

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

<p>In re</p> <p>SEVENTY SEVEN FINANCE INC., <i>et al.</i>,¹</p> <p style="text-align: center;">Debtors.</p>	<p>x</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>x</p>	<p>Chapter 11</p> <p>Case No. 16-11409 (LSS)</p> <p>(Jointly Administered)</p>
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**NOTICE OF (A) COMMENCEMENT OF PREPACKAGED CHAPTER 11
BANKRUPTCY CASES, (B) COMBINED HEARING ON THE DISCLOSURE
STATEMENT, CONFIRMATION OF THE JOINT PREPACKAGED CHAPTER 11
PLAN, AND RELATED MATTERS, AND (C) OBJECTION DEADLINES, AND
SUMMARY OF THE DEBTORS’ JOINT PREPACKAGED CHAPTER 11 PLAN**

NOTICE IS HEREBY GIVEN as follows:

On June 7, 2016 (the “Petition Date”), Seventy Seven Finance Inc. and certain of its affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) filed with the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) a proposed joint prepackaged chapter 11 plan of reorganization [Docket No. 17] (the “Plan”) and proposed disclosure statement [Docket No. 18] (the “Disclosure Statement”) pursuant to sections 1125 and 1126(b) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”). Copies of the Plan and the Disclosure Statement may be obtained upon request of the Debtors’ proposed counsel at the address specified below and are on file with the Clerk of the Bankruptcy Court, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801, where they are available for review between the hours of 8:00 a.m. to 4:00 p.m., prevailing Eastern Time. The Plan and the Disclosure Statement also are available for inspection on the Bankruptcy Court’s website at www.deb.uscourts.gov or free of charge on the Debtors’ restructuring website at <http://cases.primeclerk.com/77nrg>.²

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Seventy Seven Energy Inc. (8422); Seventy Seven Finance Inc. (3836); Seventy Seven Operating LLC (8399); Great Plains Oilfield Rental, L.L.C. (4318); Seventy Seven Land Company LLC (4346); Nomac Drilling, L.L.C. (9548); Performance Technologies, L.L.C. (5813); PTL Prop Solutions, L.L.C. (2147); SSE Leasing LLC (5764); Keystone Rock & Excavation, L.L.C. (8771); Western Wisconsin Sand Company, LLC (4510). The Debtors’ mailing address is 777 NW 63rd Street, Oklahoma City, Oklahoma 73116.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Plan or the Disclosure Statement, as applicable. The statements contained herein are summaries of the provisions contained in the Plan and Disclosure Statement and do not purport to be precise or complete statements of all the terms and provisions of the Plan or documents referred therein. To the extent there is a discrepancy between the terms

The Plan is a “prepackaged” plan of reorganization. The primary purpose of the Plan is to effectuate a balance-sheet restructuring of the Debtors’ business (the “Restructuring”). The Debtors believe that any valid alternative to confirmation of the Plan would result in significant delays, litigation, and additional costs, and, ultimately, would jeopardize recoveries for holders of allowed claims. In addition, it is highly doubtful that any alternative would allow for a distribution to holders of HoldCo Notes Claims or Existing HoldCo Interests.

Information Regarding the Plan

Voting Record Date. The voting record date is May 4, 2016, which was the date for determining which holders of claims in Class 3, Class 4, Class 5, Class 10, Class 11, Class 12, and Class 13 of the Plan were entitled to vote.

Objections to the Plan. The deadline for filing objections to the Plan is **July 6, 2016, at 4:00 p.m., prevailing Eastern Time.** Any objections (each, an “Objection”) to the Plan or the Disclosure Statement must: (a) be in writing; (b) comply with the Federal Rules of Bankruptcy Procedure and the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware; (c) state the name and address of the objecting party and the amount and nature of the claim or interest beneficially owned by such entity; and (d) state with particularity the legal and factual basis for such objections, and, if practicable, a proposed modification to the Plan that would resolve such objections.

Objections must be filed with the Bankruptcy Court and served so as to be **actually received** no later than **July 6, 2016, at 4:00 p.m., prevailing Eastern Time,** by those parties who have filed a notice of appearance in the Debtors’ chapter 11 cases as well as the following parties:

Debtors	Seventy Seven Energy Inc. 777 NW 63rd Street Oklahoma City, OK 73116 Attn: David Treadwell, Esq.
Counsel to the Debtors	Baker Botts L.L.P. 30 Rockefeller Plaza New York, NY 10112 Attn: Emanuel C. Grillo Chris Newcomb
Counsel to the Consenting OpCo Noteholders	Weil, Gotshal & Manges LLP 767 Fifth Avenue New York, New York 10153 Attn: Matt Barr David N. Griffiths

herein and the Plan or Disclosure Statement, the Plan or Disclosure Statement, as applicable, shall govern and control. For a more detailed description of the Plan, please refer to the Disclosure Statement.

**Counsel to the Consenting
Incremental Term Loan Lenders**

Latham & Watkins LLP

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New York, NY 10022
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Los Angeles, CA 90071-1560
Attn: Adam E. Malatesta

**Counsel to the Consenting
Term Loan Lenders and
Term Loan Agent**

Jones Day LLP

250 Vesey Street
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Attn: Scott J. Greenberg
Michael J. Cohen

**Counsel to the Consenting
HoldCo Noteholders**

Schulte Roth & Zabel LLP

919 Third Avenue
New York, NY 10022
Attn: Adam Harris

United States Trustee

Office of the United States Trustee

for the District of Delaware
844 King Street, Suite 2207
Wilmington, Delaware 19801
Attn: Jane Leamy

UNLESS AN OBJECTION IS TIMELY SERVED AND FILED IN ACCORDANCE WITH THIS NOTICE IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT.

AS DESCRIBED BELOW, YOU ARE ADVISED TO CAREFULLY REVIEW AND CONSIDER THE PLAN, INCLUDING THE DISCHARGE, RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS, AS YOUR RIGHTS MIGHT BE AFFECTED.

Summary of Plan Treatment

The following chart summarizes the treatment provided by the Plan to each class of Claims against and Interests in the Debtors, and indicates the voting status of each class.

Class	Claim or Interest	Voting Rights	Summary of Treatment	Projected Plan Recovery	Liquidation Recovery³
1	Other Priority Claims	Not Entitled to Vote / Deemed to Accept	Paid in full in Cash or other treatment consistent with Bankruptcy Code (Unimpaired)	100%	100%
2	Other Secured Claims	Not Entitled to Vote / Deemed to Accept	Paid in full in Cash, receive collateral, or otherwise unimpaired (Unimpaired)	100%	100%
3	Term Loan Claims	Entitled to Vote	(A) Pro Rata share of Term Loan Payment and (B) continue to hold outstanding Term Loans under the Term Loan Credit Agreement (as amended), which Term Loans shall be secured by a first-priority lien on and security interest in the Term Loan Collateral and a second-priority lien on and security interest in the Exit Facility Priority Collateral	100%	100%
4	Incremental Term Loan Claims	Entitled to Vote	(A) Pro Rata share of (i) the Incremental Term Loan Payment and (ii) \$15 million in Cash to pay portion of outstanding loans, and (B) remainder of the Incremental Term Loan Claims (i) Allowed, (ii) secured by second-priority lien on and security interest in Term Loan Collateral and third-priority lien on and security interest in Exit Facility Priority Collateral, and (iii) Reinstated under the Incremental Term Supplement	100%	100%

³ Liquidation recovery is the estimated midpoint recovery set forth in the Liquidation Analysis attached as Exhibit D to the Disclosure State. For a more detailed description, please refer to the Liquidation Analysis.

Class	Claim or Interest	Voting Rights	Summary of Treatment	Projected Plan Recovery	Liquidation Recovery³
5	OpCo Notes Claims	Entitled to Vote	Pro Rata share of (i) 96.75% of New HoldCo Common Shares and (ii) the OpCo Litigation Proceeds	50%	1%
6	General Unsecured Claims	Not Entitled to Vote / Deemed to Accept	Reinstated (Unimpaired)	100%	1%
7	Intercompany Claims	Not Entitled to Vote / Deemed to Accept	Paid, adjusted, continued, settled, reinstated, discharged, or eliminated (Unimpaired)	100%	0%
8	Intercompany Interests	Not Entitled to Vote / Deemed to Accept	Reinstated (Unimpaired)	100%	0%
9	Existing OpCo Interests	Not Entitled to Vote / Deemed to Accept	Remain Outstanding and held by Reorganized HoldCo (Unimpaired)	100%	0%
10	Term Loan Guaranty Claims	Entitled to Vote	(A) Without duplication of any amount distributed on account of the Term Loan Claims (i) Pro Rata share of Term Loan Payment and (ii) continue to hold outstanding Term Loans under the Term Loan Credit Agreement (as amended), which Term Loans shall be secured by a first-priority lien on and security interest in the Term Loan Collateral and a second-priority lien on and security interest in the Exit Facility Priority Collateral and (B) the Term Loan Guaranty shall be in full force and effect	100%	0%

Class	Claim or Interest	Voting Rights	Summary of Treatment	Projected Plan Recovery	Liquidation Recovery³
11	Incremental Term Loan Guaranty Claims	Entitled to Vote	Pro Rata share of the HoldCo Creditor New Common Share Pool (without duplication of any amounts distributed pursuant to Section 4.4(a) of the Plan); <i>provided that</i> holders of the Incremental Term Loan Guaranty Claims have agreed to waive the right to receive any such shares on account of such Incremental Term Loan Guaranty Claims against HoldCo; but, for the avoidance of doubt, such waiver shall not affect the status and validity of the guaranties arising under or related to the Incremental Term Loan Guaranty or any liens arising under or related to the Incremental Term Supplement, which guaranties and liens shall remain in place in accordance with their original terms and conditions	100%	0%
12	OpCo Notes Guaranty Claims	Entitled to Vote	Pro Rata share of (i), if Class 13 does not vote as a class to accept the Plan, 1.92% of the New Common Shares, and (ii) the HoldCo Litigation Proceeds	0% - 4.3%	0%

Class	Claim or Interest	Voting Rights	Summary of Treatment	Projected Plan Recovery	Liquidation Recovery ³
13	HoldCo Notes Claims	Entitled to Vote	Pro Rata share of (i) if Class 13 votes as a class to accept the Plan, (a) 3.25% of New HoldCo Common Shares, (b) the New A Warrants, and (c) the HoldCo Litigation Proceeds, or (ii) if Class 13 does not vote as a class to accept the Plan, (a) 1.33% of New HoldCo Common Shares and (b) the HoldCo Litigation Proceeds	1.1% - 6.2%	0%
14	Existing HoldCo Interests	Not Entitled to Vote / Deemed to Reject	Cancelled and, if each Voting Class votes as a class to accept the Plan, pro rata share of New B Warrants and New C Warrants	0% ⁴	0%

Third Party Releases

Article 10.6(b) of the Plan⁵ contains the following provision:

Releases by Holders of Claims and Interests. As of the Effective Date, except for the rights that remain in effect from and after the Effective Date to enforce this Plan, the Plan Documents, the Exit Facility Credit Agreement, the Term Loan Credit Agreement, the Term Loan Credit Agreement Amendment and the Incremental Term Supplement, for good and valuable consideration, the adequacy of which is hereby confirmed, including, without limitation, the service of the Released Parties to facilitate the reorganization of the Debtors and the implementation of the Restructuring, and except as otherwise provided in this Plan or in the Confirmation Order, pursuant to section 1141(d) of the Bankruptcy Code, the Released Parties are deemed forever released and discharged by (i) the holders of all Claims or Interests who vote to accept this Plan, (ii) the holders of Claims or Interests that are Unimpaired under this Plan, (iii) the holders of Claims or Interests whose vote to accept or reject this Plan is solicited but who do not vote either to accept or to reject this Plan, (iv) the holders of Claims or Interests who vote to reject this Plan but do not opt out of granting the releases set forth herein, (v) holders of Claims that

⁴ As discussed in the Disclosure Statement, holders of Class 14 Existing HoldCo Interests will receive no distribution on account of their HoldCo Equity Interests, provided, however, that if all Voting Classes vote as a class to accept the Plan, holders shall receive their Pro Rata share of (i) the New B Warrants and (ii) the New C Warrants.

⁵ Capitalized terms in this section shall have the meaning ascribed to them in the Plan.

are not Accredited Investors or Qualified Institutional Buyers that do not opt out of granting the releases set forth herein, and (vi) the DIP Agent, solely in its capacity as DIP Agent, from any and all claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, losses and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity or otherwise, that such holders 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 Chapter 11 Cases, the purchase, sale or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in this Plan, the business or contractual arrangements between any Debtor and any Released Party, the Restructuring, the restructuring of any Claim or Interest before or during the Chapter 11 Cases, the Restructuring Transactions, the Disclosure Statement, the Restructuring Support Agreement, the Prepetition ABL Credit Agreement, the Term Loan Credit Agreement, the Term Loan Credit Agreement Amendment, the Incremental Term Supplement, the DIP Facility, the Exit Facility and this Plan and related agreements, instruments and other documents (including the Plan Documents), and the negotiation, formulation or preparation thereof, the solicitation of votes with respect to this Plan, or any other act or omission, other than Claims or Causes of Action arising out of or related to any act or omission of a Released Party that is a criminal act or constitutes intentional fraud, gross negligence or willful misconduct.

The “*Released Parties*” means, collectively, and in each case in their capacities as such: (a) the Debtors; (b) the Debtors’ non-Debtor affiliates; (c) the Restructuring Support Parties; (d) the DIP Agent; (e) the DIP Lenders; (f) the Prepetition ABL Agent; (g) the Prepetition ABL Lenders; (h) the Term Loan Agent; (i) the Incremental Term Loan Agent; (j) Bank of America, N.A., in its capacity as former administrative agent under the Term Loan Credit Agreement on behalf of the Term Loan Lenders and the Incremental Term Loan Lenders; (k) the OpCo Notes Indenture Trustee; (l) the HoldCo Notes Indenture Trustee; (m) the Disbursing Agent; (n) each of the syndication agents, documentation agents, lead arrangers and lead bookrunners named in the DIP Credit Agreement; and (o) with respect to each of the foregoing entities, such entities’ predecessors, professionals, successors, assigns, subsidiaries, affiliates, managed accounts and funds, current and former officers and directors, principals, shareholders, members, partners, managers, employees, subcontractors, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, management companies, fund advisors and other professionals, and such entities’ respective heirs, executors, estates, servants and nominees, in each case in their capacity as such.

Hearing on Confirmation of the Plan and the Adequacy of the Disclosure Statement

The hearing (the “Confirmation Hearing”) will be held before the Honorable Laurie Selber Silverstein, United States Bankruptcy Judge, in Courtroom #2 of the United States Bankruptcy Court, 824 North Market Street, Wilmington, Delaware, 19801, on July 13, 2016, at 10:00 a.m., prevailing Eastern Time, to consider the adequacy of the Disclosure Statement, any

objections to the Disclosure Statement, confirmation of the Plan, any objections thereto, and any other matter that may properly come before the Bankruptcy Court. Please be advised that the Confirmation Hearing may be continued from time to time by the Bankruptcy Court or the Debtors without further notice other than by such adjournment being announced in open court or by a notice of adjournment filed with the Bankruptcy Court and served on other parties entitled to notice.

Dated: June 9, 2016
Wilmington, Delaware

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

/s/ Andrew R. Remming

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