

IN THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	
	§	Chapter 11
	§	
MIDSTATES PETROLEUM COMPANY, INC., <i>et al.</i> , ¹	§	Case No. 16-32237 (DRJ)
	§	
Debtors.	§	(Jointly Administered)
	§	

**NOTICE OF FILING OF REVISED PROPOSED FINDINGS OF FACT,
CONCLUSIONS OF LAW, AND ORDER CONFIRMING THE
FIRST AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION OF
MIDSTATES PETROLEUM COMPANY, INC. AND ITS DEBTOR AFFILIATE**

PLEASE TAKE NOTICE that on September 23, 2016, the Debtors filed with the Court the *Findings of Fact, Conclusions of Law, and Order Confirming the First Amended Joint Chapter 11 Plan of Reorganization of Midstates Petroleum Company, Inc. and Its Debtor Affiliate* [Docket No. 652] (the “Original Proposed Confirmation Order”).

PLEASE TAKE FURTHER NOTICE that on September 28, 2016, the Debtors filed a revised form of the Original Proposed Confirmation Order [Docket No. 692] (the “Revised Proposed Confirmation Order”).

PLEASE TAKE FURTHER NOTICE that attached hereto as **Exhibit A** is a redline reflecting the variations between the Original Proposed Confirmation Order and the Revised Proposed Confirmation Order.

PLEASE TAKE FURTHER NOTICE that the Debtors reserve the right to materially alter, amend, or modify the Revised Proposed Confirmation Order, *provided*, that if the Revised Proposed Confirmation Order is altered, amended, or modified in any material respect, the Debtors will file a revised version of such document with the United States Bankruptcy Court for the Southern District of Texas (the “Court”).

PLEASE TAKE FURTHER NOTICE that the hearing at which the Court will consider Confirmation of the Plan (the “Confirmation Hearing”) will commence on **September 28, 2016, at 2:00 p.m.**, prevailing Central Time.

PLEASE TAKE FURTHER NOTICE that all documents filed in the above-captioned chapter 11 cases are available free of charge by visiting <http://www.kccllc.net/midstates> or by

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Midstates Petroleum Company, Inc. (1816) and Midstates Petroleum Company LLC (2434). The Debtors’ service address is: 321 South Boston, Suite 1000, Tulsa, Oklahoma 74103.



calling (888) 733-1446 (toll free) or +1 (310) 751-2635 (international). You may also obtain copies of any pleadings filed in these chapter 11 cases by visiting the Court's website at <https://ecf.txsb.uscourts.gov> in accordance with the procedures and fees set forth therein.

Houston, Texas

Dated: September 28, 2016

/s/ Joshua A. Sussberg, P.C.

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EXHIBIT A

Redline

**IN THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	
	§	Chapter 11
	§	
MIDSTATES PETROLEUM COMPANY, INC., <i>et al.</i> , ¹	§	Case No. 16-32237 (DRJ)
	§	
Debtors.	§	(Jointly Administered)
	§	
	§	Re: Docket Nos. 389-1, 606 []

**FINDINGS OF FACT, CONCLUSIONS OF LAW,
AND ORDER CONFIRMING THE FIRST AMENDED
JOINT CHAPTER 11 PLAN OF REORGANIZATION OF MIDSTATES
PETROLEUM COMPANY, INC. AND ITS DEBTOR AFFILIATE**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) having:

- a. commenced the above-captioned chapter 11 cases (the “Chapter 11 Cases”) by filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) on April 30, 2016 (the “Petition Date”);
- b. continued to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code;
- c. filed, on May 14, 2016, (i) the *Joint Chapter 11 Plan of Reorganization of Midstates Petroleum Company, Inc. and Its Debtor Affiliate* [Docket No. 144], (ii) the *Disclosure Statement for the Joint Chapter 11 Plan of Reorganization of Midstates Petroleum Company, Inc. and Its Debtor Affiliate* [Docket No. 145], and (iii) the *Debtors’ Motion for Entry of an Order (I) Approving the Adequacy of the Disclosure Statement, (II) Approving the Solicitation and Notice Procedures with Respect to Confirmation of the Debtors’ Proposed Joint Chapter 11 Plan of Reorganization, (III) Approving the Forms of Ballots and Notices in Connection Therewith, (IV) Scheduling Certain Dates with Respect Thereto, and (V) Granting Related Relief* [Docket No. 146];
- d. filed, on July 13, 2016, (i) the *Notice of Filing of Solicitation Versions of the (A) First Amended Joint Chapter 11 Plan of Reorganization of Midstates*

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor’s federal tax identification number, are: Midstates Petroleum Company, Inc. (1816) and Midstates Petroleum Company LLC (2434). The debtors’ service address is: 321 South Boston Avenue, Suite 1000, Tulsa, Oklahoma 74103.

Petroleum Company, Inc. and Its Debtor Affiliate and (B) the Disclosure Statement for the First Amended Joint Chapter 11 Plan of Reorganization of Midstates Petroleum Company, Inc. and Its Debtor Affiliate [Docket No. 389]; (ii) the *First Amended Joint Chapter 11 Plan of Reorganization of Midstates Petroleum Company, Inc. and Its Debtor Affiliate* [Docket No. 389-1] (as may be amended, modified, or supplemented, the “Plan”),² attached hereto as **Exhibit A**, and (iii) the *Disclosure Statement for the First Amended Joint Chapter 11 Plan of Reorganization of Midstates Petroleum Company, Inc. and Its Debtor Affiliate* [Docket No. 389-2] (as may be amended, modified, or supplemented, the “Disclosure Statement”);

- e. caused solicitation materials and notice of the deadline for objecting to confirmation of the Plan to be distributed by July 18, 2016, and continuing thereafter, consistent with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and the Disclosure Statement Order (as defined herein), which Disclosure Statement Order also approved, among other things, solicitation procedures (the “Solicitation Procedures”) and related notices, forms, Ballots, and Master Ballots (collectively, the “Solicitation Packages”), as evidenced by, among other things, the *Affidavit of Service of Evan Gershbein* [Docket No. 413], and the *Supplemental Affidavits of Service of Stephanie Delgada* [Docket Nos. 434 and 446];
- f. caused notice of the Confirmation Hearing (the “Confirmation Hearing Notice”) to be published on July 18, 2016, in the *USA Today* (National Edition); the *Houston Chronicle*; the *Daily Oklahoman*; the *Tulsa World*; and the *Amarillo Globe-News*; and on July 25, 2016 in the *Oil & Gas Journal*, as evidenced by the *Affidavits of Publication Re Notice of Hearing to Consider Confirmation of the Chapter 11 Plan Filed by the Debtors and Related Voting and Objection Deadlines* [Docket No. 412];
- g. filed, on August 3, the *Notice of Filing of Plan Supplement* [Docket No. 438] (as may be modified, supplemented, or otherwise amended from time to time, the “Plan Supplement”), and with amendments and supplements to exhibits to the Plan Supplement filed thereafter [Docket Nos. 455,476, 509, 511, and 650];
- h. filed, on August 9, 2016, the *Amended Notice of Hearing to Consider Confirmation of the Chapter 11 Plan Filed by the Debtors* such that the Confirmation Hearing was scheduled to commence on August 29, 2016;
- i. filed, on August 15, 2016, the *Certification of Jeffrey Miller With Respect to the Tabulation of Votes on the First Amended Joint Chapter 11 Plan of Reorganization of Midstates Petroleum Company, Inc. and Its Debtor Affiliate*

² Capitalized terms used herein but not otherwise defined shall have the meaning ascribed to such terms in the Plan.

[Docket No. 489] (as may be amended, modified, or supplemented, the “Voting Certification”);

- j. filed, on August 18, 2016, the *Second Amended Notice of Hearing to Consider Confirmation of the Chapter 11 Plan Filed by the Debtors* [Docket No. 506], such that the Confirmation Hearing commenced on September 2, 2016;
- k. filed, on September 16, 2016, the *Debtors’ (I) Memorandum of Law In Support of Confirmation of the First Amended Joint Chapter 11 Plan of Reorganization of Midstates Petroleum Company, Inc. and Its Debtor Affiliate and (II) Response to Certain Objections Thereto* [Docket No. 614] (the “Confirmation Brief”); ~~and~~
- l. filed, on September 16, 2016, the *Debtors’ Memorandum of Law Regarding the Validity of Prepetition Secured Parties’ Liens in Further Support of Confirmation of the Joint Plan of Reorganization and Debtors’ Objection to Committee’s Standing Motion* [Docket No. 608] (the “Lien Perfection Brief”); ~~and~~
- m. filed, on September 27, 2016, the Debtors filed a further modified version of the Plan reflecting the Confirmation Settlement [Docket No. ___].

The Court having:

- a. entered the *Order (I) Approving the Adequacy of the Disclosure Statement, (II) Approving the Solicitation and Notice Procedures with Respect to Confirmation of the Debtors’ Proposed Joint Chapter 11 Plan of Reorganization, (III) Approving the Forms of Ballots and Notices in Connection Therewith, (IV) Scheduling Certain Dates with Respect Thereto, and (V) Granting Related Relief* [Docket No. 394] (the “Disclosure Statement Order”);
- b. set August 10, 2016, at 4:00 p.m. prevailing Central Time, as the deadline for filing objections in opposition to the Plan (the “Plan Objection Deadline”); ~~and~~, and upon the filing of the Continuation Notice, the Plan Objection Deadline for the Committee was set as August 22, 2016, at 11:59 p.m. prevailing Central Time; ~~and~~
- c. set August 10, 2016, at 4:00 p.m. prevailing Central Time, as the deadline for voting on the Plan;
- d. set September 26, 2016, at 1:30 p.m. prevailing Central Time, as the date and time for the Confirmation Hearing pursuant to Bankruptcy Rules 3017 and 3018 and sections 1126, 1128, and 1129 of the Bankruptcy Code;
- e. reviewed the Plan, the Disclosure Statement, the Confirmation Brief, the Lien Perfection Brief, the Voting Certification, and all pleadings, exhibits, statements, responses, and comments regarding Confirmation, including all objections, statements, and reservations of rights filed by parties in interest on the docket of the Chapter 11 Cases;
- f. held the Confirmation Hearing;

- g. heard the statements, arguments, and objections made by counsel in respect of Confirmation;
- h. considered all oral representations, testimony, documents, filings, and other evidence regarding Confirmation;
- i. taken judicial notice of all pleadings and other documents filed, all orders entered, and all evidence and arguments presented in the Chapter 11 Cases; and
- j. overruled any and all objections to the Plan and to Confirmation and all statements and reservations of rights not consensually resolved or withdrawn unless otherwise indicated herein.

NOW, THEREFORE, the Court having found that notice of the Confirmation Hearing and the opportunity for any party in interest to object to Confirmation have been adequate and appropriate as to all parties affected or to be affected by the Plan and the transactions contemplated thereby, and the legal and factual bases set forth in the documents filed in support of Confirmation and all evidence proffered or adduced by counsel at the Confirmation Hearing and the entire record of the Chapter 11 Cases establish just cause for the relief granted herein; and after due deliberation thereon and good cause appearing therefor, the Court hereby makes and issues the following Findings of Fact and Conclusions of Law and Orders:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

IT IS DETERMINED, FOUND, ADJUDGED, DECREED, AND ORDERED THAT:

A. Findings and Conclusions.

1. The findings and conclusions set forth herein and in the record of the Confirmation Hearing constitute the Court's findings of fact and conclusions of law under Rule 52 of the Federal Rules of Civil Procedure, as made applicable herein by Bankruptcy Rules 7052 and 9014. To the extent any of the following conclusions of law constitute findings of fact, or vice versa, they are adopted as such.

B. Jurisdiction, Venue, and Core Proceeding.

2. The Court has jurisdiction over the Chapter 11 Cases pursuant to sections 157 and 1334 of title 28 of the United States Code. The Court has exclusive jurisdiction to determine whether the Plan complies with the applicable provisions of the Bankruptcy Code and should be confirmed. Venue is proper in this district pursuant to sections 1408 and 1409 of title 28 of the United States Code. Confirmation of the Plan is a core proceeding within the meaning of section 157(b)(2) of title 28 of the United States Code.

C. Eligibility for Relief.

3. The Debtors were and are entities eligible for relief under section 109 of the Bankruptcy Code.

D. Commencement and Joint Administration of these Chapter 11 Cases.

4. On the Petition Date, each of the Debtors commenced a chapter 11 case by filing a voluntary petition for relief under chapter 11 of the Bankruptcy Code. By prior order of the Court, the Chapter 11 Cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Bankruptcy Rule 1015 [Docket No. 32]. The Debtors have operated their businesses and managed their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Chapter 11 Cases. On May 12, 2016, the Office of the United States Trustee for the Southern District of Texas (the “U.S. Trustee”) appointed the Committee [Docket No. 136], which was reconstituted on July 19, 2016 and August 19, 2016 [Docket Nos. 397, 513].

E. Burden of Proof—Confirmation of the Plan.

5. The Debtors, as proponents of the Plan, have met their burden of proving the applicable elements of sections 1129(a) and 1129(b) of the Bankruptcy Code by a preponderance of the evidence, which is the applicable evidentiary standard for Confirmation. In addition, and

to the extent applicable, the Plan is confirmable under the clear and convincing evidentiary standard.

F. Notice and Transmittal of Solicitation Materials; Adequacy of Solicitation Notices.

6. The Plan, the Disclosure Statement, the Disclosure Statement Order, the ballots for voting on the Plan (the “Ballots”), the Confirmation Hearing Notice, the Plan Supplement, and the other materials distributed by the Debtors in connection with Confirmation of the Plan (collectively, the “Confirmation Materials”) were transmitted and served in compliance with the Bankruptcy Rules, including Bankruptcy Rules 2002(b), 3017, 3018, and 3020(b), with the Bankruptcy Local Rules for the Southern District of Texas (the “Bankruptcy Local Rules”), and with the procedures set forth in the Disclosure Statement Order. Notice of the Confirmation Hearing was appropriate and satisfactory based upon the circumstances of the Chapter 11 Cases. The transmittal and service of the Confirmation Materials complied with the approved Solicitation Procedures, was appropriate and satisfactory based upon the circumstances of the Chapter 11 Cases, was conducted in good faith, and was in compliance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local Rules, and any other applicable rules, laws, and regulations. Because such transmittal and service were adequate and sufficient, no other or further notice is necessary or shall be required.

G. Voting.

7. On August 15, 2016, the Notice and Claims Agent filed the Voting Certification with the Court. As evidenced by the Voting Certification, votes to accept or reject the Plan have been solicited and tabulated fairly, in good faith, and in a manner consistent with the Bankruptcy Code, the Bankruptcy Rules, the Solicitation Procedures, and the Bankruptcy Local Rules.

H. Good Faith Solicitation.

8. Based on the record before the Court in the Chapter 11 Cases, the Debtors and their respective members, directors, officers, employees, representatives, attorneys, financial advisors, investment bankers, agents, restructuring advisors, and other professionals have acted in “good faith” within the meaning of section 1125(e) of the Bankruptcy Code and in compliance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Solicitation Procedures, and the Bankruptcy Local Rules in connection with the development of the Plan, all of their respective activities relating to the solicitation of acceptances to the Plan, their participation in the Chapter 11 Cases, and the activities described in section 1125 of the Bankruptcy Code, and are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code. The Ballots provided the opportunity for voting creditors to opt-in or opt-out of the releases.

I. Plan Supplement.

9. The filing and notice of the Plan Supplement was proper and in accordance with the Plan, the Bankruptcy Code, the Bankruptcy Rules, and the Disclosure Statement Order, and no other or further notice is or shall be required. All documents included in the Plan Supplement are integral to, part of, and incorporated by reference into the Plan. Subject to the terms of the Plan, and only consistent therewith, the Debtors reserve the right to alter, amend, update, or modify the Plan Supplement before the Effective Date.

J. Objections.

10. To the extent that any objections, reservations of rights, statements or joinders to Confirmation have not been resolved, withdrawn, waived, or settled prior to entry of this Confirmation Order or otherwise resolved herein or as stated on the record of the Confirmation Hearing, they are hereby overruled on the merits based on the record before this Court.

K. Bankruptcy Rule 3016.

11. The Plan is dated and identifies the Debtors as the Plan proponents, thereby satisfying Bankruptcy Rule 3016(a). The filing of the Disclosure Statement satisfied Bankruptcy Rule 3016(b).

L. Compliance with Bankruptcy Code Requirements—Section 1129(a)(1).

12. The Plan complies with all applicable provisions of the Bankruptcy Code as required by section 1129(a)(1) of the Bankruptcy Code.

(i) Proper Classification—Sections 1122 and 1123.

13. The Plan satisfies the requirements of sections 1122(a) and 1123(a) of the Bankruptcy Code. Article III of the Plan provides for the separate classification of Claims and Interests into 11 Classes based on differences in the legal nature or priority of such Claims and Interests. Valid business, factual, and legal reasons exist for the separate classification of such Classes of Claims and Interests. The classifications reflect no improper purpose and do not unfairly discriminate between, or among, holders of Claims or Interests. Each Class of Claims and Interests contains only Claims or Interests that are substantially similar to other Claims or Interests within that Class.

(ii) Specified Unimpaired Classes—Section 1123(a)(2).

14. The Plan satisfies the requirements of section 1123(a)(2) of the Bankruptcy Code. Article III of the Plan specifies that Claims, as applicable, in the following Classes (the “Unimpaired Classes”) are Unimpaired under the Plan within the meaning of section 1124 of the Bankruptcy Code:

Class	Designation
1	Other Priority Claims
2	Other Secured Claims
3	Lien Trade Claims
9	Intercompany Claims (to the extent reinstated)
10	Intercompany Interests

15. Additionally, Article II of the Plan specifies that Allowed Administrative Claims, Professional Fee Claims, Priority Tax Claims, and Statutory Fees will be paid in full in accordance with the terms of the Plan, although these Claims are not classified under the Plan.

(iii) Specified Treatment of Impaired Classes—Section 1123(a)(3).

16. The Plan satisfies the requirements of section 1123(a)(3) of the Bankruptcy Code. Article III of the Plan specifies that Claims and Interests, as applicable, in the following Classes (the “Impaired Classes”) are Impaired under the Plan within the meaning of section 1124 of the Bankruptcy Code, and describes the treatment of such Classes:

Class	Designation
4	First Lien Claims
5	Second Lien Notes Claims
6	Third Lien Notes Claims
7	Unsecured Notes/General Unsecured Claims
8	Section 510(b) Claims
9	Intercompany Claims (to the extent cancelled)
11	Interests in Parent

(iv) No Discrimination—Section 1123(a)(4).

17. The Plan satisfies the requirements of section 1123(a)(4) of the Bankruptcy Code. Article III of the Plan provides for the same treatment by the Debtors for each Claim or Interest in each respective Class unless the holder of a particular Claim or Interest has agreed to a less favorable treatment of such Claim or Interest.

(v) Adequate Means for Plan Implementation—Section 1123(a)(5).

18. The Plan and the various documents included in the Plan Supplement provide adequate and proper means for implementation of the Plan, including, without limitation: (a) the restructuring of the Debtors' balance sheet and other financial transactions provided for by the Plan; (b) the implementation of the New Organizational Documents; (c) the consummation of the Restructuring Transactions; (d) the issuance of the New Common Stock and New Warrants; (e) the cancellation of certain existing agreements, obligations, instruments, and Interests; (f) the entrance into the New Credit Facility; (g) the continued vesting of the assets of the Debtors' Estates in the Reorganized Debtors; and (h) the execution, delivery, filing, or recording of all contracts, instruments, releases, and other agreements or documents in furtherance of the Plan, thereby satisfying section 1123(a)(5) of the Bankruptcy Code.

(vi) Voting Power of Equity Securities—Section 1123(a)(6).

19. The New Organizational Documents prohibit the issuance of non-voting securities and provide an appropriate distribution of voting power among the several classes of securities possessing such power. As such, the Plan satisfies the requirements of section 1123(a)(6) of the Bankruptcy Code.

(vii) Designation of Directors and Officers—Section 1123(a)(7).

20. The Plan satisfies the requirements of section 1123(a)(7) of the Bankruptcy Code. The Debtors' initial directors and officers, ~~to the extent known,~~ have been disclosed in the Plan Supplement ~~and, to the extent not known, will be determined in accordance with the New Organizational Documents,~~ which is consistent with the interests of creditors and equity holders and public policy and satisfies section 1123(a)(7) of the Bankruptcy Code.

(viii) Impairment / Unimpairment of Classes—Section 1123(b)(1).

21. The Plan is consistent with section 1123(b)(1) of the Bankruptcy Code. Article III of the Plan impairs or leaves Unimpaired each Class of Claims and Interests.

(ix) Assumption and Rejection of Executory Contracts and Unexpired Leases—Section 1123(b)(2).

22. The Plan is consistent with section 1123(b)(2) of the Bankruptcy Code. Article V of the Plan provides for the rejection of the Debtors' Executory Contracts and Unexpired Leases as of the Effective Date, unless such Executory Contract or Unexpired Lease: (a) was previously assumed or rejected; (b) was previously expired or terminated pursuant to its own terms; (c) is the subject of a motion or notice to assume filed on or before the Confirmation Date; or (d) is designated specifically or by category as an Executory Contract or Unexpired Lease on the Schedule of Assumed Executory Contracts and Unexpired Leases. In addition to the foregoing, as of the Effective Date, each Debtor shall be deemed to have rejected each Executory Contract and Unexpired Lease to which it is a party that is designated specifically or by category as an Executory Contract or Unexpired Lease on the Schedule of Rejected Executory Contracts and Unexpired Leases.

(x) Settlement, Releases, Exculpation, Injunction, and Preservation of Claims and Causes of Action—Section 1123(b)(3).

23. The Plan is consistent with section 1123(b)(3) of the Bankruptcy Code. In accordance with section 363 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration of the distributions, settlements, and other benefits provided under the Plan, except as stated otherwise in the Plan, the provisions of the Plan constitute a good-faith compromise of all Claims, Interests, and controversies relating to the contractual, subordination, and other legal rights that a holder of a Claim or Interest may have with respect to any Allowed Claim or Interest, or any distribution to be made on account of such Allowed Claim or Interest, including,

without limitation, the settlements and compromises provided for under the [Confirmation Settlement](#), Second/Third Lien Plan Settlement ~~and~~, the Unencumbered Value Settlement, and ~~any potential causes of action described in the *Emergency Motion of the Official Committee of Unsecured Creditors for Leave, Standing, and Authority to Prosecute Claims on Behalf of the Debtors' Estates and for Related Relief* [Docket No. 493] (the "Standing Motion") or that related thereto~~ [Intercreditor Settlement](#). The compromise and settlement of such Claims and Interests embodied in the Plan and reinstatement and unimpairment of other Classes identified in the Plan are in the best interests of the Debtors, the Estates, and all holders of Claims and Interests, and are fair, equitable, and reasonable.

24. Article VIII.D of the Plan describes certain releases granted by the Debtors (the "[Debtor Releases](#)"). The Debtors have satisfied the business judgment standard with respect to the propriety of the Debtor Releases. Such releases are a necessary and integral element of the Plan, and are fair, reasonable, and in the best interests of the Debtors, the Estates, and holders of Claims and Interests. Also, the Debtor Releases are: (a) in exchange for the good and valuable consideration provided by the Released Parties; (b) a good-faith settlement and compromise of the Claims released by Article VIII.D of the Plan; (c) given, and made, after due notice and opportunity for hearing; and (d) a bar to any of the Debtors asserting any Claim or Cause of Action released by Article VIII.D of the Plan. The Debtor Releases are consistent with established practice in this jurisdiction and others.

25. Article VIII.E of the Plan describes certain releases granted by the Releasing Parties (the "[Third-Party Release](#)"). The Third-Party Release provides finality for the Debtors, the Reorganized Debtors, and the Released Parties regarding the parties' respective obligations under the Plan and with respect to the Reorganized Debtors. The Confirmation Hearing Notice

sent to holders of Claims and Interests and published in the each of the *USA Today* (National Edition); the *Houston Chronicle*; the *Daily Oklahoman*; the *Tulsa World*; the *Amarillo Globe-News* on July 18, 2016; and the *Oil & Gas Journal* on July 25, 2016, and the ballots sent to all holders of Claims and Interests entitled to vote on the Plan, in each case, unambiguously stated that the Plan contains the Third-Party Release. Such release is a necessary and integral element of the Plan, and is fair, equitable, reasonable, and in the best interests of the Debtors, the Estates, and all holders of Claims and Interests. Also, the Third-Party Release is: (a) in exchange for the good and valuable consideration provided by the Released Parties; (b) a good faith settlement and compromise of the claims released by the Third-Party Release; (c) in the best interests of the Debtors and all holders of Claims and Interests; (d) fair, equitable, and reasonable; (e) given and made after due notice and opportunity for hearing; and (f) a bar to any of the Releasing Parties asserting any claim or Cause of Action released pursuant to the Third-Party Release. The Third Party Releases are consistent with established practice in this jurisdiction and others.

26. The exculpation, described in Article VIII.F of the Plan (the “Exculpation”), is appropriate under applicable law because it was proposed in good faith, was formulated following extensive good-faith, arm’s-length negotiations with key constituents, and is appropriately limited in scope. Without limiting anything in the Exculpation, each Exculpated Party has participated in the Debtors’ restructuring and the Chapter 11 Cases in good faith and is appropriately released and exculpated from any obligation, Cause of Action, or liability for any prepetition or postpetition act taken or omitted to be taken in connection with, or relating to formulating, negotiating, preparing, disseminating, implementing, administering, confirming, or effecting the Plan (including the Plan Support Agreement) or any contract, instrument, release or other agreement or document created or entered into in connection with the Plan or any other

prepetition or postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Debtors, including the distribution of property under the Plan, including the New Common Stock and the New Warrants. The Exculpation, including its carve-out for gross negligence or willful misconduct, is consistent with established practice in this jurisdiction and others.

27. The injunction provision set forth in Article VIII.G of the Plan is necessary to implement, preserve, and enforce the Debtors' discharge, the Debtor Releases, the Third-Party Release, and the Exculpation, and is narrowly tailored to achieve this purpose.

28. Article IV.P of the Plan appropriately provides that the Reorganized Debtors will retain, and may enforce, all rights to commence and pursue, as appropriate, any and all Causes of Action except for Causes of Action that have been expressly waived, settled, or otherwise released as provided in Article VIII of the Plan, whether arising before or after the Petition Date, including any actions specifically enumerated in the Plan Supplement, in accordance with section 1123(b)(3)(B) of the Bankruptcy Code. The provisions regarding the preservation of Causes of Action in the Plan, including the Plan Supplement, are appropriate, fair, equitable, and reasonable, and are in the best interests of the Debtors, the Estates, and holders of Claims and Interests.

29. The release and discharge of all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates described in Article VIII.C of the Plan (the "Lien Release") is necessary to implement the Plan. The provisions of the Lien Release are appropriate, fair, equitable, and reasonable and are in the best interests of the Debtors, the Estates, and holders of Claims and Interests.

(xi) Additional Plan Provisions—Section 1123(b)(6).

30. The other discretionary provisions of the Plan are appropriate and consistent with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1123(b)(6) of the Bankruptcy Code, including, without limitation, provisions for (a) distributions to Holders of Claims and Interests, (b) resolution of Disputed Claims, (c) allowance of certain Claims, (d) Indemnification Obligations, and (e) retention of Court jurisdiction.

(xii) Cure of Defaults—Section 1123(d)

31. Article V.C of the Plan provides for the satisfaction of cure Claims associated with each Executory Contract and Unexpired Lease to be assumed in accordance with section 365(b)(1) of the Bankruptcy Code. The cure amounts identified in the Cure Notice and any amendments thereto, as applicable, represent the amount, if any, that the Debtors shall pay in full and complete satisfaction of such cure Claims. Any disputed cure amounts will be determined in accordance with the procedures set forth in Article V.C of the Plan, and applicable bankruptcy and non-bankruptcy law. As such, the Plan provides that the Debtors will cure, or provide adequate assurance that the Debtors will promptly cure, defaults with respect to assumed Executory Contracts and Unexpired Leases in compliance with section 365(b)(1) of the Bankruptcy Code. Thus, the Plan complies with section 1123(d) of the Bankruptcy Code.

M. Debtor Compliance with the Bankruptcy Code—Section 1129(a)(2).

32. The Debtors have complied with the applicable provisions of the Bankruptcy Code and, thus, satisfied the requirements of section 1129(a)(2) of the Bankruptcy Code. Specifically, each Debtor:

- a. is an eligible debtor under section 109, and a proper proponent of the Plan under section 1121(a), of the Bankruptcy Code;
- b. has complied with applicable provisions of the Bankruptcy Code, except as otherwise provided or permitted by orders of the Court; and

- c. complied with the applicable provisions of the Bankruptcy Code, including sections 1125 and 1126, the Bankruptcy Rules, the Bankruptcy Local Rules, any applicable non-bankruptcy law, rule and regulation, the Disclosure Statement Order, and all other applicable law, in transmitting the Confirmation Materials, and related documents and notices, and in soliciting and tabulating the votes on the Plan.

N. Plan Proposed in Good Faith—Section 1129(a)(3).

- 33. The Plan satisfies the requirements of section 1129(a)(3) of the Bankruptcy Code.

The Debtors have proposed the Plan in good faith and not by any means forbidden by law. In so determining, the Court has examined the totality of the circumstances surrounding the filing of the Chapter 11 Cases, the Plan, the Plan Support Agreement, the process leading to Confirmation, including the overwhelming support of holders of Claims and Interests for the Plan, and the transactions to be implemented pursuant thereto, including the Intercreditor Settlement, the Second/Third Lien Plan Settlement, and the Unencumbered Value Settlement. The Chapter 11 Cases were filed, and the Plan was proposed, with the legitimate purpose of allowing the Debtors to implement the Restructuring Transactions, reorganize, and emerge from bankruptcy with a capital and organizational structure that will allow them to conduct their businesses and satisfy their obligations with sufficient liquidity and capital resources.

O. Payment for Services or Costs and Expenses—Section 1129(a)(4).

34. Any payment made or to be made by the Debtors, or by a person issuing securities or acquiring property under the Plan, for services or for costs and expenses in connection with the Chapter 11 Cases, or in connection with the Plan and incident to the Chapter 11 Cases, has been approved by, or is subject to the approval of, the Court as reasonable, thereby satisfying section 1129(a)(4) of the Bankruptcy Code.

P. Directors, Officers, and Insiders—Section 1129(a)(5).

35. The Debtors have satisfied the requirements of section 1129(a)(5) of the Bankruptcy Code. Article IV.M of the Plan, in conjunction with Exhibit A to the *Notice of Filing of Fourth Supplement to Plan Supplement* [Docket No. 650]), disclose the identity and affiliations of the individuals proposed to serve as the initial directors and officers of the Reorganized Debtors, and the identity and nature of any compensation for any insider who will be employed or retained by the Reorganized Debtors. The proposed directors and officers for the Reorganized Debtors are qualified, and the appointments to, or continuance in, such offices by the proposed directors and officers is consistent with the interests of the holders of Claims and Interests and with public policy.

Q. No Rate Changes—Section 1129(a)(6).

36. Section 1129(a)(6) of the Bankruptcy Code is not applicable to the Chapter 11 Cases. The Plan proposes no rate change subject to the jurisdiction of any governmental regulatory commission.

R. Best Interest of Creditors—Section 1129(a)(7).

37. The Plan satisfies the requirements of section 1129(a)(7) of the Bankruptcy Code. Each Holder of an Impaired Claim or Interest either has accepted the Plan or will receive or retain under the Plan, on account of such Claim or Interest, property of a value, as of the Effective Date, that is not less than the amount that such Holder would receive or retain if the Debtors were liquidated under chapter 7 of the Bankruptcy Code on such date.

38. The liquidation analysis attached to the Disclosure Statement and the other evidence related thereto in support of the Plan that was proffered or adduced at or prior to the Confirmation Hearing: (a) are reasonable, persuasive, credible, and accurate as of the dates such analyses or evidence was prepared, presented, or proffered; (b) utilize reasonable and appropriate

methodologies and assumptions; (c) have not been controverted by other evidence; and (d) establish that Holders of Allowed Claims in every Class will recover as much or more under the Plan on account of such Claim or Interest, as of the Effective Date, than the amount such Holder would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code. Accordingly, the Plan satisfies the “best interest of creditors” test under section 1129(a)(7) of the Bankruptcy Code.

S. Acceptance by Certain Classes—Section 1129(a)(8).

39. The Plan does not satisfy the requirements of section 1129(a)(8) of the Bankruptcy Code. Classes 1, 2, 3, and 10 constitute Unimpaired Classes, each of which is conclusively presumed to have accepted the Plan in accordance with section 1126(f) of the Bankruptcy Code. The Voting Classes 4, 5, and 6 have voted to accept the Plan. Holders of Claims in Class 9 are Unimpaired and conclusively presumed to have accepted the Plan (to the extent reinstated) or are Impaired and deemed to reject the Plan (to the extent cancelled), and, in either event, are not entitled to vote to accept or reject the Plan. However, holders of Claims or Interests in Classes 8 and 11 receive no recovery on account of their Claims or Interests pursuant to the Plan and are deemed to have rejected the Plan. Notwithstanding the foregoing, the Plan is confirmable because it satisfies sections 1129(a)(10) and 1129(b) of the Bankruptcy Code.

T. Treatment of Claims Entitled to Priority Under Section 507(a) of the Bankruptcy Code—Section 1129(a)(9).

40. The treatment of Allowed Administrative Claims, Allowed Professional Fee Claims, Allowed Priority Tax Claims, and Statutory Fees, under Article II of the Plan, and of Allowed Other Priority Claims under Article III of the Plan, satisfies the requirements of, and complies in all respects with, section 1129(a)(9) of the Bankruptcy Code.

U. Acceptance by At Least One Impaired Class—Section 1129(a)(10).

41. The Plan satisfies the requirements of section 1129(a)(10) of the Bankruptcy Code. As evidenced by the Voting Certification, the Voting Classes 4, 5, and 6, each of which is impaired, voted to accept the Plan by the requisite numbers and amounts of Claims, determined without including any acceptance of the Plan by any insider (as that term is defined in section 101(31) of the Bankruptcy Code), specified under the Bankruptcy Code.

V. Feasibility—Section 1129(a)(11).

42. The Plan satisfies the requirements of section 1129(a)(11) of the Bankruptcy Code. The financial projections attached to the Disclosure Statement and the other evidence supporting Confirmation of the Plan proffered or adduced by the Debtors at, or prior to, the Confirmation Hearing: (a) are reasonable, persuasive, credible, and accurate as of the dates such analysis or evidence was prepared, presented, or proffered; (b) utilize reasonable and appropriate methodologies and assumptions; (c) have not been controverted by other evidence; (d) establish that the Plan is feasible and Confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization of the Reorganized Debtors or any successor to the Reorganized Debtors under the Plan, except as provided in the Plan; and (e) establish that the Reorganized Debtors will have sufficient funds available to meet their obligations under the Plan.

W. Payment of Fees—Section 1129(a)(12).

43. The Plan satisfies the requirements of section 1129(a)(12) of the Bankruptcy Code. Article XII.C of the Plan provides for the payment of all fees payable by the Debtors under 28 U.S.C. § 1930(a).

X. Continuation of Employee Benefits—Section 1129(a)(13).

44. The Plan satisfies the requirements of section 1129(a)(13) of the Bankruptcy Code. Article IV.S of the Plan provides that from and after the Effective Date, the payment of all retiree benefits, as defined in section 1114 of the Bankruptcy Code, will continue in accordance with applicable law.

Y. Non-Applicability of Certain Sections—Sections 1129(a)(14), (15), and (16).

45. Sections 1129(a)(14), 1129(a)(15), and 1129(a)(16) of the Bankruptcy Code do not apply to the Chapter 11 Cases. The Debtors owe no domestic support obligations, are not individuals, and are not nonprofit corporations.

Z. “Cram Down” Requirements—Section 1129(b).

46. The Plan satisfies the requirements of section 1129(b) of the Bankruptcy Code. Notwithstanding the fact that Voting Class 7 and the classes that are deemed to reject the Plan (collectively, the “Rejecting Classes”) have rejected or been deemed to reject the Plan, the Plan may be confirmed pursuant to section 1129(b)(1) of the Bankruptcy Code. *First*, all of the requirements of section 1129(a) of the Bankruptcy Code other than section 1129(a)(8) have been met. *Second*, the Plan is fair and equitable with respect to the Rejecting Classes. The Plan has been proposed in good faith, is reasonable, and meets the requirements that (a) no Holder of any Claim or Interest that is junior to each such Class will receive or retain any property under the Plan on account of such junior Claim or Interest and (b) no Holder of a Claim in a Class senior to such Classes is receiving more than 100% on account of its Claim. Accordingly, the Plan is fair and equitable to all holders of Claims and Interests in the Rejecting Classes. *Third*, the Plan does not discriminate unfairly with respect to the Rejecting Classes because similarly situated creditors will receive substantially similar treatment on account of their Claims and Interests irrespective of Class. Furthermore, as to Holders of Unsecured Notes Claims and General Unsecured Claims, the recovery provided on account of the Third Lien Notes Claims pursuant to

the Second/Third Lien Plan Settlement, which is derived from the value of the collateral securing the Debtors' obligations to the Holders of the Second Lien Notes Claims, does not result in unfair discrimination within the meaning of section 1129(b).³ The Plan may therefore be confirmed despite the fact that not all Impaired Classes have voted to accept the Plan. Section 1129(b) does not apply to the First Lien Claims, the Second Lien Second Claims, or the Third Lien Notes Claims because the Holders of such Claims have voted to accept the Plan in sufficient number and in sufficient amount to constitute an accepting class under the Bankruptcy Code.

AA. Only One Plan—Section 1129(c).

47. The Plan satisfies the requirements of section 1129(c) of the Bankruptcy Code.

The Plan is the only chapter 11 plan filed in each of the Chapter 11 Cases.

BB. Principal Purpose of the Plan—Section 1129(d).

48. The Plan satisfies the requirements of section 1129(d) of the Bankruptcy Code.

The principal purpose of the Plan is not the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act.

CC. Not Small Business Cases—Section 1129(e).

49. The Chapter 11 Cases are not small business cases, and accordingly section 1129(e) of the Bankruptcy Code is inapplicable in the Chapter 11 Cases.

³ See *In re MCorp. Fin. Inc.*, 160 B.R. 941, 960 (S.D. Tex. 1993) (finding no unfair discrimination where senior creditor gave up portion of recovery to non-subordinated unsecured creditor in connection with settlement of litigation); see also *In re Idearc Inc.*, 423 B.R. 138, 172 (Bankr. N.D. Tex. 2009), *aff'd* 662 F.3d 315 (5th Cir. 2011) (holding that where recovery provided to junior creditor was from lenders' collateral, any slight discrimination that could exist does not violate the Bankruptcy Code); *In re Journal Register Co.*, 407 B.R. 520 (Bankr. S.D.N.Y. 2009) (finding that plan did not unfairly discriminate because removing the distribution under the Plan to a certain class of creditors received on account of a compromise with a senior creditor would not change the recovery of the objecting creditors, and so the creditors that received such distribution on account of the compromise did not do so at the expense of other creditors in the same class).

DD. Good Faith Solicitation—Section 1125(e).

50. The Exculpated Parties have acted in “good faith” within the meaning of section 1125(e) of the Bankruptcy Code and in compliance with the applicable provisions of the Bankruptcy Code and Bankruptcy Rules in connection with all of their respective activities relating to support and consummation of the Plan, including the execution, delivery, and performance of the Plan Support Agreement, the New Credit Facility, the New Credit Facility Documents, the New Organizational Documents, the New Common Stock, the New Warrants, and solicitation of acceptances of the Plan, and are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code.

EE. Satisfaction of Confirmation Requirements.

51. Based on the foregoing, the Plan satisfies the requirements for Confirmation set forth in section 1129 of the Bankruptcy Code.

FF. Likelihood of Satisfaction of Conditions Precedent to the Effective Date.

52. Each of the conditions precedent to the Effective Date, as set forth in Article IX.A of the Plan, has been or is reasonably likely to be satisfied or waived in accordance with Article IX.B of the Plan.

GG. Implementation.

53. The terms of the Plan, including, without limitation, the Plan Supplement and all exhibits and schedules thereto, and all other documents filed in connection with the Plan, and/or executed or to be executed in connection with the transactions contemplated by the Plan and all amendments and modifications of any of the foregoing made pursuant to the provisions of the Plan governing such amendments and modifications (collectively, the “Plan Documents”) are incorporated by reference, are approved in all respects, and constitute an integral part of this Confirmation Order.

HH. Binding and Enforceable.

54. The Plan and the Plan Documents have been negotiated in good faith and at arm's length and, subject to the occurrence of the Effective Date, shall bind any Holder of a Claim or Interest and such Holder's respective successors and assigns, whether or not the Claim or Interest is Impaired under the Plan, whether or not such Holder has accepted the Plan, and whether or not such Holder is entitled to a distribution under the Plan. The Plan and the Plan Documents constitute legal, valid, binding, and authorized obligations of the respective parties thereto and shall be enforceable in accordance with their terms. Pursuant to section 1142(a) of the Bankruptcy Code, the Plan and the Plan Documents shall apply and be enforceable notwithstanding any otherwise applicable non-bankruptcy law.

II. Disclosure of Facts.

55. The Debtors have disclosed all material facts regarding the Plan, including with respect to consummation of the New Credit Facility Documents and the New Organizational Documents, and the fact that each applicable Debtor will emerge from its chapter 11 case as a validly existing corporation, limited liability company, partnership, or other form, as applicable, with separate assets, liabilities, and obligations.

JJ. Good Faith.

56. The Debtors, the Exculpated Parties, the Released Parties, and the Releasing Parties have been and will be acting in good faith if they proceed to: (a) consummate the Plan and the agreements, settlements, transactions, and transfers contemplated thereby; and (b) take the actions authorized and directed by this Confirmation Order to reorganize the Debtors' businesses and effect the New Credit Facility Documents and the New Organizational Documents, and the other Restructuring Transactions.

KK. Vesting of Assets.

57. Except as otherwise provided in the Plan or any agreement, instrument, or other document incorporated therein, on the Effective Date, all property in each Estate, all Causes of Action, and any property acquired by any of the Debtors pursuant to the Plan shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges, Causes of Action, or other encumbrances. On and after the Effective Date, except as otherwise provided in the Plan, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

LL. The New Credit Facility.

58. The New Credit Facility is an essential element of the Plan, is necessary for Confirmation and the consummation of the Plan, and is critical to the overall success and feasibility of the Plan. Entry into the New Credit Agreement and the other New Credit Facility Documents is in the best interests of the Debtors, their Estates, and all Holders of Claims or Interests. The Debtors have exercised reasonable business judgment in determining to enter into the New Credit Agreement and the other New Credit Facility Documents and have provided sufficient and adequate notice of the material terms of the New Credit Facility, which material terms were filed as part of the Plan and Plan Supplement. The terms and conditions of the New Credit Facility are fair and reasonable, and the New Credit Facility was negotiated in good faith and at arm's length. The Debtors are authorized, without further approval of the Court or any other party, to execute and deliver all agreements, guarantees, instruments, mortgages, control agreements, certificates, and other documents relating to the New Credit Agreement and New

Credit Facility Documents to perform their obligations thereunder, including, without limitation, the payment or reimbursement of any fees, expenses, losses, damages, or indemnities.

MM. Management Incentive Plan.

59. The Debtors have provided sufficient and adequate notice of the terms of the Management Incentive Plan. The terms and conditions of the Management Incentive Plan have been negotiated in good faith and at arm's length with the Debtors' primary stakeholders. The Management Incentive Plan is an essential element of the Plan, and the terms of the Management Incentive Plan and the payments contemplated therein are reasonable and comparable to the market. The Management Incentive Plan is hereby approved in its entirety.

NN. Issuance of New Common Stock and New Warrants.

60. Pursuant to section 1145 of the Bankruptcy Code, the offering, issuance, and distribution of the New Common Stock and New Warrants and any other securities to be issued and distributed (including the distributions described in the Restructuring Transactions), whether on the Effective Date or any other date of a distribution thereafter, pursuant to the terms of the Plan and/or in accordance with this Confirmation Order comply with section 1145 of the Bankruptcy Code and shall be exempt from, among other things, the registration and prospectus delivery requirements of Section 5 of the Securities Act and any other applicable state and federal law requiring registration and/or delivery of a prospectus prior to the offering, issuance, distribution, or sale of securities.

61. In addition, under section 1145 of the Bankruptcy Code, any securities contemplated by the Plan and any and all agreements incorporated therein, including the New Common Stock and New Warrants, shall be subject to (a) the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 2(a)(11) of the Securities Act, (b) compliance with any rules and regulations of the Securities and Exchange

Commission, if any, applicable at the time of any future transfer of such securities or instruments, (c) the restrictions, if any, on the transferability of such securities and instruments, including those set forth in the New Organizational Documents, and (d) applicable regulatory approval, if any.

62. Each share of the New Common Stock issued and distributed pursuant to the Plan shall be uncertificated and duly authorized, validly issued, and fully paid and non-assessable. Each distribution and issuance referred to in Article VI of the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance. The New Common Stock and New Warrants shall be issued through the facilities of the Depository Trust Company (“DTC”) and the Debtors may require recipients thereof to identify themselves through the provision of information requested by the Debtors. The Debtors and/or Reorganized Debtors will reflect any ownership of the New Common Stock and New Warrants through the facilities of the DTC, the Reorganized Debtors need not provide any further evidence other than this Confirmation Order with respect to the treatment of the New Common Stock under applicable securities laws. The DTC shall be required to accept and conclusively rely upon the Plan and this Confirmation Order in lieu of a legal opinion regarding whether the New Common Stock and New Warrants are exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services. Notwithstanding anything to the contrary in the Plan, no entity (including, for the avoidance of doubt, the DTC) may require a legal opinion regarding the validity of any transaction contemplated by the Plan, including, for the avoidance

of doubt, whether the New Common Stock and New Warrants are exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services.

OO. Executory Contracts and Unexpired Leases.

63. The Debtors have exercised sound business judgment in determining whether to assume or reject each of their Executory Contracts and Unexpired Leases pursuant to sections 365 and 1123(b)(2) of the Bankruptcy Code, Article V of the Plan, and as set forth in the Plan Supplement. Except as set forth herein and/or in separate orders entered by the Court relating to assumption of Executory Contracts or Unexpired Leases, the Debtors have cured or provided adequate assurances that the Debtors will cure defaults (if any) under or relating to each Executory Contract or Unexpired Lease assumed under the Plan.

64. Nothing in the Plan or the Confirmation Order shall prevent a party to an Executory Contract rejected pursuant to the Plan from filing a Proof of Claim based on such rejection within thirty (30) days after the effective date of rejection of such Executory Contract. Nothing in the Plan or this Confirmation Order shall prevent a party to an Executory Contract assumed pursuant to the Plan, or otherwise, from continuing to prosecute an objection to the Cure Cost related to such assumed Executory Contract if such objection is timely filed on or before the Plan Objection Deadline but not resolved before the Effective Date.

PP. Retention of Jurisdiction.

65. Except as otherwise provided in any of the Plan Documents, the Court shall retain jurisdiction over the Chapter 11 Cases and all matters arising out of, or related to, the Chapter 11 Cases and the Plan, including the matters set forth in Article XI of the Plan.

ORDER

IT IS ORDERED, ADJUDGED, DECREED, AND DETERMINED THAT:

66. **Confirmation of the Plan.** The Plan is approved in its entirety and CONFIRMED under section 1129 of the Bankruptcy Code. The terms of the Plan, including the Plan Supplement, are incorporated by reference into and are an integral part of this Confirmation Order.

~~67. **Standing Motion.** The Standing Motion is denied in its entirety on the merits.~~

67. **Standing Motion.** The *Emergency Motion of the Official Committee of Unsecured Creditors for Leave, Standing, and Authority to Prosecute Claims on Behalf of the Debtors' Estates and for Related Relief* [Docket No. 493] (the "Standing Motion") is withdrawn with prejudice by the Committee, and the Committee shall file such withdrawal on the docket within three (3) days of the date of entry of this Confirmation Order.

68. **Objections.** All objections and all reservations of rights pertaining to Confirmation that have not been withdrawn, waived, or settled are overruled on the merits.

69. **Plan Classification Controlling.** The terms of the Plan shall solely govern the classification of Claims and Interests for purposes of the distributions to be made thereunder. The classification set forth on the ballots tendered to or returned by the holders of Claims in connection with voting on the Plan: (a) were set forth thereon solely for purposes of voting to accept or reject the Plan; (b) do not necessarily represent, and in no even shall be deemed to modify or otherwise affect, the actual classification of Claims and Interests under the Plan for distribution purposes; (c) may not be relied upon by any Holder of a Claim or Interest as representing the actual classification of such Claim or Interest under the Plan for distribution purposes; and (d) shall not be binding on the Debtors except for voting purposes.

70. **Plan Modifications.** Subsequent to filing the Plan on July 13, 2016, the Debtors made certain ~~technical~~-modifications to the Plan (the “Plan Modifications”). The Plan Modifications comply with the requirements under the Plan Support Agreement and do not materially adversely affect the treatment of any Claim or Interest under the Plan. After giving effect to the Plan Modifications, the Plan continues to satisfy the requirements of sections 1122 and 1123 of the Bankruptcy Code. The filing with the Court on September ~~1~~,^[28], 2016, of the Plan Modifications and the disclosure of the Plan Modifications on the record at the Confirmation Hearing constitute due and sufficient notice thereof. Accordingly, pursuant to section 1127(a) of the Bankruptcy Code and Bankruptcy Rule 3019, the Plan Modifications do not require additional disclosure under section 1125 of the Bankruptcy Code or re-solicitation of votes under section 1126 of the Bankruptcy Code, nor do they require that holders of Claims or Interests be afforded an opportunity to change previously cast acceptances or rejections of the Plan.

71. **Deemed Acceptance of Plan.** In accordance with section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, all holders of Claims and Interests who voted to accept the Plan or who are conclusively presumed to accept the Plan are deemed to have accepted the Plan as modified by the Plan Modifications. No holder of a Claim or Interest shall be permitted to change its vote as a consequence of the Plan Modifications.

72. **No Action Required.** Under the provisions of the Delaware General Corporation Law, including section 303 thereof, and the comparable provisions of the Delaware Limited Liability Company Act, and section 1142(b) of the Bankruptcy Code, no action of the respective directors, equity holders, managers, or members of the Debtors is required to authorize the Debtors to enter into, execute, deliver, file, adopt, amend, restate, consummate, or effectuate, as

the case may be, the Plan, the Restructuring Transactions, and any contract, assignment, certificate, instrument, or other document to be executed, delivered, adopted, or amended in connection with the implementation of the Plan, including the New Credit Facility Documents and the New Organizational Documents, and the appointment and election of the members of the New Board and the officers, directors, and/or managers of each of the Reorganized Debtors.

73. **Binding Effect.** On the date hereof and after entry of this Confirmation Order and subject to the occurrence of the Effective Date, the Plan and the Plan Documents shall bind any Holder of a Claim or Interest and such Holder's respective successors and assigns, whether or not: (a) the Claim or Interest is Impaired under the Plan, (b) such Holder has accepted the Plan, (c) such Holder has failed to vote to accept or reject the Plan or voted to reject the Plan, (d) such Holder is entitled to a distribution under the Plan, (e) such Holder will receive or retain any property or interests in property under the Plan, and (f) such Holder has filed a Proof of Claim in the Chapter 11 Cases. The Plan and the Plan Documents constitute legal, valid, binding, and authorized obligations of the respective parties thereto and shall be enforceable in accordance with their terms. Pursuant to section 1142(a) of the Bankruptcy Code, the Plan and the Plan Documents shall apply and be enforceable notwithstanding any otherwise applicable non-bankruptcy law.

74. **Vesting of Assets in the Reorganized Debtors.** Except as otherwise provided in the Plan, this Confirmation Order, or in any agreement, instrument, or other document incorporated in the Plan (including the New Credit Facility Documents and the New Organizational Documents), on the Effective Date, all property in each Estate, all Causes of Action, and any property acquired by any of the Debtors under the Plan shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges, or other

encumbrances. On and after the Effective Date, except as otherwise provided in the Plan, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules. To the extent that the retention by the Debtors of assets held immediately prior to emergence in accordance with the Plan is deemed, in any instance, to constitute a “transfer” of property, such transfer of property to the Debtors (a) is or shall be a legal, valid, and effective transfer of property, (b) vests or shall vest the Debtors with good title to such property, free and clear of all Liens, Claims, charges, or other encumbrances, except as expressly provided in the Plan or this Confirmation Order, (c) does not and shall not constitute an avoidable transfer under the Bankruptcy Code or under applicable non-bankruptcy law, and (d) does not and shall not subject the Debtors to any liability by reason of such transfer under the Bankruptcy Code or under applicable non-bankruptcy law, including by laws affecting successor or transferee liability.

75. **Effectiveness of All Actions.** All actions contemplated by the Plan, including all actions in connection with the New Credit Facility Documents, the New Organizational Documents, the New Common Stock, the New Warrants, and the Management Incentive Plan are hereby effective and authorized to be taken on, prior to, or after the Effective Date, as applicable, under this Confirmation Order, without further application to, or order of the Court, or further action by the respective officers, directors, managers, members, or equity holders of the Debtors or the Reorganized Debtors and with the effect that such actions had been taken by unanimous action of such officers, directors, managers, members, or equity holders.

76. **Restructuring Transactions.** The Debtors or the Reorganized Debtors, as applicable, are authorized to enter into and effectuate the Restructuring Transactions, including

the entry into and consummation of the transactions contemplated by the New Credit Facility Documents, the New Organizational Documents, and the Management Incentive Plan and may take any actions as may be necessary or appropriate to effect a corporate restructuring of their respective businesses or a corporate restructuring of the overall corporate structure of the Reorganized Debtors, as and to the extent provided in the Plan. Any transfers of assets or equity interests effected or any obligations incurred through the Restructuring Transactions are hereby approved and shall not constitute fraudulent conveyances or fraudulent transfers or otherwise be subject to avoidance. Except as otherwise provided in the Plan, each Reorganized Debtor, as applicable, shall continue to exist after the Effective Date as a separate corporate entity, limited liability company, partnership, or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form, as the case may be, under the applicable law in the jurisdiction in which such applicable Debtor is incorporated or formed.

77. **Cancellation of Notes, Instruments, Certificates, and Other Documents.** On the Effective Date, except as otherwise provided herein or in the Plan, all notes, instruments, Certificates, and other instruments or documents, directly or indirectly, evidencing any Claim or Interest shall be deemed cancelled and the obligations of the Debtors or Reorganized Debtors and any non-Debtor Affiliates thereunder or in any way related thereto shall be discharged; *provided, however*, that notwithstanding Confirmation or the occurrence of the Effective Date, any credit document or agreement that governs the rights of the Holder of a Claim or Interest shall continue in effect solely for purposes of (a) allowing holders of Allowed Claims to receive distributions under the Plan and (b) allowing and preserving the rights of the First Lien Agent, the Second Lien Notes Trustee, the Third Lien Notes Trustee, and the Unsecured Notes Trustees,

as applicable, to make distributions on account of Allowed Claims, as provided in the Plan or this Confirmation Order.

78. **Distributions.** Subject to Article VI of the Plan, all amounts and securities necessary for the Debtors (on the Effective Date) or the Reorganized Debtors to make payments or distributions pursuant hereto shall be made through distributions of the New Common Stock or the New Warrants as provided in the Plan. Any payment in Cash to be made pursuant to the Plan shall be made at the election of the Reorganized Debtors by check or by wire transfer.

79. **Preservation of Rights of Action.** Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or by a Final Order, in accordance with section 1123(b) of the Bankruptcy Code, the Reorganized Debtors retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, including any actions specifically enumerated in the Plan Supplement, as set forth in the Plan. The Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. For the avoidance of doubt, the Debtors' failure to list any Causes of Action in the Disclosure Statement, the Plan, the Plan Supplement, or otherwise in no way limits the rights of the Reorganized Debtors as set forth above. No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as indication that the Debtors or Reorganized Debtors, as applicable, will not pursue any and all available Causes of Action against it. The Debtors or Reorganized Debtors, as applicable, expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan or this Confirmation Order.

80. **Subordination.** Except as otherwise expressly provided in the Plan, this Confirmation Order, and any other order of the Court: (a) the classification and manner of satisfying all Claims and Interests under the Plan takes into consideration all subordination rights, whether arising by contract or under general principles of equitable subordination, section 510 of the Bankruptcy Code, or otherwise; (b) all subordination rights that a holder of a Claim or Interest may have with respect to any distribution to be made under the Plan shall be discharged and terminated and all actions related to the enforcement of such subordination rights shall be enjoined permanently; and (c) the distributions under the Plan to the holders of Allowed Claims and Interests will not be subject to payment of a beneficiary of such subordination rights, or to levy, garnishment, attachment, or other legal process by a beneficiary of such terminated subordination rights.

81. **Release of Liens.** Except as otherwise provided in the Plan, in any contract, instrument, release, or other agreement or document created pursuant to the Plan, or in the New Credit Agreement or the other New Credit Facility Documents all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates (except for those mortgages, deeds of trust, Liens, pledges or other security interests against any property of the Estates granted under and in relation to the New Credit Facility Documents, including without limitation, the First Lien Credit Facility) shall be fully released and discharged, and all of the right, title, and interest of any holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the applicable Reorganized Debtor and its successors and assigns. Without limiting the foregoing, to the extent that any holder of a Secured Claim that has been satisfied or discharged pursuant to the Plan, or any agent for such holder, has filed or recorded any Liens and/or security interests to secure such holder's Secured Claim, then

as soon as practicable on or after the Effective Date, such holder (or any such agent for such holder) shall be authorized to and shall execute such documents as may be reasonably requested by the Debtors or any of the Reorganized Debtors, at the sole expense of the Debtors or the Reorganized Debtors, as applicable, that are necessary to cancel and/or extinguish such Liens and/or security interests.

82. **New Credit Facility.** On the Effective Date, the Reorganized Debtors shall enter into the New Credit Facility on the terms set forth in the New Credit Facility Documents. Upon entry of this Confirmation Order, the New Credit Facility (including the transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred and fees paid by the Debtors or the Reorganized Debtors in connection therewith) shall be deemed approved, to the extent not approved by the Court previously, and the Reorganized Debtors are authorized to execute and deliver those documents necessary or appropriate to obtain the New Credit Facility, including the New Credit Facility Documents, without further notice to or order of the Court, act or action under applicable law, regulation, order, or rule or vote, consent, authorization, or approval of any Person, subject to such modifications acceptable to the Requisite First Lien Lenders in all respects and reasonably acceptable to the Requisite Second Lien Noteholders as the Reorganized Debtors may deem to be necessary to consummate the New Credit Facility. Notwithstanding anything to the contrary in this Confirmation Order or Article XI of the Plan, after the Effective Date, any disputes arising under the New Credit Facility Documents will be governed by the jurisdictional provisions therein. The Reorganized Debtors and the secured parties under the New Credit Facility (and their designees and agents) are authorized to make all filings and recordings, and to obtain all governmental approvals and consents necessary to evidence, establish and perfect such liens and security interests in

connection with the New Credit Facility under the provisions of applicable state, federal, or other law that would be applicable in the absence of the Plan and this Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of this Confirmation Order, and any such filings, recordings, approvals, and consents shall, as a matter of law, not be required to perfect such Liens and other security interests), and shall thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable law to give notice of such Liens and security interests to third-parties.

83. **New Organizational Documents.** The terms of the New Organizational Documents included in the Plan Supplement are approved in all respects. The obligations of the applicable Reorganized Debtors related thereto, will, upon execution, constitute legal, valid, binding, and authorized obligations of each of the Debtors or Reorganized Debtors, as applicable, enforceable in accordance with their terms and not in contravention of any state or federal law. On the Effective Date, without any further action by the Court or the directors, officers, or equity holders of any of the Reorganized Debtors, each Reorganized Debtor, as applicable, will be and is authorized to enter into the New Organizational Documents and all related documents, to which such Reorganized Debtor is contemplated to be a party on the Effective Date. In addition, on the Effective Date, without any further action by the Court or the directors, officers or equity holders of any of the Reorganized Debtors, each applicable Reorganized Debtor will be and is authorized to: (a) execute, deliver, file, and record any other contracts, assignments, certificates, instruments, agreements, guaranties, or other documents executed or delivered in connection with the New Organizational Documents; (b) perform all of its obligations under the New Organizational Documents; and (c) take all such other actions as any of the responsible officers of such Reorganized Debtor may determine are necessary,

appropriate or desirable in connection with the consummation of the transactions contemplated by the New Organizational Documents.

84. **Filing and Recording.** This Confirmation Order is and shall be binding upon and shall govern the acts of all persons or entities including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities who may be required, by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any document or instrument. Each and every federal, state, and local government agency is hereby directed to accept any and all documents and instruments necessary, useful, or appropriate (including financing statements under the applicable uniform commercial code) to effectuate, implement, and consummate the transactions contemplated by the Plan and this Confirmation Order without payment of any stamp tax or similar tax imposed by state or local law.

85. **Registration Rights Agreement.** On the Effective Date, the Reorganized Debtors shall enter into the Registration Rights Agreement. Upon entry of this Confirmation Order, the Registration Rights Agreement (including the transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Debtors or the Reorganized Debtors in connection therewith) shall be deemed approved, to the extent not approved by the Court previously, and the Reorganized Debtors are authorized to execute and taken all actions necessary or appropriate to give effect to the Registration Rights Agreement, without further notice to or order of the Court, act or action under applicable law, regulation, order, or rule or vote, consent, authorization, or approval of any Person, subject to such modifications acceptable to the Reorganized Debtors and Registration Rights Beneficiaries

Notwithstanding anything to the contrary in this Confirmation Order or Article XI of the Plan, after the Effective Date, any disputes arising under the Registration Rights Agreement will be governed by the jurisdictional provisions therein.

86. **Management Incentive Plan.** The Management Incentive Plan is hereby approved in its entirety and shall be implemented on the Effective Date by Reorganized Debtors without any further action by the New Board or the Bankruptcy Court.

87. **Directors and Officers of Reorganized Debtors.** The Reorganized Debtors' initial directors and officers, to the extent known, have been disclosed prior to the Confirmation Hearing. To the extent that any director or officer has not yet been determined, such determination will be made in accordance with the New Organizational Documents and such appointment is hereby approved.

88. **Compromise of Controversies.** In consideration for the distributions and other benefits, including releases, provided under the Plan, the provisions of the Plan constitute a good faith compromise and settlement of all Claims, Interests, and controversies resolved under the Plan and the entry of this Confirmation Order constitutes approval of such compromise and settlement under Bankruptcy Rule 9019, including the approval of the [Confirmation Settlement](#), Intercreditor Settlement, the Second/Third Lien Plan Settlement, and the Unencumbered Value Settlement.

89. **Assumption of Contracts and Leases.** On the Effective Date, each Executory Contract and Unexpired Lease shall be deemed assumed as provided in the Plan, without the need for any further notice to or action, order, or approval of the Bankruptcy Court, under section 365 of the Bankruptcy Code and the payment of Cures, if any, shall be paid in accordance with Article V.C. of the Plan. Each assumed Executory Contract or Unexpired Lease

shall include all modifications, amendments, supplements, restatements, or other agreements related thereto, and all rights related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests. Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease or the validity, priority, or amount of any Claims that may arise in connection therewith. Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise and full payment of any applicable Cure pursuant to Article V.C of the Plan shall result in the full release and satisfaction of any Cures, Claims, or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption. Any and all Proofs of Claim based upon Executory Contracts or Unexpired Leases that have been assumed in the Chapter 11 Cases, including pursuant to this Confirmation Order, and for which any Cure has been fully paid pursuant to Article V.C of the Plan shall be deemed disallowed and expunged as of the Effective Date without the need for any objection thereto or any further notice to or action, order, or approval of the Bankruptcy Court.

90. **Indemnification.** On and as of the Effective Date, the Indemnification Obligations will be assumed and irrevocable and will survive the effectiveness of the Plan, and the Reorganized Debtors' governance documents will provide for the indemnification, defense, reimbursement, exculpation, and/or limitation of liability of, and advancement of fees and expenses to the Debtors' and the Reorganized Debtors' current and former directors, officers,

employees, or agents to the fullest extent permitted by law and at least to the same extent as the organizational documents of each of the respective Debtors on the Petition Date, against any claims or Causes of Action whether direct or derivative, liquidated or unliquidated, fixed or contingent, disputed or undisputed, matured or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted, and none of the Reorganized Debtors will amend and/or restate their respective governance documents before or after the Effective Date to terminate or materially adversely affect any of the Reorganized Debtors' obligations to provide such indemnification rights or such directors', officers', employees', or agents' indemnification rights.

91. **Directors' and Officers' Liability Insurance.** As of the Effective Date, the Reorganized Debtors shall not terminate or otherwise reduce the coverage under any D&O Liability Insurance Policy (including such tail coverage liability insurance) in effect and all members, managers, directors, and officers of the Debtors who served in such capacity at any time prior to the Effective Date of the Plan shall be entitled to the full benefits of any such policy for the full term of such policy regardless of whether such members, managers, directors, and/or officers remain in such positions after the Effective Date of the Plan.

92. **Authorization to Consummate.** The Debtors are authorized to consummate the Plan and the Restructuring Transactions after the entry of this Confirmation Order subject to satisfaction or waiver (by the required parties) of the conditions precedent to Consummation set forth in Article IX of the Plan.

93. **Professional Compensation.** The provisions governing Professional compensation set forth in Article II.C of the Plan are approved in their entirety; *provided*, ~~however,~~ that ~~the Debtors, the Reorganized Debtors, and the Prepetition Secured Parties expressly reserve any and all rights to contest the allowance of the Committee's Retained~~

~~Professionals~~² (a) the aggregate amount of the Professional Fee Claims on any basis, of the Committee, (b) the fees, costs and expenses of the Unsecured Notes Trustees and its advisors (including, without limitation, on grounds that such counsel), and (c) expenses of the individual members of the Committee, which aggregate amounts in the aforementioned (a)-(c) paid by the Debtors shall not exceed the lesser of either (y) \$7.45 million, or (z) an amount equal to the aggregate amount of all Professional Fee Claims exceed the limitations set forth in paragraph 19 of the Cash Collateral Order sought by the Committee and their Retained Professionals and those fees, costs, and expenses in the aforementioned (b)-(c) in connection with Article II of the Plan, less a seventeen percent (17%) overall reduction. The Debtors, the Consenting Second Lien Ad Hoc Committee, the Consenting Cross-Over Ad Hoc Committee, and the First Lien Agent (in its capacity as First Lien Agent and a First Lien Lender unless otherwise directed by the required lenders under the First Lien Credit Facility), shall not object to the Committee's Retained Professionals final requests for Professional Fee Claims.

94. **Return of Deposits.** All utilities, including any Person who received a deposit or other form of “adequate assurance” of performance pursuant to section 366 of the Bankruptcy Code during the Chapter 11 Cases (collectively, the “Deposits”), whether pursuant to the *Order (I) Approving the Debtors’ Proposed Adequate Assurance of Payment for Future Utility Services, (II) Prohibiting Utility Companies From Altering, Refusing, or Discontinuing Services, and (III) Approving the Debtors’ Proposed Procedures for Resolving Adequate Assurance Requests* [Docket No. 72] (the “Utilities Order”) or otherwise, including, gas, electric, telephone, data, cable, trash, and sewer services, are directed to return such Deposits to the Reorganized Debtors, either by setoff against postpetition indebtedness or by Cash refund, within thirty (30) days following the Effective Date. Additionally, the Debtors or Reorganized Debtors, as

applicable, are hereby authorized to close the Adequate Assurance Account (as defined in the Utilities Order) and utilize such funds in the operation of their businesses.

95. **Release, Exculpation, Discharge, and Injunction Provisions.** The following release, exculpation, discharge, and injunction provisions set forth in Article VIII of the Plan are approved and authorized in their entirety, and such provisions are effective and binding on all parties and Entities to the extent provided therein.

a. Discharge of Claims and Termination of Interests.

96. **Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or in any contract, instrument, or other agreement or document created pursuant to the Plan, the distributions, rights, and treatment that are provided in the Plan shall be in full and final satisfaction, settlement, discharge, and release, effective as of the Effective Date, of Claims, Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, liens on, obligations of, rights against, and Interests in, the Debtors, the Reorganized Debtors, or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by employees of the Debtors prior to the Effective Date and that arise from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not: (a) a Proof of Claim or Interest based upon such debt or right is filed or deemed filed pursuant**

to section 501 of the Bankruptcy Code; (b) a Claim or Interest is Allowed; or (c) the holder of such a Claim or Interest has accepted the Plan. Except as otherwise provided in the Plan, any default by the Debtors with respect to any Claim or Interest that existed immediately prior to or on account of the filing of the Chapter 11 Cases shall be deemed cured on the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Interests subject to the occurrence of the Effective Date, except as otherwise expressly provided in the Plan. For the avoidance of doubt, nothing in this paragraph shall affect the rights of Holders of Claims or Interests to seek to enforce the Plan or this Confirmation Order, including the distributions to which Holders of Allowed Claims and Interests are entitled to under the Plan.

97. Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided pursuant to the Plan, the provisions of the Plan, including the Intercreditor Settlement, shall constitute a good faith compromise and settlement of all Claims, Interests, and controversies relating to the contractual, legal, and subordination rights that a Holder of a Claim or Interest may have on account of such Allowed Claim or Interest. The entry of this Confirmation Order constitutes this Court's approval of the compromise or settlement of all such Claims, Interests, and controversies, as well as a finding by the Court that such compromise or settlement, including the Intercreditor Settlement, is in the best interests of the Debtors, their estates, and Holders of Claims and Interests and is fair, equitable, and reasonable. In accordance with the provisions of the Plan, pursuant to Bankruptcy Rule 9019, without any further notice to or action, order, or approval of the Court, after the Effective Date, the

Reorganized Debtors may compromise and settle Claims against, and Interests in, the Debtors and their estates and causes of action against other entities.

b. Releases by the Debtors.

98. Pursuant to section 1123(b) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan, for good and valuable consideration, including the efforts of the Released Parties to facilitate the expeditious reorganization of the Debtors and the implementation of the restructuring contemplated by the Plan, on and after the Effective Date, each Released Party and its respective property are conclusively, absolutely, unconditionally, irrevocably, and forever deemed released, acquitted, and discharged by the Debtors, the Reorganized Debtors and the Estates from any and all Claims, debts, obligations, rights, suits, damages, debts, Causes of Action, remedies, and liabilities whatsoever, including any derivative Claims asserted or assertable on behalf of the Debtors or their Estates, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereinafter arising, in law, equity, contract, tort, or otherwise, by statute, violations of federal or state securities laws or otherwise that the debtors, the Reorganized Debtors, the Estates or their Affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim or Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Reorganized Debtors, the Chapter 11 Cases, the Debtors' restructuring, the Prepetition Debt Documents, the purchase, sale or rescission of the purchase or sale of any Security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between the debtors and any Released Party, the restructuring of Claims and Interests prior to or in the Chapter 11

Cases, the negotiation, formulation or preparation of the Plan, the Plan support agreement, the Plan Supplement, the Disclosure Statement, the New Credit Facility Documents and any related agreements, instruments, or other documents (including, for the avoidance of doubt, providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, documents, or other agreement contemplated by the Plan or the reliance by any Released Party and/or DTC on the Plan or the Confirmation Order in lieu of such legal opinion), any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Confirmation Date. Notwithstanding anything to the contrary in the foregoing, the release (1) shall not apply to any express contractual or financial obligations or any right or obligations arising under or that is part of the Plan or any agreements entered into pursuant to, in connection with or contemplated by the Plan (including the Plan Support Agreement) and (2) shall have no effect on the liability of any Entity that results from any such act or omission that is determined in a Final Order to have constituted fraud, gross negligence, or willful misconduct. For the avoidance of doubt, the Debtors and Reorganized Debtors will continue to honor all postpetition and post-Effective Date obligations under the New Credit Facility Documents and any related agreements, instruments, or other documents.

c. Releases by Holders of Claims and Interests.

99. As of the Effective Date, each of the Releasing Parties (regardless of whether a Releasing Party is a Released Party) shall be deemed to have conclusively, absolutely, unconditionally, irrevocably and forever released, acquitted and discharged the Debtors, the Reorganized Debtors and the Released Parties and their respective property from any and all Claims, obligations, rights, suits, damages, debts, causes of action, remedies, and liabilities whatsoever, including any derivative Claims asserted or assertable or assertable

on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort or otherwise, by statute, violations of federal or state securities laws or otherwise that such entity would have been legally entitled to assert (whether individually or collectively) or on behalf of the Holder of any Claim or Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Reorganized Debtors, the Debtors' restructuring, the Chapter 11 Cases, the Prepetition Debt Documents, the purchase, sale or rescission of the purchase or sale of any Security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between the Debtors and any Released Party, the restructuring of Claims and Interests prior to or during the Chapter 11 Cases, the negotiation, formulation, or preparation of the Plan, the Disclosure Statement, the Plan Supplement, the Plan Support Agreement, the New Credit Facility Documents and any related agreements, instruments or other documents (including, for the avoidance of doubt, providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, documents, or other agreement contemplated by the Plan or the reliance by any Released Party and/or DTC on the Plan or the Confirmation Order in lieu of such legal opinion), any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Confirmation Date. Notwithstanding anything to the contrary in the foregoing, the release set forth above does not release any post-Effective Date obligations of any party or entity under the Plan or any document, instrument or agreement (including those set forth in the Plan Supplement) executed to implement the Plan (regardless of whether rights to enforce

such obligations in collateral arise from instruments establishing such rights prior to the Effective Date), including the right to receive distributions from the Debtors or the Reorganized Debtors on account of an Allowed Claim against the Debtors pursuant to the Plan (which, for the avoidance of doubt, shall include obligations under or in connection with the New Credit Facility Documents and any related agreements, instruments, or other documents and the Plan Support Agreement). Notwithstanding the foregoing, the Debtors and the Reorganized Debtors will continue to honor all postpetition and post-Effective Date obligations under any assumed Executory Contracts and Unexpired Leases in accordance with their terms regardless of whether such obligations are listed as a Cure Amount, and whether such obligation accrued prior to or after the Effective Date, and neither the payment of the Cure nor entry of the Confirmation Order shall be deemed to release the Debtors or Reorganized Debtors from such obligations. Notwithstanding anything to the contrary in the foregoing, the release set forth above (1) does not release the personal liability of any of the aforementioned Released Parties in Article VIII of the Plan for any statutory violation of applicable tax laws or bar any right of action asserted by a governmental taxing authority against the aforementioned Released Parties for any statutory violation of applicable tax laws and (2) shall have no effect on the liability of any Entity that results from any such act or omission that is determined in a Final Order to have constituted fraud, gross negligence, or willful misconduct.

d. Exculpation.

100. Except with respect to any acts or omissions expressly set forth in and preserved by the Plan, the Plan Supplement, or related documents, the Exculpated Fiduciaries and, solely to the extent provided by section 1125(e) of the Bankruptcy Code, the Section 1125(e) Parties, shall neither have, nor incur any liability to any Entity for any

prepetition or postpetition act taken or omitted to be taken in connection with, or related to formulating, negotiating, preparing, disseminating, implementing, administering, confirming, or effecting the Plan (including the Plan Support Agreement) or any contract, instrument, release or other agreement or document created or entered into in connection with the Plan (including, for the avoidance of doubt, providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, documents, or other agreement contemplated by the Plan or the reliance by any Exculpated Party and/or DTC on the Plan or the Confirmation Order in lieu of such legal opinion) or any other prepetition or postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Debtors; *provided, that* the foregoing “Exculpation” shall have no effect on the liability of any Entity that results from any such act or omission that is determined in a Final Order to have constituted fraud, gross negligence, or willful misconduct; *provided, further* that each Exculpated Party shall be entitled to rely upon the advice of counsel concerning his, her or its duties pursuant to, or in connection with, the Plan or any other related document, instrument, or agreement. The Exculpated Parties have, and upon confirmation, shall be deemed to have, participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including with regard to the distributions of New Common Stock and New Warrants pursuant to the Plan and, therefore, are not and shall not be liable at any time for the violations of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

e. Injunction.

101. Except as otherwise provided in the Plan, all entities who have held, hold, or may hold Claims, Interests, Causes of Action, or liabilities that: (a) are subject to

compromise and settlement pursuant to the terms of the Plan; (b) have been released pursuant to Article VIII.D of the Plan; (c) have been released pursuant to Article VIII.E of the Plan, (d) are subject to exculpation pursuant to Article VIII.F of the Plan (but only to the extent of the exculpation provided by Article VIII.F of the Plan), or (e) are otherwise discharged, satisfied, stayed or terminated pursuant to the terms of the Plan, are permanently enjoined and precluded, from and after the Effective Date, from commencing or continuing in any manner, any action or other proceeding, including on account of any Claims, Interests, Causes of Action, or liabilities that have been compromised or settled against the Debtors, the Reorganized Debtors, or any entity so released or exculpated (or the property or estate of any entity, directly or indirectly, so released or exculpated) on account of, or in connection with or with respect to, any discharged, released, settled, compromised, or exculpated Claims, Interests, Causes of Action, or liabilities.

f. Protection Against Discriminatory Treatment.

102. Consistent with section 525 of the Bankruptcy Code and the Supremacy Clause of the U.S. Constitution, all Entities, including Governmental Units, shall not discriminate against the Reorganized Debtors or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Reorganized Debtors, or another Entity with whom the Reorganized Debtors have been associated, solely because each Debtor has been a Debtor under Chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.

g. Recoupment.

103. In no event shall any Holder of Claims or Interests be entitled to recoup any Claim against any Claim, right, or cause of action of the Debtors or the Reorganized Debtors, as applicable, unless such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtors on or before the date of this Order, notwithstanding any indication in any Proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment.

h. Term of Injunctions or Stays.

104. Unless otherwise provided in the Plan or in a Final Order, all injunctions or stays arising under or entered during the Chapter 11 Cases under section 362 of the Bankruptcy Code or otherwise and in existence on the date of this Order, shall remain in full force and effect until the later of the Effective Date and the date set forth in the order providing for such injunction or stay.

105. **Senior Executive Incentive Plan.** Effective as of the Effective Date, the Senior Executive Incentive Plan (as defined in the *Debtors' Motion for Entry of an Order Authorizing and Approving the Debtors' Senior Executive Incentive Plan and Key Employee Incentive Plan* (the "Motion") [Docket No. 321]) (the "SEIP") is approved in its entirety, the Debtors shall take all actions necessary to implement the SEIP on the terms and conditions set forth in the Motion, and the Debtors shall pay all obligations that are due and owing under the SEIP as of the Effective Date by no later than the date that is seven (7) days after the Effective Date.

106. **Plains Marketing.** Pursuant to section 365 of the Bankruptcy Code, this Confirmation Order approves the assumption of all executory contracts between the Debtors and Plains Marketing, L.P. (and its affiliates) (collectively, "PMLP"), including, but not limited to, that certain Crude Oil Purchase Contract, dated May 23, 2016; *provided, however*, that to the

extent any contract or agreement between the Debtors and PMLP has expired, or will expire, by its own terms prior to the Effective Date, then each such expired contract or agreement will not be deemed assumed by the Debtors under Article V of the Plan.

107. **Repsol E&P USA, Inc.** The Debtors and Repsol E&P USA, Inc. (“Repsol”) are parties to numerous executory contracts scheduled in the Schedule of Assumed Executory Contracts and Unexpired Leases (collectively, the “Repsol Assumed Agreements”). The Debtors desire to assume and Repsol agrees to the Debtors’ assumption of the Repsol Agreements, subject to and conditioned upon the Debtors’ payment of an agreed cure amount (the “Agreed Cure Amount”) with respect to issues raised in the *Objection of Repsol E&P USA, Inc. to Proposed Cure Amount* [Docket No. 457]. Notwithstanding anything in the Plan, the Plan Supplement, or this Confirmation Order to the contrary, pursuant to section 365 of the Bankruptcy Code and subject to and conditioned upon the payment of the Agreed Cure Amount, this Confirmation Order approves the assumption of the Repsol Assumed Agreements as of the Effective Date. The Debtors and Repsol are also parties to executory contracts scheduled in the Schedule of Rejected Executory Contracts and Unexpired Leases, and pursuant to section 365 of the Bankruptcy Code such executory contracts will be deemed rejected as of the Effective Date.

108. **Le Norman Parties.** The Debtors, on the one hand, and Templar Energy LLC (“Templar”), Le Norman Operating LLC (“LNO”), and Le Norman Fund I LLC (“LNF,” and collectively with Templar and LNO, “Le Norman”), on the other hand, have consensually resolved Le Norman’s (I) *Objection and Reservation of Rights to Assumption of Executory Contracts and (II) Notice of Election to Opt Out of Third Party Releases Contained in Debtors’ First Amended Chapter 11 Plan of Reorganization* [Docket. No. 504] (the “Objection”) upon the terms and conditions set forth in the *Stipulation Resolving Le Norman Operating LLC’s, Templar*

Energy LLC's and Le Norman Fund I LLC's (I) Objection and Reservation of Rights to Assumption of Executory Contracts and (II) Notice of Election to Opt Out of Third Party Releases Contained in Debtors' First Amended Chapter 11 Plan of Reorganization Regarding Certain Payments [Docket No. ~~1674~~] (the "Stipulation"). Entry of this Confirmation Order consensually resolves the Objection and approves, in its entirety, the Stipulation, the terms of which are incorporated herein for all purposes.

109. **Triple F Oil Field Services, LLC / Production Specialists, Inc. (d/b/a Regal Oilfield Supply)**. Notwithstanding any other provision to the contrary contained in the Plan or the Plan Supplement, nothing herein shall: (i) constitute an adjudication and/or determination of the extent, validity, or priority of any secured claims, privileges and/or mechanic's and materialmen's liens filed and/or asserted by Triple F Oilfield Services LLC ("Triple F") against any property of the Debtors, asserted in any pending litigation, including Cause No. 5:15-CV-00659-C pending in the United States District Court for the Western District of Oklahoma (the "Triple F Litigation"), and/or asserted in its proof of claim 354 filed against Debtor Midstates Petroleum Company LLC (the "Triple F Claim"); (ii) constitute a consent, waiver, and/or release by Triple F to any transfer of the Debtor's property to the Reorganized Debtor free and clear of its lien rights in any way; or (iii) constitute a waiver or release of any claims or defenses to which the Parties may be otherwise be entitled against the other Party, whether the same be in law, at equity, or otherwise. Further, to the extent the Triple F Claim is determined to be partially Unsecured or wholly Unsecured, any portion of the Claim deemed Unsecured by a competent court or through a resolution between the parties, shall be deemed Allowed and subject to distribution as a Class 7 Claim, consistent with the terms of the Plan with all rights of Triple F under the Plan and Confirmation Order preserved as a Class 7 Claimant.

110. Notwithstanding anything in the Plan, the Plan Supplement, or this Order to the contrary, pursuant to section 365 of the Bankruptcy Code, all executory contracts between the Debtors and Triple F (the “Triple F Contracts”) shall be deemed rejected upon the occurrence of a Resolution Event (as defined below), to the extent it is determined in connection with such Resolution Event that the Triple F Contracts are capable of rejection under applicable law. Notwithstanding the foregoing, all rights, claims, and defenses the Parties may have against the other party are fully preserved, whether or not such rights, claims, or defenses arise under, are related to the rejection of, or are independent of the Triple F Contracts, including without limitation, any rights, claims, or defenses asserted by, or that could have been asserted by, the Parties against the other party prior to commencement of the Chapter 11 Cases, including any such rights, claims, or defenses asserted by, or that could have been asserted by, the Parties in the Triple F Litigation.

111. Notwithstanding any other provision to the contrary contained in the Plan or the Plan Supplement, nothing herein shall: (i) constitute an adjudication and/or determination of the extent, validity or priority of any secured claims, privileges and/or mechanic’s and materialmen’s liens filed and/or asserted by against any property of the Debtor asserted by Production Specialists, Inc. d/b/a Regal Oilfield Supply (“PSI”) in any pending litigation, including Case No. CJ-2015-00017 in the District Court in and for Alfalfa County, State of Oklahoma and Case No. CJ-2015-00018 in the District Court in and for Woods County, State of Oklahoma (together, the “PSI Litigation”), and/or as asserted in its proof of claim 223 filed in Case No. 16-33237, as amended by proof of claim 183 in Case No. 16-32238 (the “PSI Claim”); (ii) constitute a consent, waiver, and/or release by PSI of any transfer of the Debtor’s property to the Reorganized Debtor free and clear of its lien rights in any way; or (iii) constitute a waiver or

release of any claims or defenses to which the Parties may be otherwise be entitled against the other party, whether the same be in law, at equity, or otherwise. Further, to the extent that the PSI Claim is determined to be partially Unsecured or wholly Unsecured, any portion of the Claim deemed Unsecured by a competent court or through a resolution between the parties, shall be deemed allowed and subject to distribution as a Class 7 Claim, consistent with the terms of the Plan with all rights of PSI under the Plan and Confirmation Order preserved as a Class 7 Claimant.

112. Notwithstanding anything in the Plan, the Plan Supplement, or this Order to the contrary, pursuant to section 365 of the Bankruptcy Code, all executory contracts between the Debtors and PSI (the “PSI Contracts”) shall be deemed rejected upon the occurrence of a Resolution Event (as defined below), to the extent it is determined in connection with such Resolution Event that the PSI Contracts are capable of rejection under applicable law. Notwithstanding the foregoing, all rights, claims, and defenses the Parties may have against the other party are fully preserved, whether or not such rights, claims, or defenses arise under, are related to the rejection of, or are independent of the PSI Contracts, including without limitation, any rights, claims, or defenses asserted by, or that could have been asserted by, the Parties in the PSI Litigation.

113. Notwithstanding Article VIII.C of the Plan, or any other provision of the Plan or this Order, any Liens allegedly securing the PSI Claim or Triple F Claim, as applicable, shall be fully preserved until such time as their claims are resolved by a court of competent jurisdiction and/or through a resolution or settlement amongst and between all necessary parties thereto (each, a “Resolution Event”); provided, however, except as required in the PSI Litigation and/or Triple F Litigation, PSI and/or Triple F may not take any action to enforce any Secured Claims,

Lien, or any other Claims against the Debtor or property of the Debtor and/or Reorganized Debtor until a Resolution Event has occurred. Upon the occurrence of a Resolution Event, the Debtors shall, as soon as reasonably practicable, satisfy the PSI Claim and/or Triple F Claim, as applicable, in accordance with the terms of the Plan and this Order with all rights of Triple F and PSI under the Plan and confirmation Order preserved as a Class 3 Claimant and upon full satisfaction any such Liens securing the PSI Claim and/or Triple F Claim, as applicable, shall be deemed forever released and discharged in accordance with Article VIII.C of the Plan and this Order.

114. **Mewbourne Oil Company.** The Debtors and Mewbourne Oil Company (“MOC”) are parties to numerous executory contracts (collectively, the “MOC Agreements”). The Debtors desire to assume and MOC agrees to the Debtors’ assumption of all of the MOC Agreements, subject to and conditioned upon the Debtors’ agreement to timely comply with all of the terms and conditions of the MOC Agreements, including but not limited to being current on all payments due under the MOC Agreements,⁴ and further subject to and conditioned upon MOC’s right to enforce all terms, conditions, rights, and remedies of the MOC Agreements. Notwithstanding anything in the Plan, the Plan Supplement, or this Confirmation Order to the contrary, pursuant to section 365 of the Bankruptcy Code and subject to and conditioned upon the foregoing, this Confirmation Order approves the assumption of all of the MOC Agreements as of the Effective Date; provided, however, that to the extent any contract or agreement between the Debtors and MOC has expired, or will expire, by its own terms prior to the Effective Date,

⁴ The Debtors are authorized under the *Order Authorizing Payment of Mineral Payments and Working Interest Disbursements* [Docket No. 64] to make such payments prior to the Effective Date in the event such payments become due in the ordinary course in advance of the Effective Date.

then each such expired contract or agreement will not be deemed assumed by the Debtors under Article V of the Plan.

115. **Seitel Data, Ltd.** Notwithstanding anything in the Plan, any Plan Supplement or this Order to the contrary, the Debtors reject the Master License Agreement dated November 29, 2012 and all supplements, amendments, schedules and attachments (the “Seitel Agreement”) with Seitel Data, Ltd. and all affiliates. The Debtors’ agree to comply with all confidentiality provisions, destruction of data and verification of destruction of data provisions required by the Seitel Agreement.

116. **A2D Technologies (d/b/a TGS Geological Products and Services).** One or more of the Debtors and A2D Technologies (d/b/a TGS Geological Products and Services) (“TGS”) are parties to that certain LOG-LINE Plus!® Operating Agreement effective September 26, 2008 (the “TGS Operating Agreement”) and that certain Subscription Addendum dated August 25, 2015 (the “TGS Subscription Addendum,” and together with the TGS Operating Agreement, the “TGS Agreements”). The Debtors desire to assume and TGS agrees to the Debtors’ assumption of the TGS Agreements, subject to and conditioned upon the Debtors’ agreement to timely comply with all of the terms and conditions of the TGS Agreements, including but not limited to payment terms as well as any and all provisions and restrictions regarding use, transfer, assignment, change of control, and termination thereof. Notwithstanding anything in the Plan, the Plan Supplement, or this Confirmation Order to the contrary, pursuant to section 365 of the Bankruptcy Code and subject to and conditioned upon the foregoing, this Confirmation Order approves the assumption of the TGS Agreements as of the Effective Date.

117. **Seismic Exchange, Inc.** Debtor Midstates Petroleum Company, LLC (“MPOLLC”) and Seismic Exchange, Inc. (“SEI”) have consensually resolved disputes related to

the assumption of numerous executory contracts between MPOLLC and SEI. This resolution is embodied in that certain letter agreement between MPOLLC and SEI, dated as of September 2, 2016 (the "Letter Agreement"). Pursuant to section 365 of the Bankruptcy Code, (a) subject to and conditioned upon the Debtors' agreement to timely comply with all of the terms and conditions of the Letter Agreement, this Confirmation Order approves the assumption of the Letter Agreement, as well as the Assumed License and supplements related to the Assumed Data (each as defined in the Letter Agreement) as of the Effective Date, and (b) notwithstanding anything in the Plan, the Plan Supplement, or this Confirmation Order to the contrary, this Confirmation Order also approves the rejection of the Rejected Licenses (as defined in the Letter Agreement) as of the Effective Date.

118. **SemGas L.P.** MPOLLC and SemGas, LP ("SemGas") have entered into a settlement, release, and discharge agreement, dated September 23, 2016 (the "Settlement Agreement") resolving any and all claims between them, including but not limited to, claims related to the Second Amended and Restated Gas Purchase, Gathering and Processing Agreement dated April 15, 2013 including all amendments thereto (the "GPA"). Under the Settlement Agreement, (a) SemGas, as processor, agreed to make a full settlement and release of any claims contemplated by the proof of claim filed by SemGas on July 20, 2016 (the "SemGas Claim"), and to discharge all claims which are or might have been brought with respect to the SemGas Claim; (b) MPOLLC, as supplier, agreed to make a full settlement and release of any claim that MPOLLC had raised related to the settlement of ethane under the GPA (the "LLC Claim"), and to discharge all claims which are or might have been brought with respect to the LLC Claim; (c) MPOLLC and SemGas agreed to the full settlement and mutual release of any and all claims and Causes of Action between them existing or which were incurred or arose prior

to the Effective Date ((a) through (c) collectively, the “Mutual Releases”); and (d) SemGas and MPOLLC agreed to provide for certain value deductions in favor of SemGas and to amend the GPA to provide for certain other modifications to the GPA. For the avoidance of doubt, the Mutual Releases do not release any Claims or Causes of Action arising in the ordinary course of business under the Parties’ dealings pursuant to the GPA (as modified) after the Petition Date. By entry of this Confirmation Order, the Settlement Agreement which includes the assumption of the GPA, as so amended, with the agreed cure amounts provided therein and the Mutual Releases is approved. To the extent there are any inconsistencies between the Settlement Agreement and this Confirmation Order, the terms of the Confirmation Order shall control.

119. **Governmental Agencies.** Nothing in this Confirmation Order or the Plan discharges, releases, precludes, or enjoins: (a) any liability to any Governmental Unit that is not a Claim; (b) any Claim of a Governmental Unit arising on or after the Effective Date; (c) any police or regulatory liability to a Governmental Unit on the part of any Entity as the owner, permittee, or operator of property after the Effective Date; or (d) any liability to a Governmental Unit on the part of any Person other than the Debtors or Reorganized Debtors. Nor shall anything in this Confirmation Order or the Plan enjoin or otherwise bar a Governmental Unit from asserting or enforcing, outside this Court, any liability described in the preceding sentence. Nor shall anything in this Confirmation Order or the Plan divest any tribunal of any jurisdiction to interpret or adjudicate any defense based on this paragraph 119 of this Confirmation Order. Subject to the limitations provided in section 553 of the Bankruptcy Code, nothing in this Confirmation Order or the Plan shall affect any right to exercise setoff or recoupment of the United States of America (including any agencies or subagencies thereof) that may exist, if any.

120. **Claims of the Texas Comptroller.** With respect to the Claims of the Texas Comptroller of Public Accounts (the “Texas Comptroller”): (1) nothing provided in the Plan or this Order shall affect or impair any statutory or common law setoff rights of the Texas Comptroller, subject to the limitations provided in section 553 of the Bankruptcy Code; and (2) nothing provided in the Plan or this Confirmation Order shall affect the ability of the Texas Comptroller to pursue any non-Debtors to the extent allowed by non-bankruptcy law for any liabilities that may be related to any Texas state tax liabilities owed by the Debtors or the Debtors’ Estates. Notwithstanding anything in the Plan or this Order to the contrary, Administrative Claims shall include Allowed Administrative Claims that arise in the ordinary course of the Debtors’ business, including claims held by the Texas Comptroller for taxes incurred by the Debtors following the Petition Date (in accordance with section 503(b)(1)(B)-(D) of the Bankruptcy Code), which shall be paid in accordance with section 1129(a)(9)(A) or, if not due on the Effective Date, in the ordinary course of business in accordance with applicable law. In the event the Texas Comptroller’s Claim is not an Allowed Administrative Claim on the Effective Date, but subsequently it or a portion thereof becomes an Allowed Claim, to the extent the Claim is Allowed by order of the Court or agreed to by the parties, it shall be paid within 120 days of becoming an Allowed Claim together with interest at the statutory rate provided for in Texas Tax Code § 111.060 accruing from the Effective Date until paid in the full amount Allowed or agreed to by the parties in accordance with section 960 of title 28 of the United States Code and/or sections 511 and 1129 of the Bankruptcy Code for it to remain unimpaired. The Texas Comptroller is not required to file a motion or application for payment of administrative expense claims pursuant to section 503(b)(1)(D) of the Bankruptcy Code. The Texas Comptroller’s Allowed Priority Tax Claims shall be paid in accordance with section

1129(a)(9)(C) of the Bankruptcy Code. The Reorganized Debtors will fully comply with Texas state tax laws by timely filing all required postpetition tax returns when due or timely filing a request for extension, and will pay all debts owed to the Texas Comptroller, including any tax, interest, and penalties accrued through the date of payment in the ordinary course.

121. **State and Local Taxing Authorities.** Notwithstanding Article III.B of the Plan, the tax liens, including statutory liens and privileges if any, of Harris County and the Texas Taxing Entities (together, collectively, the “Taxing Authorities”), to the extent that the Taxing Authorities are entitled to such liens, shall be expressly retained in accordance with applicable state law with respect to taxes payable under applicable state law to the Taxing Authorities in the ordinary course of business. Furthermore, the Taxing Authorities shall not be required to submit a request for payment of an Administrative Claim with respect to the payment of taxes pursuant to Section 503(b)(1)(D) of the Bankruptcy Code.

122. **Compliance with Tax Requirements.** Each holder of an Allowed Claim or Interest that is to receive a distribution under the Plan shall have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any Governmental Unit, including income, withholding, and other tax obligations, on account of such distribution. Any party making any distribution under the Plan has the right, but not the obligation, to not make a distribution until such holder has made arrangements reasonably satisfactory to such issuing or distributing party for payment of any such tax obligations. The Debtors or Reorganized Debtors, as applicable, are authorized to take all actions necessary or appropriate to comply with applicable withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information

necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. Except as otherwise provided in the Plan, the aggregate consideration paid to Holders with respect to their Allowed Claims shall be treated pursuant to the Plan as allocated first to the principal amount of such Allowed Claims (to the extent thereof) and, thereafter, to the interest, if any, accrued through the Effective Date.

123. Exemption from Transfer Taxes. Pursuant to section 1146(a) of the Bankruptcy Code, any transfers (whether from a Debtor to a Reorganized Debtor or to any other Person) of property under the Plan or pursuant to: (a) the issuance, distribution, transfer, or exchange of any debt, equity security, or other interest in the Debtors or the Reorganized Debtors; (b) the Restructuring Transactions; (c) the creation, modification, consolidation, termination, refinancing, and/or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means; (d) the making, assignment, or recording of any lease or sublease; (e) the grant of collateral as security for any or all of the New Credit Facility; or (f) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including any deeds, bills of sale, assignments, or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, sale or use tax, real estate transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, or other similar tax or governmental assessment to the fullest extent contemplated by section 1146(a) of the Bankruptcy Code, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forego the collection of any such tax or governmental assessment and accept for filing and

recordation of any of the foregoing instruments or other documents without the payment of any such tax, recordation fee, or governmental assessment.

124. **Documents, Mortgages, and Instruments.** Each federal, state, commonwealth, local, foreign, or other governmental agency is authorized to accept any and all documents, mortgages, and instruments necessary or appropriate to effectuate, implement, or consummate the Plan, including the Restructuring Transactions, and this Confirmation Order.

125. **Continued Effect of Stays and Injunctions.** Unless otherwise provided in the Plan or this Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases under sections 105 or 362 of the Bankruptcy Code or any order of the Court that is in existence on the Confirmation Date shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or this Confirmation Order shall remain in full force and effect in accordance with their terms.

126. **Administrative Claims Bar Date.** Unless otherwise provided by the Plan, this Confirmation Order, any other applicable order of the Bankruptcy Court, or agreed to by the Holder of an Allowed Administrative Claim and the Debtors, all requests for Payment of Administrative Claims must be Filed and served on the Debtors no later than the Administrative Claims Bar Date. Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims that do not File and serve such a request by the Administrative Claims Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors, or their property and such Administrative Claims shall be deemed discharged as of the Effective Date.

127. **Debtors' Actions Post-Confirmation Through the Effective Date.** During the period from entry of this Confirmation Order through and until the Effective Date, each of the

Debtors shall continue to operate their business as a debtor in possession, subject to the oversight of the Court as provided under the Bankruptcy Code, the Bankruptcy Rules, and this Confirmation Order and any order of the Court that is in full force and effect.

128. **Nonseverability of Plan Provisions Upon Confirmation.** Each provision of the Plan is: (a) valid and enforceable in accordance with its terms; (b) integral to the Plan and may not be deleted or modified without the Debtors' consent (and subject to such other consents and consultation rights set forth in the Plan) in accordance with the terms set forth in the Plan; and (c) nonseverable and mutually dependent.

129. **Post-Confirmation Modifications.** Without need for further order or authorization of the Court, the Debtors or the Reorganized Debtors, as applicable, are authorized and empowered to make any and all modifications to any and all documents that are necessary to effectuate the Plan that do not materially modify the terms of such documents and are consistent with the Plan (subject to any applicable consents or consultation rights set forth therein) and the Plan Support Agreement. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 and those restrictions on modifications set forth in the Plan, the Debtors and the Reorganized Debtors expressly reserve their respective rights to revoke or withdraw, or to alter, amend, or modify materially the Plan with respect to such Debtor, one or more times after Confirmation, and, to the extent necessary, may initiate proceedings in the Court to so alter, amend, or modify the Plan, or remedy any defect or omission, or reconcile any inconsistencies in the Plan, the Disclosure Statement, or this Confirmation Order, in such manner as may be necessary to carry out the purposes and intent of the Plan. Any such modification or supplement shall be considered a modification of the Plan and shall be made in accordance with Article X.A of the Plan.

130. **Applicable Non-bankruptcy Law.** The provisions of this Confirmation Order, the Plan and related documents, or any amendments or modifications thereto, shall apply and be enforceable notwithstanding any otherwise applicable non-bankruptcy law.

131. **Governmental Approvals Not Required.** This Confirmation Order shall constitute all approvals and consents required, if any, by the laws, rules, or regulations of any state, federal, or other governmental authority with respect to the implementation or consummation of the Plan, any certifications, documents, instruments or agreements, and any amendments or modifications thereto, and any other acts referred to in, or contemplated by, the Plan.

132. **Exemption from Registration Requirements.** Pursuant to section 1145 of the Bankruptcy Code, the offering, issuance, and distribution of the New Common Stock and New Warrants as contemplated by the Plan, shall be exempt from the registration requirements of section 5 of the Securities Act and any other available exemption from registration under the Securities Act, as applicable. In addition, under section 1145 of the Bankruptcy Code, any securities contemplated by the Plan, including the New Common Stock and New Warrants, shall be freely transferable under the Securities Act by the recipients thereof, subject to: (a) the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 2(a)(11) of the Securities Act and compliance with any applicable state or foreign securities laws, if any, and the rules and regulations of the United States Securities and Exchange Commission, if any, applicable at the time of any future transfer of such Securities or instruments; (b) applicable restrictions on any recipient that constitutes and “affiliate” within the meaning of Rule 144(a)(1) of the Securities Act; and (c) any other applicable regulatory approval.

133. **Notices of Confirmation and Effective Date.** The Reorganized Debtors shall serve notice of entry of this Confirmation Order, substantially in the form attached hereto as **Exhibit B** (the “Confirmation Order Notice”) in accordance with Bankruptcy Rules 2002 and 3020(c) on all holders of Claims and Interests within ten Business Days after the date of entry of this Confirmation Order. As soon as reasonably practicable after the Effective Date, the Reorganized Debtors shall file notice of the Effective Date and shall serve a copy of the same on the above-referenced parties. The notice of the Effective Date may be included in the Confirmation Order Notice, and, for the avoidance of doubt, the Confirmation Order Notice may be modified to exclude the notice of Effective Date. Notwithstanding the above, no notice of Confirmation or Consummation or service of any kind shall be required to be mailed or made upon any Entity to whom the Debtors mailed notice of the Confirmation Hearing, but received such notice returned marked “undeliverable as addressed,” “moved, left no forwarding address” or “forwarding order expired,” or similar reason, unless the Debtors have been informed in writing by such Entity, or are otherwise aware, of that Entity’s new address. The above-referenced notices are adequate under the particular circumstances of the Chapter 11 Cases and no other or further notice is necessary.

134. **Failure of Consummation.** If the Effective Date does not occur, then: (a) the Plan will be null and void in all respects; (b) any settlement or compromise embodied in the Plan, assumption of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan will be null and void in all respects; and (c) nothing contained in the Plan shall (i) constitute a waiver or release of any Claims, Interests, or Causes of Action, (ii) prejudice in any manner the rights of any Debtor or any other Entity, or

(iii) constitute an admission, acknowledgement, offer, or undertaking of any sort by any Debtor or any other Entity.

135. **Termination of the Plan Support Agreement.** On the Effective Date, the Plan Support Agreement will terminate in accordance with Section 6(a) thereof.

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

137. **Waiver of Stay.** For good cause shown, the stay of this Confirmation Order provided by any Bankruptcy Rule is waived, and this Confirmation Order shall be effective and enforceable immediately upon its entry by the Court.

138. **References to and Omissions of Plan Provisions.** References to articles, sections, and provisions of the Plan are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan. The failure to specifically include or to refer to any particular article, section, or provision of the Plan in this Confirmation Order shall not diminish or impair the effectiveness of such article, section, or provision, it being the intent of the Court that the Plan be confirmed in its entirety, except as expressly modified herein, and incorporated herein by this reference.

139. **Headings.** Headings utilized herein are for convenience and reference only, and do not constitute a part of the Plan or this Confirmation Order for any other purpose.

140. **Effect of Conflict.** This Confirmation Order supersedes any Court order issued prior to the Confirmation Date that may be inconsistent with this Confirmation Order. If there is any inconsistency between the terms of the Plan and the terms of this Confirmation Order, the terms of this Confirmation Order govern and control.

141. **Termination of Challenge Period.** ~~The Challenge Period (as defined in the Cash Collateral Order) terminated as of August 15, 2016, and the~~The stipulations, admissions, findings, and release contained in the Cash Collateral Order shall be binding on the Debtors' estates and all parties in interest.

142. **Final Order.** This Confirmation Order is a Final Order and the period in which an appeal must be filed shall commence upon the entry hereof.

143. **Retention of Jurisdiction.** The Court may properly, and upon the Effective Date shall, to the full extent set forth in the Plan, retain jurisdiction over all matters arising out of, and related to, the Chapter 11 Cases, including the matters set forth in Article XI of the Plan and section 1142 of the Bankruptcy Code. Notwithstanding anything to the contrary in this Confirmation Order or the Plan, the Court's retention of jurisdiction shall not govern the enforcement of the New Credit Facility or the documents executed in connection therewith or any liens, rights, or remedies related thereto except to the extent that this Confirmation Order has been vacated or reversed, but instead, such enforcement shall be governed as set forth in the New Credit Facility Documents.

Houston, Texas

Dated: September __, 2016

THE HONORABLE DAVID R. JONES
UNITED STATES BANKRUPTCY JUDGE

Exhibit A

Plan of Reorganization

Exhibit B

Proposed Confirmation Order Notice

**IN THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	
	§	Chapter 11
	§	
MIDSTATES PETROLEUM COMPANY, INC., <i>et al.</i> , ¹	§	Case No. 16-32237 (DRJ)
	§	
Debtors.	§	(Jointly Administered)
	§	
	§	Re: __

**NOTICE OF (I) ENTRY OF ORDER
CONFIRMING THE FIRST AMENDED JOINT CHAPTER 11 PLAN OF
REORGANIZATION OF MIDSTATES PETROLEUM COMPANY, INC. AND ITS
DEBTOR AFFILIATE AND (II) OCCURRENCE OF EFFECTIVE DATE**

PLEASE TAKE NOTICE that on September [___], 2016, the Honorable David R. Jones, United States Bankruptcy Judge for the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”), entered the order [Docket No. ___] (the “Confirmation Order”) confirming the *First Amended Joint Chapter 11 Plan of Reorganization of Midstates Petroleum Company, Inc. and Its Debtor Affiliate* (the “Plan”). Unless otherwise defined in this notice, capitalized terms used in this notice shall have the meanings ascribed to them in the Plan and the Confirmation Order.

PLEASE TAKE FURTHER NOTICE that the Effective Date of the Plan occurred on [____], 2016.

PLEASE TAKE FURTHER NOTICE that the Confirmation Order and the Plan, as well as all other documents filed in the above-captioned chapter 11 cases are available free of charge by visiting <http://www.kccllc.net/midstates> or by calling (888) 733-1446 (toll free) or +1 (310) 751-2635 (international). You may also obtain copies of any pleadings filed in these chapter 11 cases by visiting the Court’s website at <https://ecf.txsb.uscourts.gov> in accordance with the procedures and fees set forth therein.

PLEASE TAKE FURTHER NOTICE that the Bankruptcy Court has approved certain discharge, release, exculpation, injunction, and related provisions in Article VIII of the Plan.

PLEASE TAKE FURTHER NOTICE that pursuant to Article V.B of the Plan, all Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, if any, must be filed with the Bankruptcy Court within thirty (30) days after the date of entry of an order of the Bankruptcy Court (including the Confirmation Order)

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor’s federal tax identification number, are: Midstates Petroleum Company, Inc. (1816) and Midstates Petroleum Company LLC (2434). The debtors’ service address is: 321 South Boston Avenue, Suite 1000, Tulsa, Oklahoma 74103.

approving such rejection. **Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not Filed within such time will be automatically Disallowed, forever barred from assertion, and shall not be enforceable against, as applicable, the Debtors, the Reorganized Debtors, the Estates, or property of the foregoing parties, without the need for any objection by the Debtors or the Reorganized Debtors, as applicable, or further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity, and any Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, notwithstanding anything in the Schedules or a Proof of Claim to the contrary.**

PLEASE TAKE FURTHER NOTICE that, pursuant to the Plan and the Confirmation Order, the deadline for filing requests for payment of Administrative Claims and Professional Fee Claims shall be 30 days after the Effective Date.

PLEASE TAKE FURTHER NOTICE that from and after this date, if you wish to receive notice of filings in this case, you must request for such notice with the clerk of the Bankruptcy Court and serve a copy of such notice on counsel to the Reorganized Debtors, listed below. You must do this even if you filed such a notice prior to the Effective Date.

PLEASE TAKE FURTHER NOTICE that the Plan and its provisions are binding upon the Debtors and the Reorganized Debtors, as applicable, and any holders of Claims or Interests (regardless of whether such Claims or Interests are deemed to have accepted or rejected the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, and injunctions described in the Plan, each Entity acquiring property under the Plan or the Confirmation Order, and any and all non-debtor parties to Executory Contracts and Unexpired Leases with the Debtors. All Claims and debts shall be fixed, adjusted, or compromised, as applicable, pursuant to the Plan regardless of whether any holder of a Claim or debt has voted on the Plan.

[Remainder of page intentionally left blank.]

PLEASE TAKE FURTHER NOTICE that the Plan and the Confirmation Order contain other provisions that may affect your rights. You are encouraged to review the Plan and the Confirmation Order in their entirety.

Houston, Texas

Dated: September [], 2016

/s/

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-and-

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