a "**Final Waterfall Distribution**") to each holder of an Allowed Waterfall Claim such holder's share of the remaining Distributable Cash pursuant to the Waterfall.

(vi) Minimum Distributions to Holders of Waterfall Claims. The Plan Administrator, in his sole discretion, may determine not to make a Distribution (other than a Final Waterfall Distribution), from Distributable Cash (A) to a holder of an Allowed Waterfall Claim, to the extent that such Distribution is less than fifty dollars ($50), and (B) on any Periodic Waterfall Distribution Date if the aggregate Distributions to be made from Distributable Cash on such date would not exceed $100,000. Notwithstanding anything to the contrary herein, if the aggregate amount of Final Waterfall Distributions to be made to holders of Allowed Waterfall Claims does not exceed $5,000, the Plan Administrator may determine that such aggregate amount shall not be distributed to such holders but shall instead be contributed by the Liquidating Companies, in lump sum, to a charity designated by the Liquidating Companies. The Plan Administrator shall have no liability to any holder of Claims for making any determination to delay or forgo Distributions in accordance with the terms of this section.

7.12 Cash Held by the Liquidating Companies.

All Cash held by the Liquidating Companies shall be invested in accordance with section 345 of the Bankruptcy Code, or as otherwise permitted by a Final Order of the Court and as deemed appropriate by the Plan Administrator. For so long as any amounts under the Liquidating Companies Exit Credit Agreement shall remain outstanding, all such Cash shall be subject to a first priority lien in favor of the lenders under the Liquidating Companies Exit Credit Agreement.

7.13 Unclaimed Property.

(a) **Escrow of Unclaimed Property.** The Liquidating Companies shall hold all Unclaimed Property (and all interest, dividends, and other distributions thereon), for the benefit of the holders of Claims entitled thereto under the terms of the Plan.

(b) **Distribution of Unclaimed Property.** At the end of one year following the relevant Distribution date of particular Cash or other property to be distributed under the Plan, the holders of Allowed Claims theretofore entitled to Unclaimed Property held pursuant to this Section shall be deemed to have forfeited such property, whereupon (i) all right, title and interest in and to such property shall immediately and irrevocably revest in the Liquidating Companies and shall be used to repay the Liquidating Companies Working Capital Facility, make Distributions on account of Administrative Claims, Fee Claims, U.S. Trustee Fees, Priority Tax Claims, First Lien Agent Fees, Other Priority Claims, Other Secured Claims, and thereafter become Distributable Cash, (ii) such holders shall cease to be entitled thereto and (iii) any such Unclaimed Property that is Cash (including Cash interest, maturities, dividends and the like) shall be property of the Liquidating Companies, free of any restrictions thereon other than any restriction imposed under the Plan.

7.14 No Recourse to Liquidating Companies or Plan Administrator.

Notwithstanding that the allowed amount of any particular Disputed Claim is reconsidered under the applicable provisions of the Bankruptcy Code and Bankruptcy Rules or is allowed in an amount for which there is insufficient Distributable Cash to provide a recovery equal to that received by other holders of Allowed Claims in the relevant Class, no Claim holder shall have recourse to the Debtors, the Liquidating Companies, the Plan Administrator, or any of their respective professionals, or their successors or assigns, or the holder of any other Claim, or any of their respective property. THUS, THE COURT'S ENTRY OF AN ESTIMATION ORDER MAY LIMIT THE DISTRIBUTION TO BE MADE ON INDIVIDUAL DISPUTED CLAIMS, REGARDLESS OF THE AMOUNT FINALLY ALLOWED ON ACCOUNT OF SUCH DISPUTED CLAIMS.

ARTICLE VIII

EFFECT OF THE PLAN ON CLAIMS AND INTERESTS

(a) **Release of Liens.** Unless a particular Claim is Reinstated or except (Y) as otherwise set forth herein or (Z) respect to the Assumed First Lien Debt and any secured debt that may be issued by NewCo to a First Lien Lender: (i) each holder of a Secured Claim or a Claim that is purportedly secured (including an Other Secured Claim) shall, on or immediately before the Effective Date (or, in the case of Other Secured Claims treated pursuant to Section 4.4(c) of the Plan, on or prior to the date of the return of the relevant collateral) and as a condition to receiving any Distribution hereunder: (A) turn over and release to the Debtors, the Liquidating Companies or NewCo, as applicable, any and all property of the Debtors or the Estates that secures or purportedly secures such Claim; and (B) execute such documents and instruments as the Debtors, NewCo or the Liquidating Companies require to evidence such claimant's release of such property or lien securing such Claim; and (ii) on the Effective Date (or such other date described in this subsection), all claims, right, title and interest in such property shall revert to the Liquidating Companies or NewCo, as applicable, free and clear of all Claims and interests, including (without limitation) liens, charges, pledges, encumbrances and/or security interests of any kind. All liens of the holders of such Claims or Interests in property of the Debtors, the Estates, NewCo and/or the Liquidating Companies shall be deemed to be

canceled and released as of the Effective Date (or such other date described in this subsection). Notwithstanding the immediately preceding sentence, any such holder of a Disputed Claim shall not be required to execute and deliver such release of liens until ten (10) days after such Claim becomes an Allowed Claim or is Disallowed.

(b) **Cancellation of Stock/ Instruments.** The Parent Interests, the First Lien Facility, the DIP Facility (each including any related credit agreement, indenture, security and guaranty agreements, interest rate agreements and commodity hedging agreements), the Second Lien Facility and any other note, bond, indenture or other instrument or document evidencing or creating any indebtedness or obligation of the Debtors shall be deemed cancelled on the Effective Date; provided, that (i) the Assumed First Lien Debt, and the liens securing it, shall remain continue in accordance with the Liquidating Companies Exit Credit Agreement, (ii) and the Debtors' obligations under the DIP Facility shall be assumed by NewCo, and (iii) NewCo may assume a portion of the Debtors' obligations to the First Lien Lenders.

8.2 Vesting of Causes of Action in NewCo.

Except as otherwise provided in the Plan, all Causes of Action of the Debtors, including but not limited to those set forth on the Schedule of Retained Causes of Action contained in the Plan Supplement, shall be vested in NewCo, and NewCo may enforce any claims, rights and causes of action that the Debtors or the Estates may have previously held; provided, however, that in accordance with Sections 6.9 and 8.4 of the Plan, the Liquidating Companies shall retain and shall have standing to assert, Causes of Action solely to the extent necessary to assert rights of setoff or recoupment in respect of a Claim for which the Liquidating Companies are responsible hereunder and that would otherwise be Allowed. The retention of such rights by the Liquidating Companies may not result in an affirmative recovery by the Liquidating Companies from any actual or potential defendant.

8.3 Release of Claims.

(a) **Satisfaction of Claims and Interests.** The treatment to be provided for respective Allowed Claims or Interests pursuant to the Plan shall be in full and final satisfaction, settlement, release and discharge of such respective Claims or Interests.

(b) **Debtor Releases.** *Except as otherwise expressly set forth in the Plan or the Confirmation Order, as of the Effective Date, for the good and valuable consideration provided by each of the Released Parties, the adequacy of which is hereby confirmed, including good faith settlement and compromise of the claims released herein and the services of the Debtors' current officers, directors, managers and advisors in facilitation of the expeditious implementation of the transactions contemplated hereby, each Debtor and debtor in possession, and any person seeking to exercise the rights of the Debtors' estates, including without limitation, the Liquidating Companies, any successor to the Debtors, or any representative of the Debtors' estates appointed or selected pursuant to sections 1103, 1104, or 1123(b)(3) of the Bankruptcy Code or under chapter 7 of the Bankruptcy Code, including the Plan Administrator, shall be deemed to conclusively, absolutely, unconditionally, irrevocably and forever release, waive and discharge and shall be deemed to have provided a full discharge and release to each*

Released Party and their respective property (and each such Released Party so released shall be deemed fully released and discharged by each Debtor, debtor in possession, and any person seeking to exercise the rights of the Debtors' estates, including without limitation, the Liquidating Companies, the Plan Administrator, any successor to the Debtors, or any representative of the Debtors' estates appointed or selected pursuant to sections 1103, 1104, or 1123(b)(3) of the Bankruptcy Code or under chapter 7 of the Bankruptcy Code) of all claims (as such term "claim" is defined in section 101(5) of the Bankruptcy Code), obligations, debts, suits, judgments, damages, demands, rights, causes of action, remedies and liabilities whatsoever, (other than all rights, remedies and privileges to enforce the Plan and the contracts, instruments, releases, indentures and other agreements or documents (including, without limitation, the Plan Documents) delivered thereunder) whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise that are based on, related to, or in any manner arising from, in whole or in part, any act, omission, transaction, event or other occurrence taking place on or prior to the Effective Date in any way relating to the Debtors, the Liquidating Companies, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims or Interests prior to or in the Chapter 11 Cases, the parties released pursuant to this Section 8.3(b), the Chapter 11 Cases, the Plan or the Disclosure Statement, or any related contracts, instruments, releases, agreements and documents, that could have been asserted by or on behalf of the Debtors, the debtors in possession or their Estates, or any of their affiliates, whether directly, indirectly, derivatively or in any representative or any other capacity, individually or collectively, in their own right or on behalf of the holder of any Claim or Interest or other entity, against any Released Party; provided, however, that in no event shall anything in this Section 8.3(b) be construed as a release of any (i) Intercompany Claim or (ii) Person's fraud, gross negligence, or willful misconduct, as determined by a Final Order, for matters with respect to the Debtors.

(c) **Releases by Holders of Claims and Interests.** *Except as expressly set forth in the Plan or the Confirmation Order, on the Effective Date, to the fullest extent permissible under applicable law, as such law may be extended or interpreted subsequent to the Effective Date, each Releasing Party (regardless of whether such Releasing Party is a Released Party), in consideration for the obligations of the Debtors and the other Released Parties under the Plan, the Distributions provided for under the Plan, and the contracts, instruments, releases, agreements or documents executed and delivered in connection with the Plan and the Restructuring Transaction, will be deemed to have consented to the Plan for all purposes and the restructuring embodied herein and deemed to conclusively, absolutely, unconditionally, irrevocably and forever release, waive and discharge (and each entity so released shall be deemed released and discharged by the Releasing Parties) all claims (as such term "claim" is defined in section 101(5) of the Bankruptcy Code), obligations, debts, suits, judgments, damages, demands, rights, causes of action, remedies or liabilities whatsoever, including all derivative claims asserted or which could be asserted whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that are based on, related to, or in any manner arising from, in whole or in part, any act or omission, transaction, event or other occurrence*

taking place on or prior to the Effective Date in any way relating to the Debtors, the Liquidating Companies, the Chapter 11 Cases, the purchase or sale or rescission of the purchase or sale of any security of the Debtors or the Liquidating Companies, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Releasing Party, the restructuring of Claims or Interests prior to or in the Chapter 11 Cases, the Plan or the Disclosure Statement or any related contracts, instruments, releases, agreements and documents (including the Plan Documents), against any Released Party and its respective property; provided, however, that in no event shall anything in this Section 8.3(c) be construed as a release of any (i) Intercompany Claim or (ii) Person's fraud, gross negligence, or willful misconduct, as determined by a Final Order, for matters with respect to the Debtors.

Entry of the Confirmation Order will constitute the Bankruptcy Court's approval, pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019, of the releases in Sections 8.3(b) and (c), which includes by reference each of the related provisions and definitions contained herein, and further, will constitute the Bankruptcy Court's finding that such releases are (i) in exchange for the good and valuable consideration provided by the Debtors and the other Released Parties, representing good faith settlement and compromise of the claims released herein, (ii) in the best interests of the Debtors and all holders of Claims and Interests, (iii) fair, equitable, and reasonable, (iv) approved after due notice and opportunity for hearing, and (v) a bar to any of the Releasing Parties asserting any claim or cause of action released by the Releasing Parties against any of the Debtors, the other Released Parties or their respective property.

Notwithstanding anything to the contrary contained herein, with respect to a Released Party that is a non-Debtor, nothing in the Plan or the Confirmation Order shall effect a release of any claim by the United States government or any of its agencies whatsoever, including without limitation, any claim arising under the Internal Revenue Code, the environmental laws or any criminal laws of the United States against such Released Party, nor shall anything in the Confirmation Order or the Plan enjoin the United States from bringing any claim, suit, action or other proceeding against such Released Party for any liability whatever, including without limitation, any claim, suit or action arising under the Internal Revenue Code, the environmental laws or any criminal laws of the United States, nor shall anything in the Confirmation Order or the Plan exculpate any non-Debtor party from any liability to the United States Government or any of its agencies, including any liabilities arising under the Internal Revenue Code, the environmental laws or any criminal laws of the United States against such Released Party.

Notwithstanding anything to the contrary contained herein, except to the extent permissible under applicable law, as such law may be extended or interpreted subsequent to the Effective Date, except with respect to a Released Party that is a Debtor, nothing in the Confirmation Order or the Plan shall effect a release of any claim by any state or local authority whatsoever, including without limitation, any claim arising under the environmental laws or any criminal laws of any state or local authority against any Released Party that is a non-Debtor, nor shall anything in the Confirmation Order or the Plan enjoin any state or local authority from bringing any claim, suit, action or other proceeding against any Released Party that is a non-

Debtor for any liability whatever, including without limitation, any claim, suit or action arising under the environmental laws or any criminal laws of any state or local authority, nor shall anything in the Confirmation Order or the Plan exculpate any party from any liability to any state or local authority whatsoever, including any liabilities arising under the environmental laws or any criminal laws of any state or local authority against any Released Party that is a non-Debtor. As to any state or local authority, nothing in the Plan or Confirmation Order shall discharge, release, or otherwise preclude any valid right of setoff or recoupment.

As to the United States, its agencies, departments or agents, nothing in the Plan or Confirmation Order shall discharge, release, or otherwise preclude: (i) any liability of the Debtors or Liquidating Companies arising on or after the Effective Date; or (ii) any valid right of setoff or recoupment. Furthermore, nothing in the Plan or the Confirmation Order: (A) discharges, releases, or precludes any environmental liability that is not a claim (as that term is defined in the Bankruptcy Code), or any environmental claim (as the term "claim" is defined in the Bankruptcy Code) of a governmental unit that arises on or after the Effective Date; (B) releases the Debtors or the Liquidating Companies from any non-dischargeable liability under environmental law as the owner or operator of property that such persons own or operate after the Effective Date; (C) releases or precludes any environmental liability to a governmental unit on the part of any Persons other than the Debtors and Liquidating Companies; or (D) enjoins a governmental unit from asserting or enforcing outside this Court any liability described in this paragraph.

(d) **Release Opt-Out**. *Except as otherwise may be provided in the Confirmation Order, each holder of a General Unsecured Claim or an Interest that does not elect to opt out of the release provisions set forth in this Section 8.3 of the Plan by returning an Opt-Out Notice to the Solicitation Agent on or before the Opt-Out Deadline shall be a Releasing Party and Released Party.*

(e) **Injunction.** *Except as otherwise provided in the Plan or the Confirmation Order, as of the Confirmation Date, but subject to the occurrence of the Effective Date, all Persons who have held, hold or may hold Claims against or Interests in the Debtors or the Estates are, with respect to any such Claims or Interests, permanently enjoined after the Confirmation Date from: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against or affecting the Debtors, the Liquidating Companies, the Estates, NewCo, the Plan Administrator or any of their property, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the foregoing Persons or any property of any such transferee or successor; (ii) enforcing, levying, attaching (including, without limitation, any pre-judgment attachment), collecting or otherwise recovering by any manner or means, whether directly or indirectly, any judgment, award, decree or order against the Debtors, the Liquidating Companies, NewCo, the Plan Administrator or the Estates or any of their property, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the foregoing Persons, or any property of any such transferee or successor; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the Debtors, the Liquidating Companies, NewCo, the Plan Administrator or the Estates or any of*

their property, or any direct or indirect transferee of any property of, or successor in interest to, any of the foregoing Persons; (iv) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Plan to the full extent permitted by applicable law; (v) asserting any right of setoff, subrogation or recoupment of any kind against any obligation due from the Debtors, the Liquidating Companies, NewCo, the Plan Administrator, the Estates or any of their property, or any direct or indirect transferee of any property of, or successor in interest to, any of the foregoing Persons; (vi) commencing or continuing, in any manner or in any place, any action that does not comply with or is inconsistent with the provisions of the Plan; provided, further, that the Releasing Parties are, with respect to Claims or Interests held by such parties, permanently enjoined after the Confirmation Date from taking any actions referred to in clauses (i) through (vi) above against the Released Parties or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the Released Parties or any property of any such transferee or successor; provided, however, that nothing contained herein shall preclude any Person from exercising its rights, or obtaining benefits, directly and expressly provided to such entity pursuant to and consistent with the terms of the Plan, the Plan Supplement and the contracts, instruments, releases, agreements and documents delivered in connection with the Plan.

All Persons releasing claims pursuant to Section 8.3(b) or (c) of the Plan shall be permanently enjoined, from and after the Confirmation Date, from taking any actions referred to in clauses (i) through (v) of the immediately preceding paragraph against any party with respect to any claim released pursuant to Section 8.3(b) or (c).

(f) **Exculpation.** *None of the Released Parties shall have or incur any liability to any holder of any Claim or Interest for any prepetition or postpetition act or omission in connection with, or arising out of the Debtors' restructuring, including without limitation, the negotiation and execution of the Plan, the Plan Documents, the Chapter 11 Cases, the Disclosure Statement, the dissemination of the Plan, the solicitation of votes for and the pursuit of the Plan, the consummation of the Plan, or the administration of the Plan or the property to be distributed under the Plan, including, without limitation, all documents ancillary thereto, all decisions, actions, inactions and alleged negligence or misconduct relating thereto and all prepetition or postpetition activities taken or omission in connection with the Plan or the restructuring of the Debtors except fraud, gross negligence or willful misconduct, each as determined by a Final Order. The Released Parties shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan; provided, however, solely to the extent that it would contravene any applicable ethical rule of professional conduct, if binding on an attorney of a Released Party, no attorney of any Released Party shall be released by the Debtors or the Liquidating Companies.*

(g) **Injunction Related to Exculpation.** *The Confirmation Order shall permanently enjoin the commencement or prosecution by any person or entity, whether directly, derivatively or otherwise, of any Claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action or liabilities from which such person or entity is exculpated pursuant to Section 8.3(e) of the Plan.*

(h) **Exclusive Jurisdiction.** The Bankruptcy Court (and the United States District Court for the Southern District of Texas) shall retain exclusive jurisdiction to adjudicate any and all claims or causes or action (i) against any Released Party, (ii) relating to the Debtors, the Plan, the Distributions, the NewCo Common Stock, the Chapter 11 Cases, the Liquidating Companies, NewCo, the Plan Administrator, the Restructuring Transaction, or any contract, instrument, release, agreement or document executed and delivered in connection with the Plan and the Restructuring Transaction, and (iii) brought by the Debtors (or any successor thereto) or any holder of a Claim or Interest.

8.4 Objections to Claims and Interests.

Unless otherwise ordered by the Bankruptcy Court, objections to Claims shall be filed and served on the applicable holder of such Claim not later than 180 days after the later to occur of: (a) the Effective Date; and (b) the filing of the relevant Claim. Notwithstanding any authority to the contrary, an objection to a Claim shall be deemed properly served on the claimant if the objecting party effects service in any of the following manners: (x) in accordance with Federal Rule of Civil Procedure 4, as modified and made applicable by Bankruptcy Rule 7004; (y) by first class mail, postage prepaid, on the signatory on the proof of claim as well as all other representatives identified in the proof of claim or any attachment thereto; or (z) by first class mail, postage prepaid, on any counsel that has appeared on the claimant's behalf in the Chapter 11 Cases (so long as such appearance has not been subsequently withdrawn).

After the Confirmation Date, only the Liquidating Companies shall have the authority to file, settle, compromise, withdraw, or litigate to judgment objections to Claims. From and after the Effective Date, the Liquidating Companies may settle or compromise any Disputed Claim without Bankruptcy Court approval. Any Claims filed after any Bar Date, if applicable, shall be deemed Disallowed and expunged in their entirety without further order of the Bankruptcy Court or any action being required on the part of the Debtors or the Liquidating Companies, unless the Person or entity wishing to file such untimely Claim has received prior Bankruptcy Court authority to do so.

8.5 Amendments to Claims.

Unless otherwise provided herein, or otherwise consented to by the Plan Administrator, the Debtors or Liquidating Companies, any Claim or amendment to a Claim, which Claim or amendment is filed after the Confirmation Date, shall be deemed Disallowed in full and expunged without any action by the Plan Administrator, the Debtors or Liquidating Companies, unless the holder of such Claim has obtained prior Bankruptcy Court authorization for such filing.

8.6 Estimation of Claims.

Any Debtor, Liquidating Company or holder of a Claim may request that the Bankruptcy Court estimate any Claim pursuant to section 502(c) of the Bankruptcy Code for purposes of determining the Allowed amount of such Claim regardless of whether any Person has previously objected to such Claim or whether the Bankruptcy Court has ruled on any such

objection, and the Bankruptcy Court shall retain jurisdiction to estimate any Claim for purposes of determining the allowed amount of such Claim at any time. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim for allowance purposes, that estimated amount will constitute either the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on such Claim, any objecting party may elect to pursue any supplemental proceedings to object to any ultimate payment on such Claim. All of the objection, estimation, settlement, and resolution procedures set forth in the Plan are cumulative and not necessarily exclusive of one another.

ARTICLE IX

EXECUTORY CONTRACTS

9.1 Executory Contracts and Unexpired Leases.

(a) On the Effective Date, all executory contracts and unexpired leases set forth on the Schedule of Assumed Contracts and Leases shall be assumed by the Liquidating Companies and, if applicable, assigned to NewCo, as set forth on such schedule, pursuant to the provisions of sections 365 and 1123 of the Bankruptcy Code, except any executory contract or unexpired lease that is the subject of a Cure Dispute pursuant to Section 9.2 of the Plan and for which the Debtors, Liquidating Companies or NewCo, as the case may be, makes a motion to reject such contract or lease based upon the existence of such Cure Dispute filed at any time.

(b) Subject to subsection (a) above and Section 9.2 below, the Confirmation Order shall constitute an order of the Bankruptcy Court approving the assumption or rejection, as applicable, of executory contracts and unexpired leases the assumption or rejection of which is provided for in Section 9.1(a) of the Plan pursuant to sections 365 and 1123 of the Bankruptcy Code and such assumption or rejection shall be deemed effective as of the Effective Date.

(c) Any executory contract or unexpired lease not set forth on the Schedule of Assumed Contracts and Leases shall be deemed rejected as of the Effective Date.

(d) If the rejection of any executory contract or unexpired lease gives rise to a Claim by the non-Debtor party or parties to such contract or lease, such Claim, to the extent that it is timely filed and is an Allowed Claim, shall be classified as a General Unsecured Claim; provided, however, that the General Unsecured Claim arising from such rejection shall be forever barred and shall not be enforceable against the Debtors, the Liquidating Companies, the Plan Administrator, their successors or properties, unless a proof of such Claim is filed and served on the Liquidating Companies within thirty (30) days after the date of notice of the entry of the order of the Court rejecting the executory contract or unexpired lease, which may include, if applicable, the Confirmation Order.

9.2 Cure.

(a) At the election of the Liquidating Companies, any monetary defaults under each executory contract and unexpired lease to be assumed under the Plan shall be satisfied pursuant to section 365(b)(1) of the Bankruptcy Code, in one of the following ways: (i) by payment of the default amount (the "**Cure Amount**") in Cash on or as soon as reasonably practicable after the later to occur of (A) thirty (30) days after the determination of the Cure Amount and (B) the Effective Date or such other date as may be set by the Bankruptcy Court; or (ii) on such other terms as agreed to by the Debtors or Liquidating Companies and the non-Debtor party to such executory contract or unexpired lease.

(b) In the event of a dispute (each, a "**Cure Dispute**") regarding: (i) the Cure Amount; (ii) the ability of the Debtors, the Liquidating Companies or NewCo, as applicable, to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed; or (iii) any other matter pertaining to the assumption of an executory contract or unexpired lease, the cure payment required by section 365(b)(1) of the Bankruptcy Code shall be made only following the entry of a Final Order resolving the Cure Dispute and approving the assumption of such executory contract or unexpired lease. If a Cure Dispute relates solely to the Cure Amount, the applicable Debtor may assume and/or assume and assign the subject contract or lease prior to resolution of the Cure Dispute, provided that the Debtors reserve Cash in an amount sufficient to pay the full amount asserted by the non-Debtor party to the subject contract (or such other amount as may be fixed or estimated by the Bankruptcy Court). Such reserve may be in the form of a book entry and evergreen in nature. The Debtors or Liquidating Companies shall have the right at any time to move to reject any executory contract or unexpired lease based on the existence of a Cure Dispute.

ARTICLE X

CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN

10.1 Conditions Precedent to Confirmation.

Confirmation of the Plan is subject to:

(a) entry of the Confirmation Order, which shall be in form and substance reasonably satisfactory to the Debtors and the Required First Lien Lenders; and

(b) the Plan Documents having been filed in substantially final form prior to the Confirmation Hearing, which Plan Documents shall be in form and substance reasonably satisfactory to the Debtors and the Required First Lien Lenders.

10.2 Conditions to the Effective Date.

It shall be a condition to the Effective Date of the Plan that the following conditions shall have been satisfied or waived pursuant to the provisions of Article X hereof:

(a) the Confirmation Order in form and substance reasonably satisfactory to the Debtors and the Required First Lien Lenders shall have been entered and shall have become a Final Order;

(b) the Debtors shall have received all authorizations, consents, regulatory approvals, rulings or documents that are necessary to implement and effectuate the Plan;

(c) NewCo shall have been formed;

(d) the Liquidating Companies Exit Credit Agreement, including all ancillary documents, opinions of counsel and closing certificates, in form and substance reasonably satisfactory to the Debtors and the Required First Lien Lenders, shall have been executed and delivered and entered into by the Liquidating Companies and the lenders under Liquidating Companies Working Capital Facility;

(e) the Debtors shall have, or shall have received pursuant to the Liquidating Companies Working Capital Facility, the requisite funding to make any Distributions required under the Plan to be made in Cash on the Effective Date;

(f) all other Plan Documents in form and substance reasonably satisfactory to the Required First Lien Lenders required to be executed and delivered on or prior to the Effective Date shall have been executed and delivered, and, to the extent required, filed with the applicable governmental units in accordance with applicable laws, and shall be consistent in all respects with the Plan; and

(g) all of the reasonable, actual and documented fees and expenses of the Required First Lien Lenders, including, but not limited to, the fees and expenses of Willkie Farr & Gallagher LLP, shall have been paid in full.

10.3 Waiver of Conditions Precedent.

Other than the requirement that the Confirmation Order must be entered, which cannot be waived, the requirement that a particular condition be satisfied may be waived in whole or part by the Debtors, with the consent of the Required First Lien Lenders, without notice and a hearing. The failure to satisfy or waive any condition may be asserted by the Debtors regardless of the circumstances giving rise to the failure of such condition to be satisfied (including, without limitation, any act, action, failure to act or inaction by the Debtors). The failure of the Debtors to assert the non-satisfaction of any such conditions shall not be deemed a waiver of any other rights hereunder, and each such right shall be deemed an ongoing right that may be asserted or waived (as set forth herein) at any time or from time to time.

10.4 Effect of Non-Occurrence of the Conditions to Consummation.

If each of the conditions to confirmation and consummation of the Plan and the occurrence of the Effective Date has not been satisfied or duly waived on or before the first Business Day that is more than sixty (60) days after the Confirmation Date, or by such later date as is proposed by the Debtors and is reasonably approved by the Required First Lien Lenders

and, after notice and a hearing, by the Bankruptcy Court, upon motion by any party in interest made before the time that each of the conditions has been satisfied or duly waived, the Confirmation Order may be vacated by the Bankruptcy Court; provided, however, that notwithstanding the filing of such a motion, the Confirmation Order shall not be vacated if each of the conditions to consummation is either satisfied or duly waived before the Bankruptcy Court enters an order granting the relief requested in such motion. If the Confirmation Order is vacated pursuant to this section, the Plan shall be null and void in all respects, and nothing contained in the Plan shall: (a) constitute a waiver or release of any Claims against or Interests in the Debtors; or (b) prejudice in any manner the rights of the Debtors, including (without limitation) the right to seek a further extension of the exclusive periods to file and solicit votes with respect to a plan under section 1121(d) of their Bankruptcy Code.

10.5 Withdrawal of the Plan.

Subject to the consent of the Required First Lien Lenders, the Debtors reserve the right to modify or revoke and withdraw the Plan at any time before the Confirmation Date or, if the Debtors are for any reason unable to consummate the Plan after the Confirmation Date, at any time up to the Effective Date. If the Debtors revoke and withdraw the Plan: (a) nothing contained herein shall be deemed to constitute a waiver or release of any claims by or against the Debtors or to prejudice in any manner the rights of the Debtors or any Persons in any further proceeding involving the Debtors; and (b) the result shall be the same as if the Confirmation Order were not entered, the Plan was not filed and no actions were taken to effectuate it.

10.6 Cramdown.

Because certain Classes are deemed to have rejected the Plan, the Debtors will request confirmation of the Plan, as it may be modified from time to time, under section 1129(b) of the Bankruptcy Code. The Debtors reserve the right to alter, amend, modify, revoke or withdraw the Plan in order to satisfy the requirements of section 1129(b) of the Bankruptcy Code, if necessary.

ARTICLE XI

ADMINISTRATIVE PROVISIONS

11.1 Retention of Jurisdiction.

(a) **Purposes.** Notwithstanding confirmation of the Plan or occurrence of the Effective Date, the Bankruptcy Court shall retain such jurisdiction as is legally permissible, including, without limitation, for the following purposes:

(i) to determine the allowability, classification, or priority of Claims upon objection by the Plan Administrator, Liquidating Companies or any other party in interest entitled hereunder to file an objection (including the resolution of disputes regarding any Disputed Claims and claims for disputed Distributions), and the validity, extent, priority and nonavoidability of consensual and nonconsensual liens and other encumbrances;

(ii) to issue injunctions or take such other actions or make such other orders as may be necessary or appropriate to restrain interference with the Plan or its execution or implementation by any Person, to construe and to take any other action to enforce and execute the Plan, the Confirmation Order, or any other order of the Bankruptcy Court, to issue such orders as may be necessary for the implementation, execution, performance and consummation of the Plan and all matters referred to herein, and to determine all matters that may be pending before the Bankruptcy Court in the Chapter 11 Cases on or before the Effective Date with respect to any Person;

(iii) to protect the property of the Estates from claims against, or interference with, such property, including actions to quiet or otherwise clear title to such property or to resolve any dispute concerning liens, security interest or encumbrances on any property of the Estate;

(iv) to determine any and all applications for allowance of Fee Claims;

(v) to determine any Priority Tax Claims, Other Priority Claims, Administrative Claims or any other request for payment of claims or expenses entitled to priority under section 507(a) of the Bankruptcy Code;

(vi) to resolve any dispute arising under or related to the implementation, execution, consummation or interpretation of the Plan and the making of Distributions hereunder;

(vii) to determine any and all motions related to the rejection, assumption or assignment of executory contracts or unexpired leases or to resolve any disputes relating to the appropriate cure amount or other issues related to the assumption of executory contracts or unexpired leases in the Chapter 11 Cases;

(viii) to determine all applications, motions, adversary proceedings, contested matters, actions, and any other litigated matters instituted in and prior to the closing of the Chapter 11 Cases, including any remands;

(ix) to enter a Final Order closing the Chapter 11 Cases;

(x) to modify the Plan under section 1127 of the Bankruptcy Code, remedy any defect, cure any omission, or reconcile any inconsistency in the Plan or the Confirmation Order so as to carry out its intent and purposes;

(xi) to issue such orders in aid of consummation of the Plan and the Confirmation Order notwithstanding any otherwise applicable non-bankruptcy law, with respect to any Person, to the full extent authorized by the Bankruptcy Code;

(xii) to enable NewCo or the Liquidating Companies, as applicable, to prosecute any and all proceedings to set aside liens or encumbrances and to recover any transfers, assets, properties or damages to which the Debtors may be entitled under applicable

provisions of the Bankruptcy Code or any other federal, state or local laws except as may be waived pursuant to the Plan;

(xiii) to determine any tax liability pursuant to section 505 of the Bankruptcy Code;

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

(xv) to resolve any disputes concerning whether a Person had sufficient notice of the Chapter 11 Cases, any applicable Bar Date, the hearing to consider approval of the Disclosure Statement or the Confirmation Hearing or for any other purpose;

(xvi) to resolve any dispute or matter arising under or in connection with any order of the Bankruptcy Court entered in the Chapter 11 Cases;

(xvii) to hear and resolve any causes of action involving the Debtors, the Liquidating Companies or the Estates that arose prior to the Confirmation Date or in connection with the implementation of the Plan, including actions to avoid or recover preferential transfers or fraudulent conveyances;

(xviii) to resolve any disputes concerning any release of a nondebtor hereunder or the injunction against acts, employment of process or actions against such nondebtor arising hereunder;

(xix) to approve any Distributions, or objections thereto, under the Plan;

(xx) to approve any Claims settlement entered into or offset exercised by the Debtors, the Plan Administrator or Liquidating Companies;

(xxi) To enforce the release, injunction and exculpation sections of the Plan and Confirmation Order; and

(xxii) to determine such other matters, and for such other purposes, as may be provided in the Confirmation Order, or as may be authorized under provisions of the Bankruptcy Code;

provided, however, notwithstanding anything to the contrary in the Plan or the Confirmation Order, after the Effective Date, the Bankruptcy Court's retention of jurisdiction shall not govern the enforcement of the loan documentation executed in connection any document in the Plan Supplement that has a choice of venue provision, which provision shall govern exclusively.

(b) **Failure of the Bankruptcy Court to Exercise Jurisdiction**. If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising in, arising under, or related to the Chapter 11 Cases, then section 11.1(a) of the Plan shall have no effect upon and shall not control, prohibit, or limit the exercise of jurisdiction by any other court having jurisdiction with respect to such matter.

11.2 Governing Law.

Except to the extent the Bankruptcy Code, Bankruptcy Rules, or other federal laws apply and except for Reinstated Claims governed by another jurisdiction's law, the rights and obligations arising under the Plan shall be governed by the laws of the State of Delaware, without giving effect to principles of conflicts of law.

11.3 Time.

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

11.4 Amendments.

(a) **Preconfirmation Amendment**. The Debtors may modify the Plan at any time prior to the entry of the Confirmation Order provided that the Plan, as modified, and the disclosure statement pertaining thereto meet applicable Bankruptcy Code requirements and each such modification is satisfactory to the Required First Lien Lenders.

(b) **Postconfirmation Amendment Not Requiring Resolicitation.** After the entry of the Confirmation Order, the Debtors may modify the Plan to remedy any defect or omission or to reconcile any inconsistencies in the Plan or in the Confirmation Order, as may be necessary to carry out the purposes and effects of the Plan; provided that the Debtors obtain approval of the Bankruptcy Court for such modification, after notice and a hearing, and each such modification is satisfactory to the Required First Lien Lenders. Any waiver under Section 10.3 hereof shall not be considered to be a modification of the Plan.

(c) **Postconfirmation/Preconsummation Amendment Requiring Resolicitation.** After the Confirmation Date and before substantial consummation of the Plan, the Debtors may modify the Plan in a way that materially and adversely affects the interests, rights, treatment, or Distributions of a Class of Claims or Interests; provided that: (i) the Plan, as modified, meets applicable Bankruptcy Code requirements; (ii) the Debtors obtain Court approval for such modification, after notice and a hearing; (iii) such modification is accepted by the holders of at least two-thirds in amount, and more than one-half in number, of Allowed Claims or Interests voting in each Class affected by such modification, or, alternatively such Plan satisfies the requirements of section 1129(b) of the Bankruptcy Code with respect to such affected Class; and (iv) the Debtors comply with section 1125 of the Bankruptcy Code with respect to the Plan as modified.

11.5 Successors and Assigns.

The rights, benefits, and obligations of any Person named or referred to in the Plan shall be binding upon, and shall inure to the benefit of, the heirs, executors, administrators, successors and/or assigns of such Person.

11.6 Controlling Documents.

To the extent the Plan is inconsistent with the Disclosure Statement or any other agreement entered into between the Debtors and any party, the Plan controls the Disclosure Statement and any other such agreements. To the extent that the Plan is inconsistent with the Confirmation Order, the Confirmation Order (and any other orders of the Bankruptcy Court) control the Plan.

11.7 Termination of Professionals.

On the Effective Date, the engagement of each Professional Person retained by the Debtors shall be terminated without further order of the Bankruptcy Court or act of the parties; provided, however, (a) such Professional Persons shall be entitled to prosecute their respective Fee Claims and represent their respective constituents with respect to applications for payment of such Fee Claims, and (b) nothing herein shall prevent the Liquidating Companies from retaining any such Professional Person on or after the Effective Date, which retention shall not require Bankruptcy Court approval.

11.8 Notices.

All notices or requests in connection with the Plan shall be in writing and will be deemed to have been given when received by mail and addressed to:

(a) if to the Debtors:

Global Geophysical Services, LLC
13927 S. Gessner Road
Missouri City, Texas 77489
Attention: Sean M. Gore, Chief Financial Officer
Telecopier No.: (713) 808-7764
Email: sean.gore@globalgeophysical.com

with a copy to:

Baker Botts LLP
2001 Ross Avenue
Dallas, Texas 75201-2980
Attention: C. Luckey McDowell
Ian E. Roberts
Telecopier No.: (214) 953-6571
Email: luckey.mcdowell@bakerbotts.com
ian.roberts@bakerbotts.com

(b) if to the Required First Lien Lenders:

Morgan Stanley
1585 Broadway, 16th Floor
New York, New York 10036
Attention: Colin Adams
Email: Colin.Adams@morganstanley.com

with copies to:

Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, New York 10019
Attention: Leonard Klingbaum, Esq.
John C. Longmire, Esq.
Telecopy: (212) 728-8111
E-mail: lklingbaum@willkie.com
jlongmire@willkie.com

-and-

Willkie Farr & Gallagher LLP
600 Travis Street, Suite 2310
Houston, Texas 77002
Attention: Jennifer J. Hardy
E-mail: jhardy2@willkie.com

(c) if to the DIP Agent or the First Lien Agent:

Wilmington Savings Fund Society, FSB
500 Delaware Avenue, 11th Floor
Wilmington, DE 19801
Attention: Loan Agency - Global Geophysical Services
Telecopier No.: (302) 421-9137
Email: KMoore@wsfsbank.com

with copies to:

Kelley Drye & Warren LLP
101 Park Avenue
New York, New York 10178
Attention: Pamela Bruzzese-Szczygiel
Telecopier No.: (212) 808-7897
Email: pbruzzese-szczygiel@kelleydrye.com:

11.9 Reservation of Rights.

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

Dated: July 20, 2016

Respectfully submitted,

GLOBAL GEOPHYSICAL SERVICES, LLC, a Delaware limited liability company, on behalf of itself and its subsidiaries

By: /s/ *Sean Gore*
Name: Sean Gore
Title: Chief Executive Officer

Exhibit B

Unaudited Liquidation Analysis

UNAUDITED LIQUIDATION ANALYSIS

Projected as of August 31, 2016

NOTHING CONTAINED IN THE FOLLOWING LIQUIDATION ANALYSIS IS INTENDED TO BE OR CONSTITUTES A CONCESSION OR ADMISSION OF THE DEBTORS. THE ESTIMATED AMOUNT OF ALLOWED CLAIMS SET FORTH HEREIN SHOULD NOT BE RELIED UPON FOR ANY OTHER PURPOSE, INCLUDING ANY DETERMINATION OF THE VALUE OF ANY DISTRIBUTION TO BE MADE ON ACCOUNT OF ALLOWED CLAIMS UNDER THE PLAN. THE ACTUAL AMOUNT OF ALLOWED CLAIMS IN THESE CHAPTER 11 CASES COULD DIFFER MATERIALLY FROM THE ESTIMATED AMOUNTS SET FORTH IN THE LIQUIDATION ANALYSIS.

Introduction

Often called the "best interests" test, section 1129(a)(7) of the Bankruptcy Code requires that the Bankruptcy Court find, as a condition to confirmation of the Plan, that each holder of a Claim or Interest in each Impaired Class: (i) has accepted the Plan; or (ii) will receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the amount that such Person would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code. To make these findings, the Bankruptcy Court must: (1) estimate the cash proceeds (the "Net Estimated Liquidation Proceeds") that a chapter 7 trustee would generate if each Debtor's Chapter 11 Case were converted to a chapter 7 case on the Effective Date and the assets of such Debtor's estate were liquidated; (2) determine the distribution (the "Estimated Recovery Under Liquidation") that each non-accepting holder of a Claim or Interest would receive from the Net Estimated Liquidation Proceeds under the priority scheme dictated in chapter 7; and (3) compare each holder's Estimated Recovery Under Liquidation to the distribution under the Plan (the "Plan Recovery") that such Holder would receive if the Plan were confirmed and consummated.

Accordingly, asset values discussed herein may be different than amounts referred to in the Plan. The Liquidation Analysis is based upon certain assumptions discussed herein and in the Disclosure Statement.

Significant Assumptions

Hypothetical recoveries to creditors and equity holders of the Debtors in chapter 7 were determined through multiple steps, as set forth below. The basis of the Liquidation Analysis is the Debtors' projected cash balance and assets as of August 31, 2016 (the "Conversion Date"), of which $2.0 million will be provided through a DIP Facility at bankruptcy filing by the current

First Lien Lenders. In the event of a conversion to chapter 7, it is likely that the First Lien Lenders would assert that the value of the Debtors' assets that are subject to liens under the Debtors' First Lien Credit Agreement (substantially all of the Debtors' assets) is less than the value of the outstanding First Lien Claims. In addition, any recoveries that are not subject to liens would first satisfy any amounts remaining under the First Lien Credit Agreement given its seniority. Moreover, all chapter 11 and chapter 7 administrative expense claims must be paid in full before any second lien and any prepetition unsecured creditors may receive any recovery. This would effectively leave no value for second lien creditors or prepetition unsecured creditors. In a chapter 7 conversion, it is assumed that the First Lien Lenders would reach agreement with a chapter 7 trustee for a prompt orderly liquidation of the Estates. This agreement would provide for the payment of the trustee's fees and payment of professionals assisting the trustee while the trustee liquidates the Estates. It is assumed that the Debtors would cease operations in order to minimize costs associated with the chapter 7 wind down and liquidation. The Debtors own most of the recording equipment and assets that are used by the non-Debtor subsidiaries, thus operations at those subsidiaries would cease as well, due to equipment liquidation. Therefore, for the purposes of the Liquidation Analysis, the Debtors and their advisors have attempted to ascribe value or comment on each of the assets individually as they would be liquidated by a chapter 7 trustee and the professionals retained by the trustee. Where applicable, asset recoveries below are shown net of the costs associated with achieving those recoveries.

The Debtors have not historically prepared, and the Debtors' accounting system does not currently produce, financial statements by legal entity. For the purposes of preparing the Liquidation Analysis, the Debtors have assumed all the assets and operations reside in one entity, Global Geophysical Services, Inc.

The statements in the Liquidation Analysis, including estimates of Allowed Claims, were prepared solely to assist the Bankruptcy Court in making the findings required under section 1129(a)(7) of the Bankruptcy Code and they may not be used or relied upon for any other purpose.

THE DEBTORS BELIEVE THAT ANY ANALYSIS OF A HYPOTHETICAL LIQUIDATION IS NECESSARILY SPECULATIVE. THERE ARE A NUMBER OF ESTIMATES AND ASSUMPTIONS UNDERLYING THE LIQUIDATION ANALYSIS THAT ARE INHERENTLY SUBJECT TO SIGNIFICANT UNCERTAINTIES AND CONTINGENCIES BEYOND THE CONTROL OF THE DEBTORS OR A CHAPTER 7 TRUSTEE. NEITHER THE LIQUIDATION ANALYSIS, NOR THE FINANCIAL INFORMATION ON WHICH IT IS BASED, HAS BEEN EXAMINED OR REVIEWED BY INDEPENDENT ACCOUNTANTS IN ACCORDANCE WITH STANDARDS PROMULGATED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS. THERE CAN BE NO ASSURANCE THAT ACTUAL RESULTS WILL NOT VARY MATERIALLY FROM THE HYPOTHETICAL RESULTS PRESENTED IN THE LIQUIDATION ANALYSIS.

Summary Notes to Liquidation Analysis

1. *Dependence on assumptions*. The Liquidation Analysis is based on a number of estimates and assumptions that, although developed and considered reasonable by management and the Debtors' advisors, are inherently subject to significant economic, business, regulatory and competitive uncertainties and contingencies beyond the control of the Debtors. Accordingly, there can be no assurance that the values reflected in this Liquidation Analysis would be realized if the Debtors were, in fact, to undergo such a liquidation and actual results could vary materially and adversely from those contained herein.

2. *Preference transfers.* Under a Chapter 7 conversion scenario, the Liquidation Analysis assumes no preference action is undertaken on preference payments made within 90-days prior to the petition date. A thorough preference analysis has not been conducted by the Debtor or its advisors.

3. *Fraudulent transfers.* No recovery or related litigation costs have been attributed to any potential fraudulent transfer actions under the Bankruptcy Code. The Debtors do not believe that such causes of action would have a material effect on the Liquidation Analysis for purposes of section 1129(a)(7) of the Bankruptcy Code.

4. *Dependence on a forecasted balance sheet.* This Liquidation Analysis is dependent on a forecasted balance sheet and the Debtors' current best estimates with respect to forecasted balances and are based on the Debtors' current legal and financial review. Forecasted balances could vary from the Debtors' estimates and additional legal or financial analysis could cause the Debtors' estimates to change.

5. *Chapter 7 liquidation costs*. As noted above, the Debtors have assumed that the First Lien Lenders and a chapter 7 trustee reach an agreement that would provide for payment of the trustee's and its professionals' reasonable fees for winding down and liquidating the Debtors' Estates in a prompt manner. It is assumed that it would take six months to complete the wind down and liquidation of the Debtors' assets. These fees are included in the estimate of Chapter 7 Admin Claims. In addition, there are liquidation costs associated with most of the Debtors' assets. These are reflected in the asset recovery sections such that asset recoveries are shown net of liquidation costs.

6. *Claims Estimates*. Claims are estimated based upon account payables balances and real property lease agreements as of June 30, 2016.

7. *Distribution of Net Proceeds.* To the extent First Lien Loan Claims are satisfied and there are additional proceeds, distributions would be paid in accordance with the priority scheme provided in the Bankruptcy Code.

***Conclusion*: The Debtors have determined, as summarized in the following analysis, that confirmation of the Plan will provide all creditors with a recovery (if any) that is not less than what they would otherwise receive pursuant to a liquidation of the Debtors under chapter 7 of the Bankruptcy Code.**

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

($ in 000s)

	Chapter 7 Liquidation Proceeds					Chapter 11 Proceeds	
	Low Scenario			High Scenario		Recovery	
	Book Value	Low	% of BV	High	% of BV	Value	Notes
Cash Accounts	$ 2,470	$ 2,470	100%	$ 2,470	100%	$ 2,470	(a)
Accounts Receivable	936	-	0%	-	0%	936	(b)
Other Current Assets	8,125	-	0%	-	0%	-	(c)
Multi-Client Library	40,365	29,100	72%	38,800	96%	38,800	(d)
Property, Plant & Equipment	44,649	7,708	17%	13,960	31%	16,654	(e)
Goodwill and Intangibles	23,769	-	0%	-	0%	-	(f)
Other Long-Term Assets	2,557	-	0%	-	0%	-	(g)
Investment in Subsidiaries	-	-	NM	-	NM	-	(h)
Estimated Preference Claims	-	-	NM	-	NM	-	(i)
Causes of Action	-	2,500	NM	7,500	NM	7,500	(j)
Business Unit Sales	-	-	NM	-	NM	5,300	(k)
Net Est. Liq. Proceeds	**$ 122,871**	**$41,778**		**$ 62,730**		**$71,660**	

	Chapter 7 Liquidation Recovery						Under Chapter 11 Recovery			
	Low Scenario			High Scenario			Scenario			
	Claims	Recovery	%	Claims	Recovery	%	Claims	Recovery	%	Notes
DIP Loan Claims	$ 2,058	$ 2,058	*100%*	$ 2,058	$ 2,058	*100%*	$ 2,058	$ 2,058	*100%*	(l)
Unclassified: Chapter 7 Admin Claims	2,336	2,336	*100%*	2,791	2,791	*100%*	-	-	*NM*	(m)
Unclassified: Chapter 11 Admin Claims	1,080	-	*0%*	1,080	-	*0%*	1,080	1,080	*100%*	(n)
Unclassified: Priority Tax Claims	600	-	*0%*	600	-	*0%*	600	600	*100%*	(o)
Class 1: First Lien Claims	85,105	37,274	*44%*	85,105	57,771	*68%*	85,105	65,009	*76%*	(p)
Class 2: Second Lien Claims	40,446	-	*0%*	40,446	-	*0%*	40,446	2,697	*7%*	(q)
Class 3: Other Secured Claims	110	110	*100%*	110	110	*100%*	110	110	*100%*	(r)
Class 4: Other Priority Claims	-	-	*NM*	-	-	*NM*	-	-	*NM*	(s)
Class 5: General Unsecured Claims	1,587	-	*0%*	1,587	-	*0%*	1,587	106	*7%*	(t)
Class 6: Intercompany Claims	*NA*	-	*0%*	*NA*	-	*0%*	*NA*	-	*100%*	(u)
Class 7: Intercompany Interests	-	-	*0%*	-	-	*0%*	-	-	*100%*	(v)
Class 8: Parent Interests	-	-	*0%*	-	-	*0%*	-	-	*0%*	(w)
Total Recoveries	**$ 133,321**	**$41,778**		**$133,777**	**$62,730**		**$130,986**	**$71,660**		

Detailed Assumptions

Asset Recovery Estimates

Asset recovery estimates presented in this Liquidation Analysis are based on the Company's projected consolidated Debtor balance sheet for August 31, 2016. When assets could not be projected, May 31, 2016 balances were used and noted.

(a) Cash Accounts: The book cash balance at August 31, 2016 is based on projections prepared by management and its financial advisors included in the form of Disclosure Statement and is reflective of cash on hand in U.S. bank accounts at the exit of bankruptcy, before priority administrative professional fees and wage claim expenses.

(b) Accounts Receivable: The accounts receivable balance, projected for August 31, 2016, is for billed and unbilled remaining receivable balances for operations in the U.S. relating to the Data Processing Services business. As noted above, in a chapter 7 conversion scenario it is assumed that the Debtors would cease operations in order to minimize costs associated with the chapter 7 wind down and liquidation. This would result in the loss of key personnel necessary to collect receivables and as a result collection of those receivables is estimated at zero.

(c) Other Current Assets: Amount predominantly represents prepaid expenses, foreign tax receivables and unamortized mobilization costs, all of which are assumed to have no recovery under a liquidation. Book value for the purposes of this Liquidation Analysis is reflected as of May 31, 2015, which does not have a meaningful impact on recovery.

(d) Multi-Client Library: The multi-client library consists of the Company's library of seismic data. In order to monetize the library, the trustee would likely run an accelerated sale process to achieve the best available forced sale value. In order to do this, the trustee would likely retain a banker or other third-party to sell the library. It is estimated that a 3% fee of gross proceeds would be charged by a third party to sell the library.

A high value sales estimate of $40 million is based on a proposal for a library sale received from a prospective buyer and assumes the SEI-GPI JV LLC commission structure remains in place. A low sales value of $30 million represents a discount to the proposal due to potential chapter 7 proceedings.

The net recovery proceeds after third-party fees would be $29.1 million and $38.8 million, respectively. Book value for the purposes of this Liquidation Analysis is reflected as of May 31, 2015, which does not have a meaningful impact on recovery.

(e) Property, Plant & Equipment: Assets primarily include vibrator trucks, rolling stock, Houston headquarters property, HDR channels, recording equipment and various equipment and machinery located in the U.S. and abroad.

As of June 30, 2016, the Company had approximately 103 vibrator trucks and other rolling stock consisting of 111 vehicles, 50 trailers and 129 custom machines (ATVs, snow cats, sleighs, tractors, cranes, drills, etc.) on wheels. Of these assets, the Brazil subsidiary is currently using 25 vibrator trucks and 55 vehicles in its operations. In a chapter 7 conversion scenario, it's likely a trustee would liquidate the assets with the assistance of a broker in a relatively short timeframe due to the costs associated with storing the equipment. With the current challenges in the oil field services space, the market to sell these assets is extremely thin and will likely result in further depressed prices if a buyer can be found at all. Most, if not all of the likely buyers of seismic equipment are facing similar challenges in the current environment.

In addition, in a chapter 7 conversion scenario, due to the foreclosure on assets leased to foreign subsidiaries, operations in Brazil would cease and Brazil would be forced to liquidate. More than likely, assets in Brazil would be seized by the government and would be unavailable to be sold for recoveries by the Company. All other assets are forecasted to be sold in the projections prepared by management and its financial advisors as included in the form of Disclosure Statement. Today the estimated recovery is approximately $12.7 million based on estimations from Company personnel knowledgeable in customized seismic assets and the universe of potential buyers. In a chapter 7 conversion scenario, management and its financial advisors believe recoveries of these assets would only collect 25% to 50% of the current wind down projections for the low and high scenarios since a third-party agent with minimal industry knowledge or buyer contacts would be engaged to sell these customized assets. In addition, it is estimated that a third-party agent would charge 10% of gross proceeds, netting recoveries to $2.9 million and $5.7 million for the low and high scenarios, relatively.

The Houston headquarters property currently has a book value of $11.2 million. An $8.5 million purchase offer was received over a year ago, however the Houston real estate market and neighboring areas have continued a downward trend. Management believes the low and high estimates for the building are $5.0 million and $8.5 million, respectively, before broker commissions. The commission rate assumed for the broker is 3% and net recoveries would yield $4.85 million and $8.25 million, post commissions for the low and high scenarios, respectively.

Due to the customized nature of the equipment and state of the seismic market, HDR channels, recording equipment and various other equipment in the U.S. and abroad are assumed to recover zero value.

Book value for the purposes of this Liquidation Analysis is reflected as of May 31, 2015, which does not have a meaningful impact on recovery.

(f) Goodwill and Intangibles: Goodwill relates to the acquisition of the Data Processing business which is not contemplated in a liquidation scenario. Intangible Assets primarily include amounts capitalized for customer lists, trademarks, patents, non-competes, and intellectual property; all of which are also not expected to have recovery in a liquidation. Book value for the purposes of this Liquidation Analysis is reflected as of May 31, 2015, which does not have a meaningful impact on recovery.

(g) Other Long-Term Assets: Includes capitalized debt costs. The capitalized debt issuance costs are expected to have no value in liquidation. Book value for the purposes of this Liquidation Analysis is reflected as of May 31, 2015, which does not have a meaningful impact on recovery.

(h) Investments in Subsidiaries: GGS has investment in certain non-debtor foreign subsidiaries. All subsidiaries are in a wind down process or have filed bankruptcy independently and have minimal to no operations, with the exception of Brazil. As mentioned above, due to the foreclosure on assets leased to foreign subsidiaries, operations in Brazil would cease and Brazil would be forced into a liquidation. Any proceeds from the liquidation of Brazil must first be used to satisfy local trade payables, employee obligations and other expenses at the foreign entity level. Although the Brazilian entity also collects locally, it is expected that the recovery from local receivables will be less than the local obligations as of August 2016.

(i) Estimated Preference Claims: The Liquidation Analysis assumes no preference action is undertaken on preference payments made within 90-days prior to the petition date. A thorough preference analysis for Liquidation Analysis purposes however has not been conducted by the Debtors or their advisors but the estimated recoveries from such an action are estimated at zero.

(j) Causes of Action: Current retained causes of action include potential litigations against Lewis Petro and transfer fees from data library licensing. Expected outcomes are estimated between $2.5 million and $7.5 million. No other material causes of action have been identified and as such are currently estimated at zero recovery.

(k) Business Unit Sales: No value has been assigned to sales of business units, including Autoseis, Ambient and Data Processing. Management believes in a Chapter 7 scenario these business units would receive zero value in a sale context.

Other Items

The Company has reviewed off balance sheet items for other potential recoveries in the context of a liquidation. These could consist of assignment of future large survey contracts currently being bid. These contracts however are generally non-transferrable, and management believes these contracts have no material value in a liquidation.

Claims

(l) DIP Loan Claims: Amount represents $2.0 million DIP balance provided by the First Lien Lender assumed to accrue at 15% PIK interest.

(m) Chapter 7 Admin Claims: Amount represents the preliminary estimated chapter 7 trustee costs and the costs of the trustee's professionals not captured elsewhere in the analysis. The chapter 7 trustee fees are estimated at 2% of total net proceeds. This estimate is highly speculative as it would be a result of a negotiation between the trustee and the DIP Lenders. In addition, we have included an estimate for legal and financial professionals assisting the trustee in the amount of $250,000 per month for the six months of the liquidation period.

(n) Chapter 11 Admin Claims: Administrative expenses includes amounts for unpaid professional fees and holdbacks that were unpaid as of the Conversion Date plus projected PTO wage claims for severed employees. In a Chapter 7 scenario, subject to a carve-out it is assumed that a portion of the DIP Loan Claims recovery would be allocated to payment of Chapter 11 Admin Claims. For presentation purposes however Chapter 11 Admin Claims recovery are shown as zero under a Chapter 7 scenario.

(o) Priority Tax Claims: Reflects preliminary estimated unpaid tax claims estimates as of the Conversion Date. In a Chapter 7 scenario, claims are assumed to have zero recovery.

(p) First Lien Claims: First Lien Claims are estimated at $85.1 million, which is made up of both the revolver and term loan balances at bankruptcy filing.

(q) Second Lien Claims: Second Lien Claims are estimated at $40.5 million.

(r) Other Secured Claims: Other Secured Claims include capital lease claims with Hewlett Packard. Collateral will either be forfeited or payments will be made in full to the lenders.

(s) Other Priority Claims: No Other Priority Claims have been identified.

(t) General Unsecured Claims: The Company and its advisors estimate that there will be $1,587,000 of Unsecured Claims under a Chapter 7 scenario. This amount includes $1,235,000 associated with vendor trade claims and $352,000 for real property lease rejection claims. Such amount is an estimate and the actual claims could be higher or lower.

(u) Intercompany Claims: For the purposes of the Liquidation Analysis, intercompany claim amounts are assumed to be di minimus and in a Chapter 7 scenario are assumed to zero recovery.

(v) Intercompany Interests: For the purposes of this Liquidation Analysis, intercompany interests are estimated at zero.

(w) Parent Interests: For the purposes of this Liquidation Analysis, parent interests are estimated at zero.

Exhibit C

Liquidating Company Preliminary Budget

Stated in USD$ thousands

	Partial Period [1]	Quarterly							Total
	9/30	Q4-16	Q1-17	Q2-17	Q3-17	Q4-17	Q1-18	Q2-18	Post
Inflows									
Trade Receivable	$ 277	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 277
Lease Receivable	-	-	550	200	-	-	550	200	1,500
Asset Sales	-	302	-	-	-	-	-	12,681	12,983
Total Inflows	$ 277	$ 302	$ 550	$ 200	$ -	$ -	$ 550	$ 12,881	$ 14,760
Total Repatriations	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 18	$ 18
Total Inflows & Repatriations	$ 277	$ 302	$ 550	$ 200	$ -	$ -	$ 550	$ 12,898	$ 14,778
Outflows									
Payroll, Benefits, Severance	$ (11)	$ (930)	$ (930)	$ (928)	$ (931)	$ (920)	$ (217)	$ (217)	$ (5,082)
Payroll Reimbursement	11	753	753	751	754	743	40	40	3,843
KEIP/ KERP	-	-	(76)	(46)	(46)	(46)	(107)	(122)	(442)
Incentive Comp	-	-	-	-	-	-	-	(174)	(174)
Leases	-	(100)	(94)	(101)	(116)	(116)	(116)	(116)	(761)
Shipping	-	(988)	-	-	-	-	-	-	(988)
Accounts Payable	(4)	(27)	(27)	(27)	(37)	(27)	(21)	(21)	(191)
Professional Fees	-	145	-	-	-	-	-	-	145
Other Payables	(30)	(70)	(199)	(50)	-	(50)	(199)	(50)	(648)
Insurance	(176)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(728)
Total Outflows	$ (210)	$ (1,296)	$ (652)	$ (480)	$ (455)	$ (495)	$ (699)	$ (739)	$ (5,024)
Funding									
Colombia	$ (10)	$ (20)	$ -	$ -	$ -	$ -	$ -	$ -	$ (30)
Paraguay	-	(8)	(8)	(8)	(8)	(14)	(8)	(5)	(57)
UAE/Dubai	-	(23)	(23)	(23)	(23)	(23)	(23)	(15)	(150)
Kenya	-	-	-	-	-	-	-	-	-
Kurdistan	(10)	-	-	-	-	-	-	-	(10)
Brazil	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Funding	$ (20)	$ (50)	$ (30)	$ (30)	$ (30)	$ (37)	$ (30)	$ (20)	$ (247)
Total Outflows & Funding	$ (230)	$ (1,346)	$ (682)	$ (510)	$ (485)	$ (532)	$ (729)	$ (759)	$ (5,271)
Net Cash Flow	$ 47	$ (1,043)	$ (132)	$ (310)	$ (485)	$ (532)	$ (179)	$ 12,140	$ 9,507

Notes:

[1] The partial period includes projected operations from emergence on 9/16/16 through the end of September 9/30/16