

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

In re:	§	Chapter 11
	§	
EP ENERGY CORPORATION, <i>et al.</i>,	§	Case No. 19-35654 (MI)
	§	
Debtors.¹	§	(Jointly Administered)
	§	
	§	

**DEBTORS' SECOND MOTION
FOR ENTRY OF AN ORDER EXTENDING EXCLUSIVE
PERIODS PURSUANT TO SECTION 1121(d) OF BANKRUPTCY CODE**

IF YOU OBJECT TO THE RELIEF REQUESTED, YOU MUST RESPOND IN WRITING, SPECIFICALLY ANSWERING EACH PARAGRAPH OF THIS PLEADING. UNLESS OTHERWISE DIRECTED BY THE COURT, YOU MUST FILE YOUR RESPONSE WITH THE CLERK OF THE BANKRUPTCY COURT WITHIN TWENTY-ONE DAYS FROM THE DATE YOU WERE SERVED WITH THIS PLEADING. YOU MUST SERVE A COPY OF YOUR RESPONSE ON THE PERSON WHO SENT YOU THE NOTICE; OTHERWISE, THE COURT MAY TREAT THE PLEADING AS UNOPPOSED AND GRANT THE RELIEF REQUESTED.

EP Energy Corporation and its affiliated debtors in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, the “**Debtors**” or the “**Company**”), respectfully represent as follows in support of this motion (this “**Motion**”):

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: EP Energy Corporation (2728), EPE Acquisition, LLC (5855), EP Energy LLC (1021), Everest Acquisition Finance Inc. (0996), EP Energy Global LLC (7534), EP Energy Management, L.L.C. (5013), EP Energy Resale Company, L.L.C. (9561), and EP Energy E&P Company, L.P. (7092). The Debtors’ primary mailing address is 601 Travis St., Suite 1400, Houston, TX 77002.

Preliminary Statement

1. As the Court is aware, in early March, the Debtors were on the cusp of emerging from these chapter 11 cases after the Court confirmed the Debtors' Prior Plan (as defined below), which plan would have enabled the Debtors to emerge successfully from chapter 11 by eliminating billions in dollars of debt and providing for new capital to fund the restructuring and the Debtors' business going forward. The Prior Plan was the product of several months of hard work and careful planning by the independent special committee of the board of directors of the Company (the "**Special Committee**") and the Debtors' management team. The Debtors worked hard to achieve substantial support for the Prior Plan, including the acceptance of the plan from all voting classes and the support of the plan from most of their key stakeholders, including the official committee of unsecured creditors (the "**Creditors' Committee**"), and ultimately confirmed the Prior Plan over objections raised by the ad hoc group of 1.125 Noteholders (the "**Ad Hoc Group**") and Storey Minerals, Ltd., Maltzberger/Storey Ranch LLC, Rene R. Barrientos, Ltd. ("**MSB**").

2. Unfortunately, in the days following the Court's oral ruling confirming the Prior Plan on March 6, 2020, Saudi Arabia initiated a price war with Russia that severely affected the price of oil and gas, causing United States oil prices to fall by more than 30%. At the same time, the spread of COVID-19 resulted in the crash of financial markets. As a result of these events, the Debtors were unable to consummate the Prior Plan and subsequently agreed to terminate the backstop commitment agreement (the "**Backstop Agreement**") and the plan support agreement (the "**Plan Support Agreement**") with the Backstop Parties.² Consequently, the Court vacated the Prior Plan.

² "**Backstop Parties**" is defined as Elliott Associates, L.P., Elliott International, L.P., AOP VII (EPE Intermediate), L.P., ANRP (EPE Intermediate), L.P., ANRP (Corp AIV), L.P., Apollo Investment Fund VII, L.P., Apollo Overseas Partners (Delaware 892) VII, L.P., Apollo Investment Fund (PB) VII, L.P., Avenue Energy Opportunities Fund, L.P.,

3. Despite these challenging economic conditions, the Debtors have been and remain focused on the resolution of these chapter 11 cases. Since the Court vacated the Confirmation Order (as defined below), the Debtors have already made substantial progress towards an alternative path out of chapter 11 by, among other things, developing a new business plan, engaging in discussions with their key stakeholders regarding a new chapter 11 plan of reorganization, and taking steps to reduce costs during these challenging economic conditions. Notwithstanding this progress, given the short period of time that passed since March, the Debtors require time to negotiate and prosecute a new chapter 11 plan with their creditors.

4. Accordingly, by this Motion, the Debtors request a six-month extension of (i) the exclusive chapter 11 plan filing period to October 31, 2020 and (ii) the exclusive plan solicitation period to December 31, 2020, without prejudice for the Debtors to seek additional extensions of such exclusivity periods. Among other reasons, the Debtors' proven track record in these cases to facilitate constructive discussions among the Debtors' key stakeholders and successfully confirm a chapter 11 plan, the Debtors' large and complex capital structure, the Debtors' ability to continue paying administrative expense claims as they come due given the Debtors' access to DIP financing until at least November 25, 2020, and extraordinary market conditions warrant the requested extension. Moreover, the Debtors' creditors will not be prejudiced by the requested extension; rather, an extension will safeguard the Debtors' ability to advance these cases to a consensual resolution.

5. A proposed form of order approving the relief requested herein is annexed hereto as **Exhibit A** (the "**Proposed Order**").

Avenue Energy Opportunities Fund II, L.P., Avenue Strategic Opportunities Fund, L.P., Avenue Special Opportunities Fund II, L.P., AI Drilling Investments LLC and AI FQ Holdings, LLC.

Jurisdiction

6. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

Background

7. On October 3, 2019 (the “**Petition Date**”), each of the Debtors commenced with this Court a voluntary case under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

8. The Debtors’ chapter 11 cases are being jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b) and Rule 1015-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of Texas (the “**Local Rules**”).

9. On October 21, 2019, the United States Trustee for Region 7 (the “**U.S. Trustee**”) appointed the Creditors’ Committee. No trustee or examiner has been appointed in these chapter 11 cases.

10. The Debtors are an oil and natural gas exploration and production company headquartered in Houston, Texas. The Company operates through a diverse base of producing assets and is focused on the development of drilling inventory located in three areas: the Eagle Ford shale in South Texas, the Permian basin in West Texas, and Northeastern Utah.

11. Additional information regarding the circumstances leading to the commencement of these chapter 11 cases and information regarding the Debtors’ businesses and

capital structure are set forth in the *Declaration of David Rush in Support of Debtors' Chapter 11 Petitions and Related Requests for Relief* [ECF No. 16] (the "**Rush Declaration**").³

Debtors' Disclosure Statement and Chapter 11 Plan

12. On January 13, 2020, the Debtors filed their *Fourth Amended Joint Chapter 11 Plan of EP Energy Corporation and its Affiliated Debtors* [ECF No. 685] (the "**Prior Plan**") and their *Disclosure Statement for Fourth Amended Joint Chapter 11 Plan of EP Energy Corporation and its Affiliated Debtors* [ECF No. 686] (the "**Disclosure Statement**"). On January 14, 2020, the Court entered the *Order (I) Approving Proposed Disclosure Statement; (II) Establishing Solicitation and Voting Procedures; (III) Establishing Rights Offering Procedures; (IV) Scheduling Confirmation Hearing; (V) Establishing Notice and Objection Procedures for Confirmation of the Proposed Plan; and (VI) Approving Notice and Objection Procedures for the Assumption of Executory Contracts and Unexpired Leases* [ECF No. 691].

13. On January 31, 2020, the Debtors filed the *Motion of Debtors Pursuant to 11 U.S.C. § 1121(d) to Extend Exclusive Periods* [ECF No. 758] (the "**Original Exclusivity Motion**"). On March 4, 2020, the Court entered the *Bridge Order Extending Time Period for Court to Enter Order on Motion of Debtors Pursuant to 11 U.S.C. § 1121(d) to Extend Exclusive Periods* [ECF No. 1002], which extended the exclusivity periods until the Court ruled on the Debtors' Original Exclusivity Motion. On March 31, 2020, the Court entered the *Order Pursuant to Section 1121(d) of the Bankruptcy Code Extending Exclusive Periods* [ECF No. 1135], which extended the exclusive chapter 11 plan filing period to April 30, 2020 and the exclusive plan solicitation period to June 29, 2020.

³ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Rush Declaration.

14. The Debtors worked diligently in January and February to reach consensus with most of their stakeholders that did not originally support the Prior Plan, including the Creditors' Committee. These accomplishments were the product of months of hard work and careful planning by the Special Committee, the Debtors' management team, and the supporting parties in these Chapter 11 Cases. At the commencement of the confirmation hearing on February 26, 2020, all of the Debtors' stakeholders, except for the Ad Hoc Group and MSB, supported confirmation of the Prior Plan.

15. On March 6, 2020, after a five-day confirmation hearing, the Court confirmed the Prior Plan and ordered the parties to upload an agreed form of order consistent with the Court's oral ruling. On March 12, 2020, the Court entered the *Proposed Findings of Fact, Conclusions of Law and Order (I) Confirming Fourth Amended Joint Chapter 11 Plan of EP Energy Corporation and its Affiliated Debtors and (II) Granting Related Relief* [ECF No. 1049] (the "**Confirmation Order**"). On March 23, 2020, the Court entered the *Order Vacating Order Confirming Plan* [ECF No. 1103] and signed the *Amended Stipulation of Settlement Regarding Backstop Agreement and Plan Support Agreement* [ECF No. 1104].

16. Since then, oil prices have continued to fall and, in fact, for the time in history, U.S. crude oil futures dropped to below zero (as low as -\$37 per barrel for crude oil), presenting further challenges for the Debtors. The Debtors have taken a proactive approach in response to these challenges by, among other things, (i) developing a new business plan, (ii) exploring strategic alternatives with their advisors, (iii) engaging in discussions with several of their major stakeholders, including the Ad Hoc Group and the Creditors' Committee, regarding potential paths forward, and (iv) taking steps to reduce their costs, including rejecting several burdensome executory contracts and implementing a reduction in the Debtors' workforce..

Relief Requested

17. Section 1121(b) of the Bankruptcy Code provides 120 days after the commencement of a chapter 11 case as the period during which a debtor has the exclusive right to file a chapter 11 plan (the “**Exclusive Filing Period**”). *See* 11 U.S.C. § 1121(b) (“Except as otherwise provided in this section, only the debtor may file a plan until after 120 days after the date of the order for relief under this chapter.”). Section 1121(c)(3) of the Bankruptcy Code provides that if a debtor files a plan within the 120-day Exclusive Filing Period, it has a 180-day period from its petition date to obtain acceptances of its plan of reorganization (the “**Exclusive Solicitation Period**,” and, together with the Exclusive Filing Period, the “**Exclusive Periods**”).

18. By this Motion, the Debtors request a six-month extension of (i) the exclusive chapter 11 plan filing period to October 31, 2020 and (ii) the exclusive plan solicitation period to December 31, 2020, without prejudice for the Debtors to seek additional extensions of such exclusivity periods.

Basis for Relief Requested

19. Under section 1121(d) of the Bankruptcy Code, the Court may extend the Exclusive Periods for cause:

Subject to paragraph (2),⁴ on request of a party in interest made within the respective periods specified in subsections (b) and (c) of this section and after notice and a hearing, the court may for cause reduce or increase the 120-day period or the 180-day period referred to in this section.

11 U.S.C. § 1121(d).

20. The Bankruptcy Code neither defines the term “cause” for purposes of section 1121(d) nor establishes formal criteria for an extension. The legislative history of section

⁴ Paragraph (2) provides that the Exclusive Periods may not be extended beyond 18 and 20 months, respectively, after the Petition Date. Those periods are not relevant in the context of the extension requested by this Motion.

1121 indicates, however, that it is intended to be a flexible standard to balance the competing interests of a debtor and its creditors. *See* H.R. Rep. No. 95–595, at 231–32 (1978), *reprinted in* 1978 U.S.C.C.A.N. 5963 (noting that Congress intended to give Bankruptcy Courts great flexibility to protect a debtor’s interests by allowing a debtor an unimpeded opportunity to negotiate settlement of debts without interference from other parties in interest); *see also In re Timbers of Inwood Forest Assoc., Ltd.*, 808 F.2d 363, 372 (5th Cir. 1987) (“Any bankruptcy court involved in an assessment of whether ‘cause’ exists should be mindful of the legislative goal behind § 1121.”); *In re Mirant Corp.*, Ch. 11 Case No. 4-04-CV-476-A, 2004 WL 2250986, at *1 (N.D. Tex. Sept. 30, 2004) (noting that “[i]n virtually every case where an extension has been granted, the debtor showed substantial progress had been made in negotiations toward reorganization”).

21. The broad discretion conferred on the Court in these circumstances enables the Court to consider a variety of factors to assess the totality of circumstances in each case. *In re Adelpia Commc’ns Corp.*, 352 B.R. 578, 587 (Bankr. S.D.N.Y. 2006) (identifying factors courts consider in determining whether to extend exclusivity); *In re Washington-St. Tammany Elec. Co-op., Inc.*, 97 B.R. 852, 854 (E.D. La. 1989) (noting that the decision to extend exclusivity “rests with the discretion of the Court”); *In re New Millenium Mgmt., LLC*, No. 13-35719-H3-11, 2014 WL 792115, at *6 (Bankr. S.D. Tex. Feb. 25, 2014) (identifying the *Adelpia* factors as factors to consider in determining whether cause exists to extend exclusivity); *In re Friedman’s, Inc.*, 336 B.R. 884, 888 (Bankr. S.D. Ga. 2005) (identifying the same factors); *In re Hoffinger Indus., Inc.*, 292 B.R. 639, 643–44 (B.A.P. 8th Cir. 2003) (same); *In re Express One Int’l, Inc.*, 194 B.R. 98, 100 (Bankr. E.D. Tex. 1996) (same).

22. Those non-exclusive factors include:

- (i) the size and complexity of the debtor's case;
- (ii) the necessity for sufficient time to permit the debtor to negotiate a chapter 11 plan and prepare adequate information;
- (iii) the existence of good faith progress towards reorganization;
- (iv) the fact that the debtor is paying its bills as they become due;
- (v) whether the debtor has demonstrated reasonable prospects for filing a viable plan;
- (vi) whether the debtor has made progress in negotiations with its creditors;
- (vii) the amount of time which has elapsed in the case;
- (viii) whether the debtor is seeking an extension of exclusivity in order to pressure creditors to submit to the debtor's reorganization demands; and
- (ix) whether an unresolved contingency exists.

See, e.g., Millennium Mgmt., 2014 WL 792115, at *6; *see also Adelpia*, 352 B.R. at 587 (noting that the nine factors listed above are “objective factors which courts historically have considered in making determinations of this character”); *see also In re Borders Grp., Inc.*, 460 B.R. 818, 822 (Bankr. S.D.N.Y. 2011) (evaluating the nine factors set forth in *Adelpia* to hold that debtor established cause to extend exclusivity).

23. Not all factors are relevant to every case, and courts tend to use a relevant subset of the above factors in determining whether cause exists to grant an exclusivity extension in a particular chapter 11 case. *See, e.g., Hoffinger Indus.*, 292 B.R. at 644 (“It is within the discretion of the bankruptcy court to decide which factors are relevant and give the appropriate weight to each.”); *In re Serv. Merch. Co., Inc.*, 256 B.R. 744, 751-54 (Bankr. M.D. Tenn. 2000) (finding cause to extend where the debtors established six of the aforementioned factors); *Express One Int’l.*, 194 B.R. at 100 (identifying four of the factors as relevant in determining whether “cause” existed to extend exclusivity); *see also In re Dow Corning Corp.*, 208 B.R. 661, 670

(Bankr. E.D. Mich. 1997) (“When the Court is determining whether to terminate a debtor’s exclusivity, the primary consideration should be whether or not doing so would facilitate moving the case forward. And that is a practical call that can override a mere toting up of the factors.”).

Cause Exists to Extend Exclusive Periods

24. As set forth below, an extension of the Exclusive Periods is appropriate, in the best interest of the Debtors’ stakeholders, and consistent with the intent and purpose of chapter 11 of the Bankruptcy Code.

25. The requested extension of the Exclusive Periods will enable the Debtors to pursue confirmation and implementation of a new chapter 11 plan without interruption. The Exclusive Periods established by Congress were incorporated into the Bankruptcy Code to afford a full and fair opportunity for a debtor to propose a chapter 11 plan and solicit acceptances of such plan without the deterioration and disruption of a debtor’s business that might be caused by the filing of multiple competing plans. As discussed below, the Debtors have demonstrated their ability to effectively facilitate discussions among their major creditors and confirm a value-maximizing plan. Moreover, since the confirmed Plan was vacated, the Debtors have already some substantial progress towards developing an alternative path out of chapter 11. However, in light of the extraordinary market conditions, the Debtors have had to “start from scratch” and this process will unavoidably take time. Accordingly, application of the above factors to the facts of these chapter 11 cases demonstrates that ample cause exists to grant an extension of the Exclusive Periods set forth herein. In fact, all of the above factors support the requested extension.

A. Debtors Have Demonstrated Reasonable Prospects For Filing a Viable Plan

26. Prior to the global and unprecedented events that lead to the Debtors terminating the Plan Support Agreement and Backstop Agreement and the Court vacating the Confirmation Order, the Debtors demonstrated that they are best suited to facilitate and implement

a value-maximizing transaction. Indeed, prior to and during these chapter 11 cases, the Debtors have succeeded in their restructuring efforts at every turn, including:

- ***Filed Term Sheet on the Petition Date.*** Prior to commencing these chapter 11 cases, the Debtors reached an agreement in principle with the 1.5L Noteholders with respect to a value-maximizing and deleveraging restructuring transaction to be implemented pursuant to the Plan.
- ***Approval of backstop commitment agreement and DIP-to-Exit Facility.*** In November 2019, the Debtors obtained approval of the Debtors' backstop commitment agreement and DIP-to-Exit facility over multiple objections.
- ***Approval of Disclosure Statement.*** In January of 2020, the Debtors obtained approval of the Debtors' Disclosure Statement over multiple objections.
- ***Confirmation of Chapter 11 Plan.*** Following a hard-fought, five-day confirmation hearing that began on February 26, 2020 and concluded on March 6, 2020, the Court confirmed the Plan.

27. The above efforts culminated into a confirmed Plan that was supported by all of the Debtors' major creditors except for the Ad Hoc Group and MSB. All of these chapter 11 obstacles and milestones were achieved within approximately five months of the Petition Date. The Debtors' proven track record of achieving consensus and prosecuting a chapter 11 plan through confirmation in these Chapter 11 Cases demonstrates the Debtors' ability to propose a viable plan.

B. Debtors Have Made and Continue to Make Good Faith Progress Towards Reorganization and Progress In Negotiations with Their Creditors

28. Unfortunately, due to the aforementioned events and conditions, the Debtors were unable to consummate the Plan. Despite these unforeseen circumstances, the Debtors moved quickly to evaluate alternative options for emerging from chapter 11 and have already made progress towards a reorganization, including:

- ***Development of a New Business Plan.*** Since the vacatur of the Confirmation Order, the Debtors have acted swiftly develop a new business plan and explore all of their options.

- ***Negotiations with Major Creditor Groups.*** The Debtors have engaged in discussions with their major creditors, including the Ad Hoc Group, to determine the best path forward for the Company.
- ***Cost-Saving Measures.*** The Debtors have taken several steps to reduce their costs, including (i) a near-term reduction in the Debtors' workforce, (ii) transitioning from a public to private company,⁵ and (iii) rejecting several burdensome contracts.

29. Under these circumstances, the Debtors believe it is appropriate for the Court to extend the Exclusive Periods for six months to allow the Debtors an opportunity to continue their good faith efforts to formulate a plan without the distraction of competing plan proposals. On this basis alone, the requested exclusivity extension is warranted. *See Adelpia*, 352 B.R. at 588 (viewing the good faith factor "as one of the more important factors" in the analysis).

C. Debtors Need Sufficient Time To Negotiate and Confirm a New Plan

30. As discussed above, the drop in crude oil prices in addition to the impact of COVID-19 on the global market has presented significant challenges in developing a business plan. As a result of the uncertainty in the energy market and broader economy, the Debtors submit that a six-month extension of the Exclusive Periods is necessary to provide sufficient time to discuss their new business plan with their creditors, explore all strategic alternatives, negotiate a new chapter 11 plan, obtain approval of a new disclosure statement, complete solicitation of their plan, and then ultimately confirm and consummate their plan. The Debtors are optimistic that the requested extensions will provide enough time to accomplish these goals and emerge from chapter

⁵ On April 24, 2020, the Company filed a Form 15 with the SEC to deregister its Class A Common Stock and thereby suspend its reporting obligations under Section 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act"). While the Company remains subject to certain SEC rules and reporting requirements until its deregistration becomes effective, the transition from a public to private company will relieve the Debtors of the costs and expenses associated with preparing and filing certain reports and forms in compliance with the Exchange Act and other SEC rules.

11. Therefore, this factor weighs heavily in support of granting an extension of the Exclusive Periods.

D. These Chapter 11 Cases Are Large and Complex

31. The scale and complexity of the Company's businesses and corporate structure requires the Debtors to navigate complex issues in their reorganization efforts and further substantiates the need for an extension of the Exclusive Periods. This factor weighs heavily in favor of extending exclusivity. *See In re Texaco Inc.*, 76 B.R. 322, 326 (Bankr. S.D.N.Y. 1987) ("The large size of a debtor and the consequent difficulty in formulating a plan of reorganization for a huge debtor with a complex financial structure are important factors which generally constitute cause for extending the exclusivity periods.").

32. As of the Petition Date, the Debtors owed approximately \$4.9 billion of funded debt (plus accrued and unpaid interest and other expenses) under their RBL loans and four tranches of notes (1.125 Lien, 1.25 Lien, 1.5 Lien, and Unsecured). In addition, the Debtors' operations span multiple states with almost 1,500 net operated wells, significant capital expenditures, and more than 500 employees. The size and complexity of these chapter 11 cases, as well as the breadth and depth of financial and legal issues involved therein, warrant the requested extension of the Exclusive Periods.

E. Debtors Are Making Administrative Expense Payments and Will Continue to Do So

33. Courts considering an extension of exclusivity also assess a debtor's liquidity. *See Millennium Mgmt.*, 2014 WL 792115, at *6. Here, the Debtors are paying administrative expenses as they come due and will continue to do so. In addition, as set forth in the monthly operating reports filed to date, the Debtors have made over \$786 million in disbursements since the Petition Date. *See Debtor-in-Possession Monthly Operating Report for Filing Period February 2020* [ECF No. 1131]. Moreover, the Debtors will have access to their DIP financing

pursuant to the *Final Order (I) Authorizing Use of Cash Collateral; (II) Authorizing Debtors to Obtain Senior Secured, Superpriority, Postpetition Financing; (III) Granting Liens and Super-Priority Claims; (IV) Granting Adequate Protection to Prepetition Secured Parties; and (V) Granting Related Relief* [ECF No. 482] until at least November 25, 2020. The Debtors continue to monitor their liquidity closely and are confident that sufficient funding will be available during the requested extension of the Exclusive Periods.

F. Little Time Has Elapsed in These Chapter 11 Cases

34. This is only the Debtors' second request to extend the Exclusive Periods and comes just seven months after the Petition Date. As detailed above, the Debtors were on the cusp of consummating the Prior Plan just six months after the Petition Date, and absent the unforeseen economic and public health crises, the Debtors would have consummated the Plan and emerged from chapter 11. The Debtors believe that no party in interest is prejudiced by the requested extension of the Exclusive Periods as a result of the need to start from scratch.

G. Requested Extension Has a Proper Purpose

35. The Debtors are not seeking an extension of the Exclusive Periods as a negotiation tactic, to delay the conclusions of these chapter 11 cases, or to hold any creditors hostage. To the contrary, the requested relief is intended to provide the Debtors with flexibility necessary to, among other things, continue discussions with key stakeholders and major creditors to formulate a viable chapter 11 plan that enables the Debtors to emerge from bankruptcy and withstand even a prolonged recovery of the oil and gas industry. Termination of the Exclusive Periods at this juncture would permit any party in interest to propose a plan for any or all of the Debtors, which would only create unnecessary business uncertainty that harms the Debtors' estates.

36. Accordingly, the facts in these cases are more than sufficient to support a finding of “cause” to extend the Exclusive Periods.

Notice

37. Notice of this Motion will be provided to (i) the Office of the United States Trustee for the Southern District of Texas; (ii) the holders of the thirty (30) largest unsecured claims against the Debtors on a consolidated basis; (iii) any party that has requested notice pursuant to Bankruptcy Rule 2002; and (iv) any other party entitled to notice pursuant to Local Rule 9013-1(d) (collectively, the “**Notice Parties**”).

38. WHEREFORE the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as it deems just and proper.

Dated: April 30, 2020
Houston, Texas

/s/ Alfredo R. Pérez
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*Attorneys for Debtors
and Debtors in Possession*

Certificate of Service

I hereby certify that, on April 30, 2020, a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas, and will be served as set forth in the Affidavit of Service to be filed by the Debtors' claims, noticing, and solicitation agent.

/s/ Alfredo R. Pérez
Alfredo R. Pérez

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

In re:	§	
	§	Chapter 11
	§	
EP ENERGY CORPORATION, et al.,	§	Case No. 19-35654 (MI)
	§	
	§	(Jointly Administered)
	§	
Debtors.¹	§	Re: Docket No. ____

**SECOND ORDER PURSUANT TO SECTION 1121(d)
OF THE BANKRUPTCY CODE EXTENDING EXCLUSIVE PERIODS**

Upon the motion, dated April 30, 2020 (the “**Motion**”),² of EP Energy Corporation and its debtor affiliates, as debtors and debtors in possession (collectively, the “**Debtors**”), for an order extending the Debtors’ exclusive periods in which to file a chapter 11 plan (the “**Exclusive Filing Period**”) and solicit acceptances thereof (the “**Exclusive Solicitation Period**” and, together with the Exclusive Filing Period, the “**Exclusive Periods**”), pursuant to section 1121(d) of title of title 11 of the United States Code (the “**Bankruptcy Code**”), as more fully set forth in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 1334; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided, and it appearing that no other or further notice need be provided; and the Court having

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: EP Energy Corporation (2728), EPE Acquisition, LLC (5855), EP Energy LLC (1021), Everest Acquisition Finance Inc. (0996), EP Energy Global LLC (7534), EP Energy Management, L.L.C. (5013), EP Energy Resale Company, L.L.C. (9561), and EP Energy E&P Company, L.P. (7092). The Debtors’ primary mailing address is 601 Travis St., Suite 1400, Houston, TX 77002.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

reviewed the Motion; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Debtors and their respective estates and creditors; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. Pursuant to section 1121(d) of the Bankruptcy Code, the Debtors' Exclusive Filing Period in which to file a chapter 11 plan is extended to October 31, 2020.

2. Pursuant to section 1121(d) of the Bankruptcy Code, the Debtors' Exclusive Solicitation Period in which to solicit acceptances of its chapter 11 plan is extended to and including December 31, 2020.

3. The extensions of the Exclusive Periods granted herein are without prejudice to such further requests that may be made pursuant to 1121(d) of the Bankruptcy Code by the Debtors or any party in interest, for cause shown, upon notice and a hearing.

4. Nothing herein shall create, nor is intended to create, any rights in favor of or to enhance the status of any claim held by any party.

5. The Debtors are authorized to take all steps necessary or appropriate to carry out the relief granted in this Order.

6. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: _____, 2020
Houston, Texas

THE HONORABLE MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE