

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

In re:

PARALLEL ENERGY LP, *et al.*

Debtors.<sup>1</sup>

Chapter 11

Case No. 15-12263 (KG)

Jointly Administered

Docket Ref. No. [210]

**NOTICE OF (A) ADMINISTRATIVE CLAIMS BAR DATE; (B) DEADLINE TO  
OBJECT TO ORDER ESTABLISHING PROCEDURES FOR DISMISSAL OF CASES  
ON A PERMANENT BASIS; AND (B) CLAIMS OBJECTION HEARING**

PLEASE TAKE NOTICE that on February 18, Parallel Energy LP and Parallel Energy GP LLC, as debtors and debtors-in-possession (collectively, the “Debtors”) filed the *Motion of the Debtors for Entry of an Order Pursuant to Sections 105(a), 305(a) and 1112(b) of the Bankruptcy Code and Bankruptcy Rule 1017 Authorizing Dismissal of the Debtors’ Cases Under Certification of Counsel* [D.I. 210] (the “Motion”) with the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”).

**PLEASE TAKE FURTHER NOTICE** that the Court entered an order (the “Dismissal Procedures Order”) approving the Motion on March 18, 2016 [D.I. 241]. The Dismissal Procedures Order is attached as **Exhibit A**. Any objection to the relief granted in the Dismissal Procedures Order on a permanent basis must be (a) filed in writing with the clerk of this court no later than **April 11, 2016**, (the “Dismissal Objection Deadline”) and (b) served on (i) counsel for the Debtors, Thompson & Knight LLP, Three Allen Center, 333 Clay Street, Suite 3300, Houston, TX 77002, Attention: Demetra L. Liggins; (ii) counsel for the Required Lenders, Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, Attention: Mitchell A.

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<sup>1</sup> The Debtors in these cases 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.

Seider, and (iii) counsel for the United States Trustee, J. Caleb Boggs Federal Building 844 King Street, Suite 2207, Lockbox 35 Wilmington, DE 19801, Attention: Linda J. Casey, so as to be received by the Dismissal Objection Deadline. A hearing to consider objections, if any, to the relief granted in the Dismissal Procedures Order will be held on **May 17, 2016 at 2:00 p.m. EDT.**

**PLEASE TAKE FURTHER NOTICE** that pursuant to the Dismissal Procedures Order, the Court approved various procedures whereby the Debtors may (a) resolve claims disputes, (b) make distributions to approved claimants pursuant to an Approved Wind-Down Budget,<sup>2</sup> and (c) dismiss the Debtors' cases under certification of counsel once certain preconditions are met.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the Dismissal Procedures Order, the following procedures shall govern the allowance of all administrative expense claims asserted against the Debtors and the distributions to be made to holders of such allowed administrative expense claims (the "Claims Resolution Process"):

1. **Administrative Expense Claim Bar Date.** Administrative expense claimants shall file a proof of claim for any and all alleged administrative claims, including claims pursuant to section 503(b)(9) of the Bankruptcy Code, so that they are actually received on or before **5:00 p.m. EDT on April 23, 2016** (the "Administrative Claim Bar Date"). Notwithstanding the foregoing, (a) the Court will not enter the Dismissal Order, absent payment of all allowed administrative expense claims in full (unless such requirement has been waived by the Court after notice and hearing); (b) no governmental entity shall be required to file an administrative expense claim by the Administrative Expense Claim Bar Date in order to receive payment for any liability described in Section 503(b)(1)(B) and (C) pursuant to Section 503(b)(1)(D) of the Bankruptcy Code; and (c) the U.S. Trustee shall not be required to file an administrative expense claim by the

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<sup>2</sup> All capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.

Administrative Expense Claim Bar date in order to receive payment for any fees required to be paid under section 1930(a) of title 28 of the United States Code. Notwithstanding the foregoing, the existence of any unpaid administrative expense claim shall not preclude any party-in-interest from filing a motion seeking an order dismissing the Bankruptcy Cases.

2. **Professional Fee Bar Date.** Professionals shall submit final fee applications in accordance with the Bankruptcy Code, Bankruptcy Rules, Local Rules, and Fee Procedures Order (the “Final Fee Applications”) by no later than **June 30, 2016**. Notwithstanding the amounts budgeted for professionals’ fees in the Approved Wind-Down Budget, professionals shall not be compensated for any amount in excess of the amount of fees and expenses that are approved and allowed by the Court in such Final Fee Applications.
3. **Claim Objection Deadline.** If the Debtors are unable to informally resolve claims disputes, the Debtors shall be required to file an objection (each a “Claim Objection”) with this Court on or before **5:00 p.m. EDT on May 6, 2016** (the “Claim Objection Deadline”) and serve the claimant by the Claim Objection Deadline.
4. **Claims Hearing.** Debtors’ counsel shall be authorized to informally resolve any Claim Objection without further order of the Court. If Debtors’ counsel and the claimant cannot agree on a resolution, an omnibus hearing to consider such Claim Objection(s) will be held on **May 17, 2016 at 2:00 p.m. EDT** (the “Claims Hearing”).
5. **Waiver of Omnibus Claim Objection Rules.** The requirements of Bankruptcy Rule 3007 and Local Rule 3007-1, with regard to claims objections and omnibus claims objections, are waived to the extent inconsistent with the Claims Resolution Process.

**PLEASE TAKE FURTHER NOTICE THAT THE PAYMENT OF THE ADMINISTRATIVE EXPENSE CLAIMS SHALL BE DEEMED TO BE IN FULL SATISFACTION OF THE ADMINISTRATIVE EXPENSE CLAIMS ALLEGED TO BE HELD BY EACH ADMINISTRATIVE EXPENSE CLAIMANT. NO OTHER**

**DISTRIBUTIONS WILL BE MADE TO THE DEBTORS' CREDITORS OR INTEREST-HOLDERS ON ACCOUNT OF CLAIMS OR INTERESTS IN THESE CHAPTER 11 CASES.**

**PLEASE TAKE FURTHER NOTICE THAT, IF NO OBJECTIONS TO THE MOTION ARE TIMELY FILED, SERVED AND RECEIVED IN ACCORDANCE WITH THIS NOTICE, THE BANKRUPTCY COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR HEARING.**

Dated: March 18, 2016  
Wilmington, DE

BAYARD, P.A.

/s/ Evan T. Miller  
Neil B. Glassman (No. 2087)  
GianClaudio Finizio (No. 4253)  
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and

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*Counsel for the Debtors*

**Exhibit A**

**Dismissal Procedures Order**

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

In re:

PARALLEL ENERGY LP, *et al.*

Debtors.<sup>1</sup>

Chapter 11

Case No. 15-12263 (KG)

Jointly Administered

Docket Ref. No. 210

**ORDER APPROVING (I) FORM OF ORDER PURSUANT TO  
SECTIONS 105(a), 305(a) AND 1112(b) OF THE BANKRUPTCY  
CODE AND BANKRUPTCY RULE 1017 AUTHORIZING DISMISSAL  
OF THE DEBTORS' CASES AND (II) PROCEDURES FOR  
SUBMISSION OF SUCH ORDER UNDER CERTIFICATION OF COUNSEL**

Having considered the Debtors' Motion<sup>2</sup> for entry of an order pursuant to sections 105(a), 305(a) and 1112(b) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code") and Rule 1017 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), authorizing a procedure whereby the Debtors may seek dismissal of the Debtors' Chapter 11 Cases under certification of counsel, the Court finds that (a) it has jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C. §§ 157 and 1334(b); (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); (c) the relief requested in the Motion is in the best interest of all parties; and (d) upon the record herein after due deliberation thereon, good and sufficient cause exists for the granting of the relief as set forth herein. Accordingly, it is

**ORDERED** that the Motion is **GRANTED** to the extent set forth herein. It is further

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<sup>1</sup> The Debtors in these cases 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.

<sup>2</sup> All capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.

**ORDERED** that any objection to the relief granted in the Dismissal Procedures Order on a permanent basis must be (a) filed in writing with the Clerk of this Court no later than **24 days after the service of this Order** (the “Dismissal Objection Deadline”) and (b) served on (i) counsel for the Debtors, Thompson & Knight LLP, Three Allen Center, 333 Clay Street, Suite 3300, Houston, TX 77002, Attention: Demetra L. Liggins; (ii) counsel for the Required Lenders, Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, Attention: Mitchell A. Seider, and (iii) counsel for the United States Trustee, J. Caleb Boggs Federal Building 844 King Street, Suite 2207, Lockbox 35 Wilmington, DE 19801, Attention: Linda J. Casey, so as to be received by the Dismissal Objection Deadline. A hearing to consider objections, if any, to the relief granted in the Dismissal Procedures Order will be held on **May 17, 2016 at 2:00 p.m. EDT**. If no objections are received by the Dismissal Objection Deadline (or objections have been resolved prior to the scheduled hearing date), this Order shall become a final order. It is further

**ORDERED** that the form of Dismissal Order is hereby **APPROVED** in its entirety in the form attached as **Exhibit 1**, if, and only if, all the following pre-certification conditions are met (collectively, the “Pre-Certification Conditions”): (a) all Preconditions to Dismissal (as defined in the Motion) have been completed; (b) all allowed administrative claims have been paid in full (or relief from such requirement has been granted by this Court after notice and a hearing); and (c) the Dismissal Objection Deadline has passed with no timely objection having been filed (or any timely filed objection has been resolved). Notwithstanding the foregoing, the existence of any unpaid administrative expense claim shall not preclude any party-in-interest from moving for an order dismissing the Bankruptcy Cases. It is further

**ORDERED** that, as of the Closing Date of the Sale, the Prepetition First Priority Liens, and the Prepetition Adequate Protection Liens are hereby deemed to have attached to the proceeds of the Sale the ("Sale Proceeds"), including those proceeds allocated to the Wind-Down Holdback pursuant to the Sale Order. It is further

**ORDERED** that the Debtors are authorized to use the Sale Proceeds in the Wind-Down Holdback to fund the orderly wind-down of the Debtors' estates solely in accordance with the Approved Wind-Down Budget attached as Exhibit 2, unless otherwise agreed to in writing by the Prepetition Agent. It is further

**ORDERED** that the Debtors shall prepare and deliver to the Prepetition Agent a weekly Variance Report, in form acceptable to the Required Lenders, as set forth in the Motion. It is further

**ORDERED** that the Debtors are authorized to submit to the Court under Certification of Counsel the approved form of Dismissal Order for one or more of the Debtors' Chapter 11 Cases at a time. It is further

**ORDERED** that, pursuant to sections 105(a), 305(a) and 1112(b) of the Bankruptcy Code and Bankruptcy Rule 1017, the Debtors may file the Dismissal Order under Certification of Counsel, which certifies that all Pre-Certification Conditions have been satisfied. It is further

**ORDERED** that following procedures shall govern the allowance of all administrative expense claims asserted against the Debtors and the distributions to be made to holders of such administrative expense claims (the "Claims Resolution Process"):

1. **Notice.** No later than seven (7) business days after the filing of this Order, counsel to the Debtor shall serve the Notice, this Order and exhibits, including the Approved Wind-Down Budget, on all known creditors and parties-in-interest of these Estates (the "Claimants").



2. **Administrative Claim Bar Date.** Administrative claimants shall file a proof of claim for any and all alleged administrative claims so that they are actually received on or before **5:00 p.m. EDT on April 23, 2016** (the "Administrative Claim Bar Date"). Notwithstanding the foregoing, (a) the Court will not enter the Dismissal Order absent payment of all allowed administrative expense claims in full (unless such requirement has been waived by the Court after notice and hearing); (b) no governmental entity shall be required to file an administrative expense claim by the Administrative Expense Claim Bar Date in order to receive payment for any liability described in Section 503(b)(1)(B) and (C) pursuant to Section 503(b)(1)(D) of the Bankruptcy Code; and (c) the U.S. Trustee shall not be required to file an administrative expense claim by the Administrative Expense Claim Bar date in order to receive payment for any fees required to be paid under section 1930(a) of title 28 of the United States Code. Notwithstanding the foregoing, the existence of any unpaid administrative expense claim shall not preclude any party-in-interest from moving for an order dismissing the Bankruptcy Cases.
3. **Professional Fee Bar Date.** Professionals shall submit final fee applications in accordance with the Bankruptcy Code, Bankruptcy Rules, Local Rules, and Fee Procedures Order (the "Final Fee Applications") by no later than **June 30, 2016**. Notwithstanding the amounts budgeted for professionals' fees in the Approved Wind-Down Budget, professionals shall not be compensated for any amount in excess of the amount of fees and expenses that are approved and allowed by the Court in such Final Fee Applications.
4. **Claim Objection Deadline.** If the Debtors are unable to informally resolve claims disputes, the Debtors shall be required to file an objection (each a "Claim Objection") with this Court on or before **5:00 p.m. EDT on May 6, 2016** (the "Claim Objection Deadline") and serve the claimant by the Claim Objection Deadline.
5. **Claims Hearing.** Debtors' counsel shall be authorized to informally resolve any Claim Objection without further order of the Court. If Debtors' counsel and the claimant cannot agree on a resolution, an omnibus hearing to consider such Claim Objection(s) will be held on **May 17, 2016 at 2:00 p.m. EDT** (the "Claims Hearing").
6. **Waiver of Omnibus Claim Objection Rules.** The requirements of Bankruptcy Rule 3007 and Local Rule 3007-1, with regard to claims objections and omnibus claims objections, are waived to the extent inconsistent with the Claims Resolution Process.

It is further

{BAY:02872768v1}

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**ORDERED** that the payment of the allowed administrative expense claims shall be deemed to be in full satisfaction of the claims alleged to be held by each administrative expense claimant. It is further

**ORDERED** that nothing in this Order discharges, releases, prejudices, or enjoins any liability of the Debtors or any non-Debtors to any entity. It is further

**ORDERED** that notwithstanding anything herein to the contrary, nothing in this order shall release, limit, or waive any claims, rights or obligations arising under that certain Purchase and Sale Agreement by and between Parallel Energy LP, on the one hand, and Scout Energy Group II, LP, a Texas limited partnership, on the other hand, dated as of November 8, 2015, and approved pursuant to the Court's order authorizing the sale of substantially all the Debtors' assets.<sup>3</sup>

**ORDERED** that immediately prior to, upon, or after dismissal of the Chapter 11 Cases, each Debtor is authorized and empowered to take all reasonably necessary steps to dissolve under applicable law, including taking such actions, executing such documents, and expending such funds as may be reasonably necessary to carry out or otherwise effectuate the terms of the DIP Order and the Sale Order. It is further

**ORDERED** that the Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion. It is further

**ORDERED** that this Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation and/or enforcement of this Order and any other order of this Court entered in these Chapter 11 Cases.

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<sup>3</sup> See [D.I. 181]

{BAY:02872768v1}

Dated: March 18, 2016  
Wilmington, Delaware

  
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THE HONORABLE KEVIN GROSS  
UNITED STATES BANKRUPTCY JUDGE

**Exhibit 1**

**Dismissal Order**

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

In re: •  
PARALLEL ENERGY LP, *et al.*  
Debtors.<sup>1</sup>

Chapter 11  
Case No. 15-12263 (KG)  
Jointly Administered  
Docket Ref. No. [ ]

**ORDER PURSUANT TO SECTIONS 105(a), 305(a)  
AND 1112(b) OF THE BANKRUPTCY CODE AND BANKRUPTCY  
RULE 1017 DISMISSING THE DEBTORS' CASES**

Having considered the Debtors' Motion<sup>2</sup> for entry of an order pursuant to sections 105(a), 305(a) and 1112(b) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code") and Rule 1017 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), authorizing a procedure whereby the Debtors may seek dismissal of the Debtors' Chapter 11 Cases under certification of counsel, and the Court having entered the *Order Granting Motion of the Debtors for Order Authorizing the Dismissal of the Debtors' Cases Under Certification Of Counsel Pursuant to Sections 105(a), 305(a) And 1112(a) Of The Bankruptcy Code And Bankruptcy Rule 1017* [D.I. \_\_\_] (the "Dismissal Procedure Order"), the Court finds that (a) it has jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C. §§ 157 and 1334(b); (b) this matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); (c) the relief requested in the Motion is in the best interest of all parties; (d) proper and adequate notice of the Motion and the hearing thereon has been given and that no other or further notice is necessary; and (e) upon the record herein after due deliberation thereon, and the Debtors having filed the Certification of Counsel which certified that all transactions contemplated by the

<sup>1</sup> The Debtors in these cases 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.

<sup>2</sup> Unless otherwise defined herein, all capitalized terms shall have the meaning ascribed to them in the Motion.

Dismissal Procedure Order that were preconditions to dismissal have been completed, good and sufficient cause exists for the granting of the relief as set forth herein. Accordingly, it is

**ORDERED** that the Motion is **GRANTED** to the extent set forth herein. It is further

**ORDERED** that, pursuant to Sections 105(a), 305(a) and 1112(b) of the Bankruptcy Code and Bankruptcy Rule 1017, the Chapter 11 Cases of the Debtors are hereby **DISMISSED**.

It is further

**ORDERED** that, from and after the date of this Order, none of the Debtors, or the respective officers, directors, employees, and retained professionals (including attorneys) of the Debtors, shall have or incur any liability to any person for any act taken or omitted to be taken in good faith in connection with or related to the formation, preparation, dissemination, implementation, confirmation or consummation of the Motion or this Order (other than in contravention of the Motion or the implementation of this Order or the Dismissal Procedures Order), or any contract, instrument, release or agreement or document created or entered into, or any other act taken or omitted to be taken in connection with the Debtors' cases **provided, however**, that nothing herein shall limit the liability for acts or omissions that are the result of fraud, gross negligence, or willful misconduct. It is further

**ORDERED** that, upon the entry of this Order, to the fullest extent authorized by applicable law, for the good and valuable consideration provided by each of (a) the Debtors, (b) the DIP Secured Parties, (c) the Prepetition Secured Parties and (d) with respect to each of the foregoing entities in clauses (a) through (c), such person's current and former affiliates, subsidiaries, officers, directors, principals, employees, agents, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, in each case in their capacity as such (collectively, the "Released Parties"), the Released Parties are

deemed to have released each other from any and all claims, debts, demands, interests, obligations, rights, suits, damages, causes of action, judgments, orders, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, that the Debtors, their estates, or affiliates would have been legally entitled to assert in their own right (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the management and/or administration of the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the Sale, the business or contractual arrangements between the Debtors and any Released Party, the negotiation, formulation, or preparation of the DIP Loan Documents or any related agreements, instruments, or other documents, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes fraud, willful misconduct, or gross negligence. It is further

**ORDERED** that nothing in this Order discharges, releases, precludes, or enjoins any liability to a Governmental Unit on the part of any Entity that is not a Debtor. It is further

**ORDERED** that the Debtors are not entitled to and are not receiving a discharge in these bankruptcy cases. It is further

**ORDERED** that notwithstanding anything herein to the contrary, nothing in this order shall release, limit, or waive any claims, rights or obligations arising under that certain Purchase and Sale Agreement by and between Parallel Energy LP, on the one hand, and Scout Energy Group II, LP, a Texas limited partnership, on the other hand, dated as of November 8, 2015, and approved pursuant to the Court's order authorizing the sale of substantially all the Debtors' assets.<sup>3</sup>

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<sup>3</sup> See [D.I. 181]

{BAY:02872768v1}

**ORDERED** that, notwithstanding Section 349 of the Bankruptcy Code, prior orders of this Court, including the Dismissal Authorization Order, the DIP Order, and the Sale Order, and the ability of the Debtors to dissolve immediately prior to, upon, or after dismissal pursuant thereto, shall survive dismissal of these Chapter 11 Cases. It is further

**ORDERED** that the Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion. It is further

**ORDERED** that this Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation and/or enforcement of this Order and any other order of this Court entered in these Chapter 11 Cases.

Dated: \_\_\_\_\_, 2016  
Wilmington, Delaware

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THE HONORABLE KEVIN GROSS  
UNITED STATES BANKRUPTCY JUDGE



**Exhibit 2**

Parallel Energy (US Entities)	FOOTCLOSING FORECAST													Notes								
	Actual	Actual	Actual	Week 17	Week 18	Week 19	Week 20	Week 21	Week 22	Week 23	Week 24	Week 25	Week 26		Week 27	Week 28	Week 29	Week 30	Week 31	YTD		
Actual	Week 13	Week 14	Week 15	Week 16	Week 17	Week 18	Week 19	Week 20	Week 21	Week 22	Week 23	Week 24	Week 25	Week 26	Week 27	Week 28	Week 29	Week 30	Week 31	YTD		
Week ending	5-Feb-16	12-Feb-16	19-Feb-16	26-Feb-16	4-Mar-16	11-Mar-16	18-Mar-16	25-Mar-16	1-Apr-16	8-Apr-16	15-Apr-16	22-Apr-16	29-Apr-16	6-May-16	13-May-16	20-May-16	27-May-16	3-May-16	12-May-16	19-May-16	YTD	
Operating receipts	6,789																					6,789
Less:																						
Petroleum and natural gas receipts	3,195																					(1,195)
Royalties	466																					(466)
Production tax	300																					(300)
Oil/gas removal fee	159																					(159)
Transportation	49																					(49)
Total operating receipts (net of royalties, tax, etc)	5,029																					5,029
OPERATING EXPENSES																						
Op Costs Pre-Effective Date + Administration Costs	1,438																					295
Salaries and benefits - US	949																					11
General and administrative costs - US	214																					159
Critical suppliers - US	151																					214
Vendor deposits/pre-payments - US	372																					151
Contingency costs	312																					22
Reimburs Parallel shared expenses	1,458																					825
Net operating receipts (expenses)	3,591																					3,591
Interest expenses	5,006																					5,006
Base loan interest	3																					3
Standby and commitment fee	5,003																					5,003
Net change in cash flow	(1,415)																					(1,415)
(before non-operating disbursement and DIP)																						
Non-operating receipts	2,219																					2,219
Other receipts (Sale Proceeds)																						
Non-operating disbursements																						
DEBT SERVICE COSTS																						
Lender work fee and success fee	1,413																					1,413
Lender advisor (PwC) fees - US	251																					251
Lender legal fees - US	5																					5
Legal fees - US	5																					5
Company counsel legal fees - US	173																					173
Company counsel (Delaware) - US	278																					278
Company advisor fees (AS&M) - US	50																					50
Company Claims Agency - US																						
US Trustee Quarterly Fee																						
Unsecured Creditor Committee advisor fees - US																						
Amounts paid to Unsecured Creditors																						
Contingency fees and costs																						
Other non-operating disbursements	642																					642
KERP/TEIP Payment	642																					642
Excess Funds																						
Total non-operating disbursements	2,219																					2,219
Total net change in cash flows	1,804																					1,804
DIP facility	9,400																					9,400
Opening available cash	(1,824)																					(1,824)
Total net change in cash flow	7,576																					7,576
Cash collateral (Wells Fargo bank account)																						
DIP fees and interest (10.25%)																						
Ending available cash	2,079																					2,079
Net Loan Amount																						

Notes

- (1) Represents \$28,000 of priority claims paid plus estimate of \$300,000 for remaining pre-December 1 operating costs and post-filing administration costs
- (2) Salaries and Benefits
- (3) G&A Estimate
- (4) Reimbursement of Parallel Energy Inc. shared expenses
- (5) Reversal of interest expense incorrectly charged in Week 12. No other interest costs budgeted.
- (6) Restructuring Costs Budgeted as follows:
  - Thompson Knight Actual Nov/Dec invoices paid at end of February - Jan-May expenses budget
  - Bayard's Actual Nov/Dec invoices paid at end of February - Jan-May expenses budget
  - ABM Actual Nov/Dec invoices paid at end of February - Jan-May expenses budget
  - Prime Clerk Jan-May expenses budget
  - Lender's Advisors Feb-May expenses budget
- (7) Distribution to Lenders of excess funds on hand not required for Wind Down Budget