
Supplier FAQ

1. Why did Energy & Exploration Partners file Chapter 11?

- After careful consideration, we took this action to create a sustainable capital structure and make us a stronger business partner going forward. The entire petroleum industry has been affected by the severe and protracted downturn in oil and natural gas prices, and general uncertainty in the market, and ENXP is no exception. In addition to depressed commodity prices, poor operating conditions in the field caused by the lingering effects of multiple inclement weather events, including the recent flooding, has exacerbated the situation.
- The Court-supervised restructuring process is designed to protect the value of the Company while we work to address our balance sheet and put ENXP on stronger financial footing for the future.

2. How will the restructuring process affect day-to-day operations?

- Importantly, we will continue normal business operations during the restructuring process.
- We believe we have sufficient liquidity to support the business through the restructuring process.
- We intend to continue working closely with our suppliers and paying for goods and services under normal terms and conditions on or after the filing date.
- We are committed to our partnership with you and your company.
- We have taken this action to strengthen ENXP's capital structure and address our balance sheet, which we believe will make us a stronger business partner going forward.

3. How will ENXP be financed during the Chapter 11 process?

- We believe we have sufficient liquidity to support the business through the restructuring process.
- The Company has secured commitments for financing of up to \$135 million from its existing group of lenders, which will provide ENXP with sufficient liquidity to fund current operations.

4. Will the existing leadership and Board of Directors remain in place?

- Several members of senior management have resigned to pursue other interests, but Hunt Pettit remains our CEO and Chairman.

5. Will suppliers be paid for goods and services they provide to ENXP on or after the filing date?

- ENXP intends to pay suppliers for all goods and services received on or after the filing date of December 7, 2015 under normal terms.
- U.S. bankruptcy law affords administrative priority treatment to claims incurred after a debtor has commenced bankruptcy cases—including during the bankruptcy case.

- We are asking that our employees abide by the set standards of operating procedures, protocols and processes, and we expect the same of our vendors. This is a difficult time for all of us in the oil and gas industry; therefore, we know it is better to work together than to cut corners or perform in a manner that is not conducive to maintaining a safe working environment.

6. Will suppliers be paid for goods and services they provided to ENXP before the filing date?

- U.S. bankruptcy law provides that unpaid debts for goods and services provided to ENXP prior to the filing date of December 7, 2015, also known as “pre-petition claims,” cannot be paid without specific Bankruptcy Court approval.
- However, in certain situations, the Company may be able to pay administrative expense claims for goods received within 20 days of the Chapter 11 filing date.
- Any claims will be addressed as part of the process moving forward.
- If you believe you have a pre-petition claim for goods and services provided to ENXP, you may need to file a proof of claim with the Bankruptcy Court to be eligible for payment on your claim. Information about the claims process will be made available at a later date.

7. Is there a critical vendor list?

- A “Critical Vendor” motion is in process. The Company is in consultation with the Court about the appropriate scope of the motion and is awaiting the appointment of the Creditors’ Committee. Although the Company feels as if all of its suppliers are essential, the courts have placed very strict parameters on those vendors that can be paid at this time. If you feel as if you should be considered a “Critical Vendor” you should contact your legal counsel.

8. Can I re-submit past invoices and get paid for them now?

- You should not re-submit invoices as doing so will only cause further delays. The Company is in the process of reviewing all of its records and separating pre- and post-petition invoices. ENXP will be filing a “Schedule of Assets and Liabilities.” In this document, the Company will list balances it believes are owed to its creditors. If you have further questions about this, please consult with your own legal counsel.

9. Can suppliers take back goods?

- No. Chapter 11 prohibits this kind of action. It is illegal to take back goods from a company that has filed for Chapter 11. You should consult with your legal counsel before attempting to remove any goods.

10. Why should I continue to provide ENXP with goods and services?

- All goods and services provided while ENXP is in Chapter 11 will be paid in the ordinary course of business. U.S. bankruptcy law affords administrative priority treatment to claims incurred after a debtor has commenced bankruptcy cases—including during the bankruptcy case.
- We value the partnership we have developed with your company and plan to work closely with you throughout this process. We have taken this action to establish a sustainable capital structure and make us a stronger business partner going forward.
- Your cooperation throughout this process will help ensure that we can continue working together for many years to come.

11. Do suppliers need to submit invoices in a different manner going forward in order to get paid?

- No. Suppliers should continue to submit invoices as they do currently. ENXP will continue to trade with suppliers under current contractual terms as normal.

12. When will ENXP complete the restructuring process? What will happen to ENXP following the restructuring process?

- We intend to move through this process as quickly as possible.
- ENXP continues to engage in constructive discussions with its lenders and debt holders regarding the terms of a consensual financial restructuring plan and is focused on achieving a resolution as expeditiously as possible.
- We expect to emerge with increased financial flexibility and a sustainable capital structure that will enable us to grow our business in the future.

13. How can I obtain more information?

- If you have further questions about the restructuring, please do not hesitate to reach out to your usual contact at ENXP. Additional information is also available on our corporate website and at a website maintained by the Company's claims agent at <http://cases.primeclerk.com/ENXP>.