

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

In re:	§	Chapter 11
	§	
PARALLEL ENERGY LP, <i>et al.</i> ¹	§	Case No. 15-12263(KG)
	§	(Jointly Administered)
Debtors.	§	
	§	<u>Related D.I.: 12, 114</u>

NOTICE OF SALE HEARING

PLEASE TAKE NOTICE THAT:

1. On November 8, 2015, Parallel Energy LP (“LP”) entered into an agreement (the “Purchase And Sale Agreement”) with Scout Energy Group II, LP (“Scout”) to sell substantially all of its assets (the “Property”) to Scout. The Debtors’ ability to close the transactions contemplated by the Purchase and Sale Agreement is subject to higher or better offers and the approval of the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”).

2. On December 9, 2015, the Bankruptcy Court entered an *Order Pursuant to 11 U.S.C. §§ 105, 363, 365, 503 and 507 and Fed. R. Bankr. P. 2002, 6004, And 6006 (A) Establishing Bid and Auction Procedures for the Proposed Sale of Substantially All of the Debtors’ Assets; (B) Approving the Purchase and Sale Agreement; (C) Approving Related Bid Protections; (D) Scheduling an Auction and a Sale Hearing and Approving Notice Thereof; (E) Approving Procedures for Determining Cure Amounts for Executory Contracts and Unexpired Leases to be Assumed and Assigned and Notice Thereof; and*

¹ The Debtors in this case and the last four digits of each Debtor’s taxpayer identification number are as follows: Parallel Energy LP (9322); and Parallel Energy GP LLC (9321). The Debtors’ principal offices are located at 1323 E. 71st Street, Suite 200, Tulsa, OK 74136.

(F) *Granting Related Relief* (the “Bid Procedures Order”)² approving auction and sale procedures (the “Bid Procedures”) for the Property.

3. Bid Procedures, approved in the Bid Procedures Order [D.I. 114], describe, *inter alia*, the terms of a bidding process, the requirements and deadlines for participation therein, required terms for competing bids, and the time, location and conduct of the Auction, if a Qualifying Bid is made for the Property in addition to the bid memorialized in the Purchase And Sale Agreement.

4. The Debtors have solicited offers for the Property, and the Bankruptcy Court scheduled an auction (the “Auction”) of the Property for January 6, 2016 at 10:00 a.m. (prevailing Central Time) at the offices of at the offices of Thompson and Knight LLP, One Arts Plaza, 1722 Routh Street, Suite, 1500 Dallas, Texas, 75201-2533. All interested parties were invited to submit a qualifying bid to purchase the Property by December 22, 2015 at 12:00p.m. (prevailing Eastern Time) (the “Bid Deadline”).

5. The Bid Procedures Order also provided that if no additional Qualifying Bid is received by the Bid Deadline, then the Auction will not be held, and the Debtors shall designate Scout as the Prevailing Purchaser and seek Bankruptcy Court approval of the Purchase and Sale Agreement, at a hearing scheduled for January 8, 2016 at 9:30 a.m. (prevailing Eastern Time) (the “Sale Hearing”). The Sale Hearing will be held before the Honorable Kevin Gross, United States Bankruptcy Judge, at the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 6th Floor, Courtroom No. 3, Wilmington, Delaware 19801.

² Copies of the Bid Procedures Order, the Bid Procedures, and the Purchase and Sale Agreement are available free of charge at the website of the Debtors’ claims and noticing agent, <http://cases.primeclerk.com/parallel>.

6. The Debtors have not received an additional Qualifying Bid by the Bid Deadline, and, therefore, **THE AUCTION IS CANCELLED**, and all of the Bid Procedures set forth in the Bid Procedures Order regarding Scout as the Prevailing Purchaser, will apply.

7. Any objection to any of the relief to be requested at the Sale Hearing must be in writing, state the basis of such objection with specificity, and shall be filed with the Bankruptcy Court by **January 5, 2016 by 4:00 p.m.** (prevailing Eastern Time) (the “**Sale Objection Deadline**”). At the same time, any objector must also serve a copy of the objection, so as to be received by the Sale Objection Deadline, on:: (a) Debtors’ counsel, (a) Thompson & Knight LLP, 1722 Routh Street, Suite 1500, Dallas, TX 75201 (Attn: David M. Bennett, Esq.); and (b) Bayard P.A., 222 Delaware Avenue, Suite 900, Wilmington, DE 19801 (Attn: Neil B. Glassman); (c) Debtors, Parallel Energy LP, Suite 840, 517 10th Avenue SW Calgary, Alberta T2R 0A8 (Attn: Richard N. Miller); (d) Counsel to Scout, Winstead PC, 500 Winstead Building, 2728 N. Harwood Street, Dallas, Texas 75201 (Attn: Eli Columbus); (e) Counsel to Canadian Imperial Bank of Commerce, Agent for the Debtors’ Post-petition Lenders, Latham & Watkins LLP, 885 Third Avenue, New York, New York, 10022 (Attn: Mitchell Seider); (f) Counsel to any official creditors’ committee appointed in these Chapter 11 Cases; (g) Debtors’ Financial Advisor and Investment Banker, Evercore Group L.L.C, 909 Fannin Street, Suite 1700 Houston, TX 77010 (Attn: Robert Pacha); and (h) The Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801 (Attn: Linda Casey).

8. All requests for information concerning the Property should be directed toward the Debtors' financial advisor and investment banker, Evercore Group L.L.C, which can be contacted at:

Evercore Group L.L.C,
909 Fannin Street
Suite 1700
Houston, TX 77010
Phone: 713.403.2440
Email: Pacha@Evercore.com
Attn: Robert Pacha

9. The Sale Hearing may be adjourned from time to time without further notice to creditors or parties in interest other than by announcement of the adjournment in open court or on the agenda filed by the Debtors with the Bankruptcy Court.

10. **IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE BANKRUPTCY COURT MAY GRANT THE RELIEF REQUESTED BY THE MOTION WITHOUT FURTHER NOTICE OR HEARING.**

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Dated: December 22, 2015
Wilmington, DE

BAYARD, P.A.

/s/ Neil Glassman

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