

Cash Collateral, (C) Grant Certain Protections to Prepetition Secured Parties, and (D) Related Relief (ECF No. 5) (the “**DIP Motion**”).

PLEASE TAKE FURTHER NOTICE that on May 23, 2016, the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”) entered the *Interim Order Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364 and 507, Bankruptcy Rules 2002, 4001, 6004 and 9014 and Local Bankruptcy Rule 4001-2 (I) Authorizing the Debtors to Obtain Postpetition Senior Secured Superpriority Financing, (II) Authorizing the Debtors’ Limited Use of Cash Collateral, (III) Granting Adequate Protection to the Prepetition Secured Parties, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* (ECF No. 73) (the “**Interim DIP Order**”). A copy of the Interim DIP Order (without exhibits) is attached hereto as **Exhibit A**. Copies of the Interim DIP Order and the exhibits attached thereto can be viewed or obtained by: (i) accessing the Court’s website at www.nysb.uscourts.gov, (ii) contacting the Office of the Clerk of the Court at One Bowling Green, New York, New York 10004, or (iii) from the Debtors’ proposed claims and noticing agent, Prime Clerk LLC, at <https://cases.primeclerk.com/breitburn> or by calling 855-851-7887 (toll free) for U.S.-based parties; or +1 917-258-6103 for international parties or by e-mail at breitburninfo@primeclerk.com. Please note that a PACER password is needed to access documents on the Court’s website.

PLEASE TAKE FURTHER NOTICE that a hearing to consider the relief requested in the DIP Motion on a final basis (the “**Final Hearing**”) and for the entry of a final order with respect thereto (the “**Final Order**”) is scheduled for **July 14, 2016 at 10:30 a.m. (prevailing Eastern Time)** before the Bankruptcy Court, One Bowling Green, Room 723, New

York, New York 10004-1408. **Any objections by creditors or other parties in interest to any provisions of the Interim DIP Order shall be deemed waived unless timely filed and served in accordance with paragraph 38 of the Interim DIP Order.** Objections to the entry of the Final Order shall be filed with the Bankruptcy Court by no later than **5:00 p.m. (prevailing Eastern Time) on July 5, 2016**, with copies to (i) the Office of the United States Trustee, 201 Varick Street, Suite 1006, New York, NY 10014 Attn: Richard Morrissey; (ii) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, NY 10153-0119, Attn. Ray C. Schrock, P.C., and Stephen Karotkin, counsel to the Debtors; (iii) Winston & Strawn LLP, 333 S. Grand Avenue, 38th Floor, Los Angeles, CA 90071-1543, Attn. Eric E. Sagerman and Justin E. Rawlins, and 200 Park Avenue, New York, NY 10166, Attn. David Neier and Carey D. Schreiber, as counsel to the DIP Agent and the RBL Agent; (iv) Kirkland & Ellis LLP, 601 Lexington Avenue New York, New York 10022-4611, Attn: Christopher J. Marcus and Jonathan S. Henes, as counsel to the Second Lien Noteholder Group; (v) Foley & Lardner LLP, 321 North Clark Street, Suite 2800, Chicago, IL 60654-5313 Attn: Mark F. Hebbeln and Lars A. Peterson, as counsel to the Second Lien Indenture Trustee; (vi) Milbank, Tweed, Hadley & McCloy LLP, 601 South Figueroa Street, Los Angeles, CA 90017-5735, Attn: Gregory A. Bray and Eric R. Reimer, counsel to Unsecured Bondholder Group; (vii) Wilmington Trust Company, Kilpatrick Townsend & Stockton LLP, 1100 Peachtree Street, NE, Suite 2800, Atlanta, Georgia 30309-4530, Attn: Todd C. Meyers, and 1114 Avenue of the Americas New York, NY 10036-7703, Attn: David M. Posner, as counsel to the Unsecured Bonds Indenture Trustee; and counsel to any

official committee of unsecured creditors appointed in these chapter 11 cases.

Dated: May 26, 2016
New York, New York

/s/ Stephen Karotkin
Ray C. Schrock, P.C.
Stephen Karotkin
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*Proposed Attorneys for Debtors
and Debtors in Possession*

Exhibit A

Interim DIP Order (without exhibits)

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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 In re : Chapter 11
 :
BREITBURN ENERGY PARTNERS LP, et al.,¹ : Case No. 16-11390 (SMB)
 : (Jointly Administered)
 Debtors. :
 : Re: Docket Nos. 5, 6, 29
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INTERIM ORDER PURSUANT TO 11 U.S.C. §§ 105, 361, 362, 363, 364 AND 507, BANKRUPTCY RULES 2002, 4001, 6004 AND 9014 AND LOCAL BANKRUPTCY RULE 4001-2 (I) AUTHORIZING THE DEBTORS TO OBTAIN POSTPETITION SENIOR SECURED SUPERPRIORITY FINANCING, (II) AUTHORIZING THE DEBTORS' LIMITED USE OF CASH COLLATERAL, (III) GRANTING ADEQUATE PROTECTION TO THE PREPETITION SECURED PARTIES, (IV) SCHEDULING A FINAL HEARING, AND (V) GRANTING RELATED RELIEF

Upon the motion dated May 15, 2016 (the "Motion") of the above referenced debtors and debtors in possession (collectively, the "Debtors"), including Breitburn Energy Partners LP, a Delaware limited partnership (the "Parent"), in the above-referenced chapter 11 cases (the "Chapter 11 Cases"), for entry of an interim order (this "Interim Order") and a final order ("Final Order"), pursuant to sections 105, 361, 362, 363, 364 and 507 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* (as amended, the "Bankruptcy Code"), Rules 2002, 4001, 6004 and 9014 of the Federal Rules of Bankruptcy Procedure (as amended, the "Bankruptcy Rules"), and Rule 4001-2 of the Local Bankruptcy Rules for the Southern District of New York (the "Local Bankruptcy Rules"), seeking, *inter alia*:

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: Breitburn Energy Partners LP (9953); Breitburn GP LLC (9948); Breitburn Operating LP (5529); Breitburn Operating GP LLC (5525); Breitburn Management Company LLC (2858); Breitburn Finance Corporation (2548); Alamitos Company (9156); Beaver Creek Pipeline, L.L.C. (7887); Breitburn Florida LLC (7424); Breitburn Oklahoma LLC (4714); Breitburn Sawtelle LLC (7661); Breitburn Transpetco GP LLC (7222); Breitburn Transpetco LP LLC (7188); GTG Pipeline LLC (3760); Mercury Michigan Company, LLC (3380); Phoenix Production Company (1427); QR Energy, LP (3069); QRE GP, LLC (2855); QRE Operating, LLC (9097); Terra Energy Company LLC (9616); Terra Pipeline Company LLC (3146); and Transpetco Pipeline Company, L.P. (2620). The Debtors' mailing address is 707 Wilshire Boulevard, Suite 4600, Los Angeles, California 90017.

- (i) authorization for the Debtors, including Breitburn Operating LP, a Delaware limited partnership ("Breitburn", or the "Borrower"), to enter into a revolving senior secured postpetition credit facility in an aggregate principal amount not to exceed \$150,000,000 (the "DIP Facility") on a final basis and \$75,000,000 on an interim basis (the "Interim DIP Facility"), and authorization for Breitburn and each of its existing and subsequently acquired or formed direct and indirect subsidiaries which are Debtors and/or which are guarantors (collectively, the "Guarantors") under the RBL Credit Agreement (defined below) to guarantee the Borrower's obligations under the DIP Facility, from Wells Fargo Bank, National Association, ("Wells Fargo Bank"), as administrative agent (in such capacity, the "DIP Agent") for itself and certain other financial institutions (collectively, the "DIP Lenders" and together with the DIP Agent, postpetition Lender Derivative Providers and postpetition Banking Services Lenders, the "DIP Secured Parties"), pursuant to the terms and conditions set forth in this Interim Order, that certain senior secured priming and superpriority Debtor-In-Possession Credit Agreement by and among the Borrower, the Guarantors, the DIP Agent and the DIP Lenders, in substantially the form attached hereto as Exhibit A (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "DIP Credit Agreement"), in accordance with the terms of the DIP Budget (defined below), and any related documents required to be delivered by or in connection with the DIP Credit Agreement (collectively, the "DIP Credit Documents") (terms not otherwise defined herein shall have the meanings ascribed to those terms in the DIP Credit Documents);
- (ii) authorization for the Debtors to, subject to the Carve-Out (defined below), grant security interests, liens, and superpriority claims (including a superpriority administrative claim pursuant to sections 364(c)(1), 503(b) and 507(b) of the Bankruptcy Code, liens pursuant to sections 364(c)(2) and 364(c)(3) of the Bankruptcy Code and priming liens pursuant to section 364(d) of the Bankruptcy Code) to the DIP Agent, for the benefit of DIP Secured Parties, to secure all obligations of the Debtors under and with respect to the DIP Facility (collectively, the "DIP Obligations"), including, **subject to entry of the Final Order**, on the proceeds and property recovered in respect of the Debtors' claims and causes of action (but not on the actual claims and causes of action) arising under Chapter 5 of the Bankruptcy Code, including sections 544, 545, 547, 548 and 550 or any other similar state or federal law (collectively, the "Avoidance Action Proceeds");
- (iii) authorization for the Debtors, pursuant to Bankruptcy Code sections 105, 361, 362, 363 and 507 to use cash collateral, as such term is defined in section 363(a) of the Bankruptcy Code ("Cash Collateral", which shall not include loan proceeds of the DIP Facility but shall include any RBL Hedge Proceeds (defined below) in accordance with Paragraph 23(d)), and all other Prepetition Collateral (defined below), solely in accordance with the terms of this Interim

Order; and in accordance with the terms of the DIP Budget, as provided herein;

- (iv) to provide Adequate Protection (defined below) of the liens and security interests (such liens and security interests, the “RBL Liens”) of the prepetition financial institutions (such financial institutions in such capacities, and including the Swing Line Lender and the Issuing Lenders (as defined in the RBL Credit Agreement), the “RBL Lenders”) and other secured parties, including any prepetition Lender Derivative Provider (as defined in the RBL Credit Agreement and referred to herein as any “RBL Lender Derivative Provider”) under any prepetition Lender Derivative Contract (as defined in the RBL Credit Agreement and referred to herein as any “RBL Lender Derivative Contract”) under that certain Third Amended and Restated Credit Agreement, dated as of November 19, 2014 (as amended, restated, supplemented or otherwise modified from time to time, the “RBL Credit Agreement”), among the Borrower, Breitburn Energy Partners LP, a Delaware limited partnership (the “Parent”), the RBL Lenders and Wells Fargo Bank, as Administrative Agent (in such capacity, the “RBL Agent”, and together with the RBL Lenders (including Wells Fargo Bank), Wells Fargo Bank as Collateral Trustee, and the RBL Lender Derivative Providers, the “RBL Secured Parties”) on behalf of the RBL Secured Parties and as a RBL Lender, which RBL Liens are being primed by the DIP Facility, as more fully set forth in this Interim Order;
- (v) to, subject to the terms of the Intercreditor Agreement (defined below), provide Adequate Protection of the liens and security interests to the holders of 9.25% Senior Secured Second Lien Notes due 2020 (the “Second Lien Notes”) issued pursuant to that certain Indenture dated as of April 8, 2015 (as amended, restated, supplemented or otherwise modified from time to time, the “Second Lien Indenture”), among the Borrower, certain guarantors and Delaware Trust Company, as successor by assignment to U.S. Bank National Association, (in such capacity, the “Second Lien Indenture Trustee”, and together with the holders of Second Lien Notes, the “Second Lien Secured Parties”, and together with the RBL Secured Parties, the “Prepetition Secured Parties”);
- (vi) to provide relief to the Debtors and RBL Lender Derivative Providers under any RBL Lender Derivative Contract and the disposition (whether by setoff or otherwise) of RBL Hedge Proceeds (defined below) from both terminated and non-terminated RBL Lender Derivative Contracts and to reserve all rights, remedies, claims and defenses as part of a standstill to permit the Debtors and RBL Lender Derivative Providers to engage in good faith negotiations with respect to disposition of the RBL Lender Derivative Contracts and RBL Hedge Proceeds;

- (vii) **subject to entry of the Final Order**, authorization to grant adequate protection liens on Avoidance Action Proceeds to the Prepetition Secured Parties;
- (viii) **subject to entry of the Final Order**, except to the extent of the Carve Out, the waiver of all rights to surcharge any DIP Collateral, Prepetition Collateral (defined as “Collateral” in the RBL Credit Agreement), DIP Lenders or the Prepetition Secured Parties (defined below) under sections 506(c) or 552(b) of the Bankruptcy Code or any other applicable principle of equity or law;
- (ix) modification of the automatic stay imposed under section 362 of the Bankruptcy Code to the extent necessary to implement and effectuate the terms and provisions of this Interim Order and the Final Order;
- (x) that this Court hold an interim hearing (the “Interim Hearing”) to consider the relief sought in the Motion and entry of the proposed Interim Order;
- (xi) that this Court schedule a final hearing (the “Final Hearing”) to consider entry of the Final Order granting the relief requested in the Motion on a final basis; and
- (xii) waiver of any applicable stay with respect to the effectiveness and enforceability of the Interim Order or the Final Order (including a waiver pursuant to Bankruptcy Rule 6004(h));

and the Interim Hearing having been held by this Court on May 19, 2016; and pursuant to Bankruptcy Rule 4001 and Local Bankruptcy Rule 4001-2, due and sufficient notice of the Motion and the relief sought at the Interim Hearing having been given under the particular circumstances by the Debtors to: counsel to the RBL Agent; the RBL Lender Derivative Providers (and/or their counsel); counsel to the Second Lien Indenture Trustee; counsel to that certain group of holders of Second Lien Notes (the “Second Lien Noteholder Group”); counsel to the Indenture Trustee for the (i) \$305,000,000 in aggregate principal amount of 8.625% Senior Unsecured Notes due 2020, and (ii) \$850,000,000 of 7.875% Senior Unsecured Notes due 2022 (collectively, the “Unsecured Bonds”); counsel to that certain group of holders of Unsecured Bonds (the “Unsecured Bondholder Group”); the Debtors’ twenty (20) largest unsecured creditors (on a consolidated basis); the Office of the United

States Trustee for the Southern District of New York (the “U.S. Trustee”); the United States Securities and Exchange Commission; and the United States Internal Revenue Service (collectively, the “Notice Parties”); the Court having considered the Motion and all pleadings related thereto, including the record made by the Debtors at the Interim Hearing; and after due deliberation and consideration, and good and sufficient cause appearing therefor:

THE COURT HEREBY FINDS AS FOLLOWS:

A. On May 15, 2016 (the “Petition Date”), each Debtor filed with this Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors are continuing to operate their respective businesses and manage their respective properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

B. Given the nature of the relief sought in the Motion, the Court concludes that no further notice is necessary and that the form, scope and timing of notice of the Motion were adequate and sufficient under the circumstances.

C. No official committee of unsecured creditors (“Committee”), as provided for under section 1102 of the Bankruptcy Code, has been appointed in the Chapter 11 Cases.

D. **Subject to Paragraph 17 below**, without prejudice to the rights, if any, of any other party, the Debtors admit, stipulate and agree that:

(1) Pursuant to the RBL Credit Agreement, the RBL Lenders agreed to extend financial accommodations to Borrower from time to time, including, *inter alia*, (i) RBL Loans by the RBL Lenders in an aggregate principal committed amount of up to \$1,400,000,000, (ii) Letters of Credit in an amount equal to the Letter of Credit Sublimit (as defined in the RBL Credit Agreement), and (iii) Swing Line Loans in an amount equal to the Swing Line Sublimit (as defined in the RBL Credit Agreement) (the RBL Credit Agreement, along with any other

agreements, instruments, notes, guaranties and other documents related thereto are referred to herein collectively as the “RBL Credit Documents”). All obligations of the Debtors arising under the RBL Credit Agreement, any other RBL Credit Document or the RBL Lender Derivative Contracts, including all loans, advances, debts, liabilities, principal, interest, fees, charges, expenses and obligations for the performance of covenants, tasks or duties, or for the payment of monetary amounts owing to the RBL Secured Parties by the Debtors, of any kind or nature, whether or not evidenced by any note, agreement or other instrument, shall be referred to herein collectively as the “RBL Obligations.”

(2) Pursuant to certain Security Documents (as defined in the RBL Credit Agreement) (as amended, restated, supplemented or otherwise modified from time to time, collectively, the “RBL Security Documents”), each Debtor granted to the RBL Agent, for the benefit of the RBL Secured Parties, to secure such Debtor’s RBL Obligations, a first-priority security interest in and continuing Lien (as defined in the RBL Credit Agreement) on the Prepetition Collateral (as defined in the RBL Credit Agreement and referred to in this Interim Order as the “RBL Collateral”) including substantially all of such Debtor’s assets, including all of such Debtor’s accounts, chattel paper, documents, general intangibles, goods (including, without limitation, inventory and equipment), instruments, intellectual property, investment property, letter of credit rights, money, receivables and receivable records, commercial tort claims, RBL Lender Derivative Contracts (including RBL Hedge Proceeds) and a pledge of one hundred percent (100%) of the capital stock of each of its domestic subsidiaries, and all proceeds, products, accessions, rents and profits of or in respect of any of the foregoing, in each case whether then owned or existing or thereafter acquired or arising to the RBL Secured Parties.

(3) Pursuant to the Second Lien Indenture, along with any other agreements, instruments, notes, guaranties and other documents executed in connection therewith (collectively, the “Second Lien Documents” and, together with the RBL Credit Documents, the “Prepetition Financing Documents”), the Debtors issued Second Lien Notes in an aggregate principal amount of \$650,000,000. All obligations of the Debtors arising under the Second Lien Indenture or any other Second Lien Documents, including all loans, advances, debts, liabilities, principal, interest, fees, charges, expenses and obligations for the performance of covenants, tasks or duties, or for the payment of monetary amounts owing to the Second Lien Indenture Trustee and holders of Second Lien Notes by the Debtors, of any kind or nature, whether or not evidenced by any note, agreement or other instrument, and specifically including the Second Lien Agreement Expenses (defined below), shall be referred to herein collectively as the “Second Lien Obligations” and, together with the RBL Obligations, the “Prepetition Secured Obligations.”

(4) Pursuant to those certain Security Documents (as defined in the Second Lien Indenture) (as amended, restated, supplemented or otherwise modified from time to time, collectively, the “Second Lien Security Documents”), each Debtor granted to the Second Lien Indenture Trustee, for the benefit of the Second Lien Secured Parties, to secure such Debtor’s Second Lien Obligations, a security interest junior to the security interests of the RBL Secured Parties in all of the RBL Collateral (the “Second Lien Collateral” and together with the RBL Collateral, the “Prepetition Collateral”).

(5) Pursuant to that certain Intercreditor Agreement among the Borrower, the Parent, Breitburn Finance Corporation, the subsidiaries of the Parent named therein, the RBL Agent and the Second Lien Indenture Trustee, dated as of April 8, 2015 (as amended, restated,

supplemented or otherwise modified from time to time, the “Prepetition Intercreditor Agreement”), the RBL Agent, Breitburn, the Parent and the Guarantors set forth the relative priorities among the Prepetition Secured Parties to Breitburn’s and the Guarantors’ property and assets, including the Prepetition Collateral.

F. The Debtors have an immediate and critical need to obtain postpetition financing under the DIP Facility and to use Cash Collateral to, among other things, pay the costs and expenses of administering the Chapter 11 Cases in accordance with the DIP Budget, fund the Debtors’ working capital needs, capital improvements, and other general corporate purposes, in each case, in accordance with the DIP Budget, and to provide Adequate Protection. The Debtors’ access to sufficient working capital and liquidity through the incurrence of postpetition financing under the DIP Facility and the use of Cash Collateral under the terms of this Interim Order is vital (i) to satisfy the Debtors’ postpetition liquidity needs, (ii) to preserve and maintain the going concern value of the Debtors’ estates, and (iii) to achieve the Debtors’ successful reorganization. Consequently, without access to the DIP Facility and the continued use of Cash Collateral to the extent authorized pursuant to this Interim Order, the Debtors and their estates would suffer immediate and irreparable loss or damage.

G. In light of the Debtors’ facts and circumstances, the Debtors are unable to obtain (i) adequate unsecured credit allowable either (a) under sections 364(b) and 503(b)(1) of the Bankruptcy Code or (b) under section 364(c)(1) of the Bankruptcy Code, (ii) adequate credit secured by (x) a senior lien on unencumbered assets of their estates under section 364(c)(2) of the Bankruptcy Code and (y) a junior lien on encumbered assets under section 364(c)(3) of the Bankruptcy Code, or (iii) secured credit under section 364(d)(1) of the Bankruptcy Code from sources other than the DIP Agent and the DIP Lenders on terms more favorable than the terms of

the DIP Facility. The only viable source of secured credit available to the Debtors, other than the use of Cash Collateral, is the DIP Facility. The Debtors require both additional financing under the DIP Facility and the continued use of Cash Collateral under the terms of this Interim Order to satisfy their postpetition liquidity needs.

H. The DIP Agent and the DIP Lenders have indicated a willingness to provide the Debtors with certain financing commitments, but solely on the terms and conditions set forth in this Interim Order and in the DIP Credit Documents. Accordingly, after considering all of their practical alternatives, the Debtors have concluded, in an exercise of their sound business judgment, that the financing to be provided by the DIP Lenders pursuant to the terms of this Interim Order and the DIP Credit Documents represents the best financing currently available to the Debtors.

I. The consent of the Prepetition Secured Parties to the priming of their liens by the DIP Liens and use of the Prepetition Collateral, including Cash Collateral, by the Debtors is limited to this Interim Order and the DIP Facility presently before the Court, with Wells Fargo Bank as DIP Agent, and shall not extend to any other postpetition financing or to any modified version of this DIP Facility with any party other than Wells Fargo Bank as DIP Agent. Furthermore, the consent of the Prepetition Secured Parties to the priming of their liens by the DIP Liens and use of the Prepetition Collateral, including Cash Collateral, by the Debtors does not constitute, and shall not be construed as constituting, an acknowledgment or stipulation by the Prepetition Secured Parties that their interests in the Prepetition Collateral are adequately protected pursuant to this Interim Order or otherwise, provided, however, the Prepetition Secured Parties agree that the Adequate Protection granted to the Prepetition Secured Parties in this Interim Order is reasonable and calculated to protect the interests of the Prepetition Secured

Parties, subject to the rights of the Prepetition Secured Parties to seek a modification of such Adequate Protection, as set forth below.

J. The security interests and liens granted pursuant to this Interim Order to the DIP Agent, for the benefit of the DIP Secured Parties, are appropriate under section 364(d) of the Bankruptcy Code because, among other things: (i) such security interests and liens do not impair the interests of any holder of a valid, perfected, prepetition security interest or lien in the property of the Debtors' estates, (ii) the holders of such valid, perfected, prepetition security interests and liens have consented to the security interests and priming liens granted pursuant to this Interim Order to the DIP Agent, for the benefit of the DIP Secured Parties, and/or (iii) the interests of any holder of a valid, perfected, prepetition security interest or lien are otherwise adequately protected.

K. Good cause has been shown for immediate entry of this Interim Order pursuant to Bankruptcy Rules 4001(b)(2) and (c)(2). In particular, the authorization granted herein for the Debtors to execute the DIP Credit Documents, to continue using the Prepetition Collateral, including Cash Collateral, and to obtain interim financing, including on a priming lien basis, is necessary to avoid immediate and irreparable harm to the Debtors and their estates. Entry of this Interim Order is in the best interest of the Debtors, their estates and creditors. The terms of the DIP Credit Documents (including the Debtors' continued use of the Prepetition Collateral, including Cash Collateral) are fair and reasonable under the circumstances, reflect the Debtors' exercise of prudent business judgment consistent with their fiduciary duties, and are supported by reasonably equivalent value and fair consideration for the Prepetition Secured Parties' consent thereto.

L. The Debtors, the DIP Agent, the DIP Lenders and the Prepetition Secured Parties have negotiated the terms and conditions of the DIP Credit Documents (including the Debtors' continued use of the Prepetition Collateral, including Cash Collateral) and this Interim Order in good faith and at arm's-length, and any credit extended and loans made to the Debtors pursuant to this Interim Order shall be, and hereby are, deemed to have been extended, issued or made, as the case may be, in "good faith" within the meaning of sections 363(m) and 364(e) of the Bankruptcy Code. The Prepetition Secured Parties are entitled to receive Adequate Protection as set forth herein pursuant to sections 361, 362, 363 and 364 of the Bankruptcy Code for any diminution in the value of their respective interests in the Prepetition Collateral, including Cash Collateral, resulting from the automatic stay or the Debtors' use, sale or lease of the Prepetition Collateral, including Cash Collateral, during the Chapter 11 Cases.

M. Based on the foregoing, and upon the record made before this Court at the Interim Hearing, and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:²

1. Jurisdiction and Venue. Consideration of the Motion constitutes a "core-proceeding" as defined in 28 U.S.C. § 157(b)(2). This Court has jurisdiction over this proceeding and the parties and property affected hereby pursuant to 28 U.S.C. §§ 157 and 1334. Venue for the Chapter 11 Cases and the proceedings on the Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

2. Notice. Under the circumstances, notice of the Motion and the Interim Hearing constitutes due and sufficient notice thereof and complies with all applicable Bankruptcy Rules,

² Pursuant to Bankruptcy Rule 7052, findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact.

including Rules 2002, 4001(b) and (c), 5003(e) and 9014 and Local Bankruptcy Rule 4001-2(i), and no other notice need be given.

3. The DIP Budget.

(a) Subject to and in accordance with the terms of the DIP Credit Agreement, the Borrower shall from time to time as set forth below prepare and provide to the DIP Agent a rolling 13-week cash flow forecast setting forth the Debtors' projected cash receipts and cash disbursements on a weekly basis, substantially in the form of the initial budget annexed hereto Exhibit B (the initial budget and each subsequent budget, a "DIP Budget"). The Borrower may use the proceeds of the DIP Facility and Cash Collateral, solely for the purposes and up to the amounts set forth in the DIP Budget (provided, that fees and expenses of Retained Professionals (defined below) are not subject to the DIP Budget), together with Permitted Variances (defined below) subject to the terms and conditions set forth in the DIP Credit Agreement and this Interim Order. On the fifth business day of each month (commencing with the month of June 2016), the Borrower shall provide the DIP Agent with an updated DIP Budget covering the 13-week period commencing on the first day of each such month. On the 10th day of each month (or the first business day thereafter) commencing on June 10, 2016, the Debtors shall provide the DIP Agent with a report (the "DIP Budget Variance Report") of the aggregate variance between actual disbursements and projected disbursements as set forth in the DIP Budget for the prior month (or, in the case of the first DIP Budget Variance Report, for the period from the Petition Date through May 31, 2016). Subject to a Permitted Variance (defined below), the Debtors' actual disbursements during a calendar month shall not exceed those projected in the DIP Budget for such month. A "Permitted Variance" is the amount of aggregate disbursements (exclusive of disbursements on account of Retained Professional Fees (defined below)) during a calendar

month that exceeds the aggregate sum of projected Operating Disbursements for the Loan Parties and their Subsidiaries (as defined in the DIP Credit Agreement) for that period plus any accrued but unused Carryforwards (defined below) by 15% or less. A “Carryforward” is the amount of any projected disbursements not expended in a given calendar month, which shall carry forward into future calendar months. Payment by the Debtors of expenses other than the itemized amounts set forth in the DIP Budget shall constitute an Event of Default unless the DIP Agent consents to such non-conforming payments in writing. Except with respect to fees and expenses of Retained Professionals, the amount of the DIP Facility and Cash Collateral authorized to be used hereby shall not exceed the amounts reflected in the DIP Budget (together with Permitted Variances), which shall be in form and substance satisfactory to the DIP Agent for the time period set forth therein, but in no event beyond the DIP Termination Date.

(b) The DIP Budget may be amended, supplemented, extended or otherwise modified from time to time in any manner as to which Debtors and the DIP Agent mutually agree in writing without further order of this Court (except for material amendments, for which three (3) Business Days’ notice shall be given to the U.S. Trustee, counsel to the RBL Agent, counsel to the Second Lien Noteholder Group, counsel to the Second Lien Indenture Trustee, counsel to the Unsecured Bondholder Group, counsel to the Unsecured Bonds Indenture Trustee, and counsel to any Committee). The Debtors shall promptly provide any modified DIP Budget to the U.S. Trustee, counsel to the RBL Agent, counsel to the Second Lien Noteholder Group, counsel to the Second Lien Indenture Trustee, counsel to the Unsecured Bondholder Group, counsel to Unsecured Bonds Indenture Trustee and counsel to any Committee; provided, however, the Debtors may take appropriate actions with respect to confidentiality of any portion of the DIP Budget.

4. Reports. The Debtors shall deliver the DIP Budget and DIP Budget Variance Report to counsel to the RBL Agent, counsel to the Second Lien Noteholder Group, counsel to the Second Lien Indenture Trustee, counsel to the Unsecured Bondholder Group, counsel to the Unsecured Bonds Indenture Trustee, and counsel to any Committee; provided, however, the Debtors may take appropriate actions with respect to confidentiality of any portion of the DIP Budget and the DIP Budget Variance Report.

5. Use of Prepetition Collateral (including Cash Collateral). **Immediately upon entry of this Interim Order,** the Debtors are authorized to use Cash Collateral, subject to and as set forth in the DIP Budget, this Interim Order and the DIP Credit Documents. In no event shall the Debtors be authorized to use Cash Collateral for any purpose or under any terms other than those set forth in the DIP Budget, this Interim Order and the DIP Credit Documents. The Debtors are further authorized to use the Prepetition Collateral (including Cash Collateral) during the period from the Petition Date through and including the DIP Termination Date in accordance with the terms and conditions of this Interim Order, provided, that the Prepetition Secured Parties are granted Adequate Protection as set forth in this Interim Order. Notwithstanding anything to the contrary herein, nothing herein shall waive the Debtors' right to seek non-consensual use of Cash Collateral, including with respect to the RBL Hedge Proceeds.

6. Borrowing Authorization.

(a) The DIP Credit Agreement substantially in the form annexed to the Interim Order as Exhibit A and the other DIP Credit Documents are hereby approved as to both form and content on an interim basis. The failure to mention any particular provision of the DIP Credit Documents herein shall not impair the applicability or enforceability of any such provision, and all such provisions whether or not stated herein shall be of equal force and effect.

(b) The DIP Facility. The Debtors are authorized to enter into and perform the transactions contemplated in this Interim Order and the DIP Credit Documents and to receive financial accommodations and borrow under the Interim DIP Facility up to \$75,000,000, which shall include (i) a letter of credit sub-facility with a Letter of Credit Sublimit (as defined in the DIP Credit Agreement) of \$50,000,000, and (ii) a swing line loan sub-facility with a Swing Line Sublimit (as defined in the DIP Credit Agreement) of \$5,000,000 in each case subject to the terms set forth in the DIP Credit Agreement; provided, however, that the amount of the DIP Facility shall be reduced by a reserve for the amount of the Carve-Out. The DIP Credit Agreement and the other DIP Credit Documents shall constitute and are hereby deemed to be the legal, valid and binding obligations of the Debtors party thereto and each of their respective estates, enforceable against each such Debtor and its respective estate in accordance with the terms hereof and the DIP Credit Documents and any successor of each such Debtor or any representative of the estates (including a trustee, responsible person, or examiner with expanded powers). The Debtors are authorized to obtain financial accommodations pursuant to the terms of the DIP Budget, this Interim Order, the DIP Credit Agreement, and the other DIP Credit Documents.

(c) Working Capital. The Debtors are authorized to use the DIP Facility and Cash Collateral to fund working capital requirements, operating expenses, and capital expenditures of the Debtors during these Chapter 11 Cases and other line items subject to and in accordance with the terms of the DIP Budget, this Interim Order, and the DIP Credit Documents.

7. Due Authorization. The Debtors acknowledge, represent, stipulate and agree, ~~and the Court hereby finds and orders~~, that: **[SMB: 5/23/16]**

(a) subject to the entry of this Interim Order, the Debtors have obtained all

authorizations, consents and approvals necessary from, and have made all filings with and given all notices to, all federal, state and local governmental agencies, authorities and instrumentalities required to be obtained, made or given by the Debtors in connection with the execution, delivery, performance, validity and enforceability of the DIP Credit Documents;

(b) in entering into the DIP Credit Documents and obtaining the use of Cash Collateral, and as consideration therefor and for the other accommodations and agreements of the DIP Lenders reflected herein and in the DIP Credit Documents, the Debtors hereby agree that until such time as all of the DIP Obligations are indefeasibly paid in final in full in cash and the DIP Credit Agreement and DIP Credit Documents are terminated in accordance with the terms thereof, the Debtors shall not in any way prime or seek to prime the DIP Obligations, the DIP Liens or the DIP Superpriority Claims provided to the DIP Lenders under this Interim Order by offering a subsequent lender or a party in interest a superior or *pari passu* lien or administrative expense pursuant to sections 105(a), 326, 328, 330, 331, 364(c), 364(d), 503, 506, 507, 546(c), 552(b), 726 (other than expenses of a trustee under section 726(b)) or 1114 of the Bankruptcy Code or otherwise or acquiescing thereto except as expressly authorized in the DIP Credit Agreement (provided, that the DIP Liens, the DIP Superpriority Claims, the liens of the Prepetition Secured Parties, the Adequate Protection Liens (defined below), and the Section 507(b) Claims (defined below) of the Prepetition Secured Parties, shall be subordinate and subject to the Carve-Out, the Trustee Carve-Out (defined below) and the UST Carve-Out (defined below);

(c) each Debtor is jointly and severally liable for, and hereby absolutely and unconditionally guarantees to the DIP Agent and DIP Lenders and their respective successors and assigns, the full and prompt payment when due (whether at maturity or earlier, by reason of

acceleration or otherwise, and at all times thereafter) and performance of, all DIP Obligations owed or hereafter owing to the DIP Secured Parties by each other Debtor. Each Debtor agrees that (i) its guarantee obligation hereunder shall be, and is absolute and unconditional for all purposes in these Chapter 11 Cases and is a present and continuing guaranty of payment and performance and not of collection, and (ii) its obligations under this Interim Order and any DIP Credit Document shall not be discharged until the indefeasible payment and performance, in full in cash of the DIP Obligations, and the termination of the lending commitments under the DIP Credit Documents; and

(d) in no event shall the DIP Agent, DIP Lenders and postpetition Lender Derivative Providers, ~~whether in connection with the exercise of any rights or remedies under the DIP Credit Facility, hereunder or otherwise,~~ by entering into the DIP Credit Documents, be deemed to be in control of the operations of the Debtors or to be acting as a “responsible person” or “owner or operator” with respect to the operation or management of the Debtors. ~~so long as the actions of the DIP Agent and DIP Lenders do not constitute, within the meaning of 42 U.S.C. § 9601(20)(F), actual participation in the management or operational affairs by the DIP Agent and DIP Lenders of a vessel or facility owned or operated by a Debtor, or otherwise cause liability to arise to the federal or state government, or the status of responsible person or managing agent to exist under applicable law (as such terms, or any similar terms, are used in the Comprehensive Environmental Response, Compensation and Liability Act, sections 9601 et seq. of title 42, United States Code, as amended, or any similar federal or state statute).~~ [SMB: 5/23/16]

8. Approval of DIP Credit Agreement. Subject to the provisions of this Interim Order, the terms and conditions of the DIP Credit Agreement are hereby approved on an interim

basis. The Debtors are hereby authorized to enter into the DIP Credit Documents, including the DIP Credit Agreement, and such additional documents, instruments, and agreements as may be reasonably required by the DIP Agent to implement the terms or effectuate the purposes of this Interim Order. The Borrower is hereby authorized to obtain financial accommodations, borrow money and obtain letters of credit under the DIP Credit Agreement, and the Guarantors are hereby authorized to guaranty such financial accommodations, borrowings and the Borrower's obligations with respect to such letters of credit, in accordance with the terms of this Interim Order, the DIP Credit Agreement and the other DIP Credit Documents.

9. Payment of DIP Fees and Expenses.

(a) The DIP Obligations shall bear interest at the applicable rate (including any applicable default rate after the occurrence of an Event of Default) set forth in the DIP Credit Documents, and be due and payable in accordance with this Interim Order and the DIP Credit Documents, in each case without further notice, motion or application to, order of, or hearing before, this Court.

(b) The Debtors shall pay to the DIP Agent, for itself and, if applicable, the ratable benefit of the DIP Lenders, the fees payable under the terms of the DIP Credit Documents, including the following: (i) the DIP Agent's fees, (ii) the DIP Lenders' fees, and (iii) the Unused Commitment Fees, all as set forth in the DIP Credit Documents, in each case whether or not such amounts are included in the DIP Budget or arose before or after the Petition Date. None of the fees payable pursuant to this sub-paragraph (b) shall be subject to any other notice or approval by this Court.

(c) The Debtors shall pay the reasonable prepetition and postpetition fees and expenses of the attorneys and advisors for the DIP Agent and for each DIP Lender that is a party

to the DIP Credit Agreement on the Closing Date as provided under the DIP Credit Documents. Invoices supporting such fees and expenses shall be submitted to counsel to the Debtors, with copies to the U.S. Trustee, counsel to the RBL Agent, counsel to the Second Lien Noteholder Group, counsel to the Second Lien Indenture Trustee, counsel to the Unsecured Bondholder Group, counsel to the Unsecured Bonds Indenture Trustee, and counsel to any Committee (invoices may be redacted to the extent necessary to delete any information subject to the attorney-client privilege, any information constituting attorney work product, or any other confidential information, and the provision of such invoices shall not constitute any waiver of the attorney-client privilege or of any benefits of the attorney work product doctrine). No attorney or advisor to the DIP Agent or DIP Lenders shall be required to file an application seeking compensation for services or reimbursement of expenses with the Court. The U.S. Trustee, RBL Agent, the Debtor, the Second Lien Noteholder Group, the Second Lien Indenture Trustee, Unsecured Bondholder Group, Unsecured Bonds Indenture Trustee and Committee shall have ten (10) business days in which to raise an objection to the payment of any fees and expenses of such attorneys and advisors. Any and all fees, costs and expenses paid prior to the Petition Date by any of the Debtors to the DIP Agent or DIP Lenders in connection with or with respect to the DIP Facility, DIP Credit Agreement or other DIP Credit Documents are hereby approved in full on an interim basis, subject to review at the Final Hearing. In the event a timely objection is raised prior to payment having been made, the entire amount shall nevertheless be paid, and any amount not approved by the Court shall be applied to the outstanding DIP Obligations and shall not reduce the commitments under the DIP Credit Facility.

10. Amendments. Each of the Debtors is expressly authorized and empowered to enter into amendments or other modifications of the DIP Credit Agreement or any other DIP

Credit Documents without further order of the Court, in each case, in such form as the DIP Agent and the DIP Lenders may agree with the Debtors in writing; provided, that notice of any modification or amendment shall be provided by the Debtors to the U.S. Trustee, counsel to the RBL Agent, counsel to the Second Lien Noteholder Group, counsel to the Second Lien Indenture Trustee, counsel to the Unsecured Bondholder Group, counsel to the Unsecured Bonds Indenture Trustee, and counsel to any Committee, which parties may object to such modification or amendment, in writing, within three (3) Business Days from the date of the transmittal of such notice (which, to the extent such contact information for such parties is known to the Debtors, shall be transmitted by fax or e-mail, and, if not known, by overnight mail); further provided, that, notwithstanding the foregoing, any material modification of the DIP Credit Documents shall require Court approval; and further provided, that if such objection is timely provided, then such modification or amendment shall be permitted only pursuant to an order of the Court, the entry of which may be sought on an expedited basis.

11. Superpriority Claims and DIP Liens. In respect of the DIP Obligations under the DIP Credit Agreement, the other DIP Credit Documents and this Interim Order, the DIP Agent is granted, for the benefit of the DIP Secured Parties, the following with respect to the Debtors, their estates and all DIP Collateral:

(a) a superpriority administrative expense claim pursuant to Bankruptcy Code section 364(c)(1) with priority over all other administrative expenses pursuant to the Bankruptcy Code (including the kinds specified in or arising or ordered pursuant to Bankruptcy Code sections 105(a), 326, 328, 330, 331, 503(b), 506(c), 507, 546(c), 552(b), 726 (other than expenses of a trustee under section 726(b)) and 1114 thereof or otherwise, whether or not such expenses or claims may become secured by a judgment lien or other non-consensual lien, levy or

attachment), which superpriority expenses of the DIP Agent and DIP Lenders shall be subordinate to the DIP Liens, the Carve-Out, the Trustee Carve-Out and the UST Carve-Out (the “DIP Superpriority Claims”); provided that pursuant to applicable bankruptcy law, the granting of such DIP Superpriority Claims does not affect the status and superior priority of any liens, including the liens of the DIP Secured Parties, the Prepetition Secured Parties and the holder of any Permitted Prior Senior Lien (defined below).

(b) a first priority, priming security interest in and lien pursuant to Bankruptcy Code section 364(d)(1) on all encumbered property of the Debtors and their estates (the “Section 364(d)(1) Liens”), which Section 364(d)(1) Liens shall be senior to any existing liens or claims, subject only to (i) the Carve-Out, the Trustee Carve-Out and the UST Carve-Out; (ii) liens on property of a Debtor (including the proceeds of such property) that are in existence on the Petition Date but only, if applicable, (A) to the extent a lien on any property is valid, perfected, and not avoidable, (B) the lien on such property (or the proceeds of such property, as applicable) on the Petition Date is a valid, perfected and non-avoidable Permitted Lien (as defined in the RBL Credit Agreement) senior in priority to the RBL Liens on such property or (C) valid, non-avoidable liens that are perfected subsequent to the Petition Date as permitted by section 546(b) of the Bankruptcy Code (the foregoing clauses (a)-(c) being referred to collectively as the “Permitted Prior Senior Liens”); provided, notwithstanding anything to the contrary herein or in the DIP Credit Documents, DIP Liens shall be immediately junior and subordinate to the RBL Liens in RBL Hedge Proceeds;

(c) a first priority security interest and lien pursuant to Bankruptcy Code section 364(c)(2) on all unencumbered property of the Debtors (the “Section 364(c)(2) Liens”), including, **subject to entry of the Final Order**, Avoidance Action Proceeds, which Section

364(c)(2) Liens shall be subject only to the Carve-Out; and

(d) a junior security interest and lien pursuant to Bankruptcy Code section 364(c)(3) on all property of the Debtors and their estates that is subject to a Permitted Prior Senior Lien (collectively, the “Section 364(c)(3) Liens”), which Section 364(c)(3) Liens are also subject to the Carve-Out, Trustee Carve-Out and UST Carve-Out. The Section 364(d)(1) Liens, Section 364(c)(2) Liens, and Section 364(c)(3) Liens shall be collectively referred to as the “DIP Liens.”).

12. DIP Collateral.

(a) The DIP Liens of the DIP Agent, for the benefit of the DIP Secured Parties, under the DIP Credit Documents and as approved and perfected by this Interim Order include, inter alia, liens upon and security interests in (i) all of those items and types of collateral in which security interests may be created under Article 9 of the Uniform Commercial Code, (ii) to the extent not expressly prohibited by law or contract, all of those items and types of collateral not governed by Article 9 of the Uniform Commercial Code, including, without limitation, licenses issued by any federal or state regulatory authority, any leasehold or other real property interests, and commercial tort claims of the Debtors, (iii) any and all other DIP Collateral of any nature or form, and (iv) the products, rents, offspring, profits, and proceeds of any of the foregoing. None of the DIP Obligations, DIP Liens or DIP Superpriority Claims shall (a) be subject to or *pari passu* with any lien or security interest that is avoided and preserved for the benefit of the Debtors’ estates under section 551 of the Bankruptcy Code, (b) be subject to or *pari passu* with any inter-company claim, whether secured or unsecured, of any Debtor or any domestic or foreign subsidiary or affiliate of any Debtor, (c) be subject to sections 510, 549, or 550 of the Bankruptcy Code, or (d) hereafter be subordinated to or made *pari passu* with any

other lien or security interest under sections 361, 363 or 364 of the Bankruptcy Code or otherwise, except as expressly provided in this Interim Order.

(b) Real Property Improvements. Notwithstanding anything to the contrary herein or in the DIP Credit Documents, any enclosed structure (having two walls and a roof) or manufactured mobile home affixed to a permanent foundation (each a “Real Property Improvement”) shall not be included as DIP Collateral until the DIP Agent determines that such excluded Real Property Improvement (i) is not located in a flood zone (or otherwise is not subject to the flood insurance requirements of the Federal Emergency Management Agency (FEMA)), or (ii) has sufficient flood insurance coverage to satisfy FEMA’s flood insurance requirements.

13. Carve-Out.

(a) Generally. The DIP Liens, the DIP Superpriority Claims, the liens of the Prepetition Secured Parties, the Adequate Protection Liens, and the Section 507(b) Claims (defined below) of the Prepetition Secured Parties, shall be subject to the payment, without duplication, of the following fees and expenses (the amounts set forth below, together with the limitations set forth therein, collectively, the “Carve-Out”) from either Cash Collateral or proceeds resulting from liquidation of DIP Collateral or Prepetition Collateral (and not from either cash collateral or proceeds resulting from the liquidation of any collateral of any holder of a Permitted Prior Senior Lien):

(i) the reasonable fee and expense claims of the respective retained professionals of the Debtors and any Committee that have been approved by this Court at any time during the Chapter 11 Cases pursuant to sections 330 and 331 of the Bankruptcy Code (the Court approved professionals of the Debtors and any Committee are collectively referred to as

the “Retained Professionals”), the reasonable expenses of members of any Committee (“Committee Member Expenses”, which shall not include legal fees and expenses of such Committee member) which were incurred (A) on and after the Petition Date and before the Carve-Out Trigger Date, and (B) on and after the Carve-Out Trigger Date in an aggregate amount not exceeding \$5,000,000 for all Retained Professionals and Committee Member Expenses, provided that, in each case, such fees and expenses of the Retained Professionals and Committee Member Expenses are ultimately allowed on a final basis by this Court pursuant to sections 330 and 331 of the Bankruptcy Code or otherwise and are not excluded from the Carve-Out under Paragraph 18 of this Interim Order (nothing herein shall waive the right of any party to object to the allowance of any such fees and expenses); and, provided further, that the Carve-Out shall not include any bonus, transaction, success fees, completion fees, substantial contribution fees or any other fees of similar import of any of the foregoing for Retained Professionals;

(ii) the unpaid fees payable to the U.S. Trustee and Clerk of the Bankruptcy Court pursuant to section 1930 of Title 28 of the United States Code plus statutory interest, if any, imposed under 31 U.S.C. § 3717. There is no limitation on the obligations of the Debtors and their estates with respect to unpaid fees payable to the U.S. Trustee and Clerk of the Bankruptcy Court pursuant to section 1930 of Title 28 of the United States Code (the “UST Carve-Out”).

(b) Carve-Out Trigger Date. As used herein, the term “Carve-Out Trigger Date” means the date on which the DIP Agent provides written notice to the Debtors, the U.S. Trustee and counsel to any committee that the Carve-Out is invoked, which notice may be delivered only on or after the occurrence of an Event of Default under the DIP Credit Documents

or upon the Termination Date.

(c) Reduction of Amounts. The fixed dollar amount of \$5 million available to be paid under the Carve-Out following the Carve-Out Trigger Date on account of allowed fees and expenses incurred on and after the Carve-Out Trigger Date shall be reduced, dollar-for-dollar, by the aggregate amount of payments made on and after the Carve-Out Trigger Date on account of fees and expenses incurred on and after the Carve-Out Trigger Date to Retained Professionals and Committee Member Expenses (whether from Cash Collateral, any proceeds of the DIP Financing, or otherwise). There is no limitation on the obligations of the Debtors and their estates with respect to unpaid fees payable to the U.S. Trustee and Clerk of the Bankruptcy Court pursuant to section 1930 of Title 28 of the United States Code plus statutory interest, if any, imposed under 31 U.S.C. § 3717.

(d) Reservation of Rights. The DIP Agent and Prepetition Secured Parties reserve their rights to object to the allowance of any fees and expenses, including any fees and expenses sought that are not provided for in the DIP Budget. The payment of any fees or expenses of the Retained Professionals and Committee Member Expenses pursuant to the Carve-Out shall not, and shall not be deemed to (i) reduce any Debtor's obligations owed to any of the DIP Secured Parties, Prepetition Secured Parties or to any holder of a Permitted Prior Senior Lien, or (ii) modify, alter or otherwise affect any of the liens and security interests of such parties in the DIP Collateral or Prepetition Collateral (or their respective claims against the Debtors). The DIP Agent, DIP Lenders, and Prepetition Secured Parties shall not be responsible for the direct payment or reimbursement of any fees or disbursements of any Retained Professionals, Committee Member Expenses, the U.S. Trustee or Clerk of the Bankruptcy Court (or of any other entity) incurred in connection with the Chapter 11 Cases or any successor case, and nothing

in this Interim Order or otherwise shall be construed to obligate such parties in any way to pay such compensation to or to reimburse such expenses.

(e) In the event the Chapter 11 Cases are converted to Chapter 7, there shall be a separate carve-out of \$50,000 in the aggregate (the “Trustee Carve-Out”) that may be used for the reasonable fees and expenses of a Chapter 7 trustee and such separate Trustee Carve-Out shall have the same priorities as the Carve-Out.

14. Waiver of Right to Surcharge. **Subject to entry of the Final Order**, in light of (i) the consent of the DIP Agent and DIP Lenders to the current payment of administrative expenses of the Debtors’ estates in accordance with the DIP Budget, and (ii) the agreement of the DIP Agent and DIP Lenders to subordinate their Superpriority Claims to the Carve-Out, (ii) the agreement of the DIP Agent and DIP Lenders to subordinate their DIP Liens to the Carve-Out and Permitted Prior Senior Liens, the DIP Agent, DIP Lenders, and Prepetition Secured Parties are each entitled to a waiver of (a) the provisions of section 506(c) of the Bankruptcy Code and (b) any “equities of the case” claims or other claims under sections 105(a) or 552(b) of the Bankruptcy Code. Accordingly, no costs or expenses of administration or other charge, lien, assessment or claim incurred at any time (including, without limitation, any expenses set forth in the DIP Budget) by any Debtor or any other person or entity shall be imposed or charged against any or all of the DIP Collateral, the DIP Agent, the DIP Lenders, the Prepetition Collateral, and the Prepetition Secured Parties or their respective claims or recoveries under the Bankruptcy Code, including sections 105(a), 506(c), 552(b) thereof, or otherwise, and the Debtors, on behalf of their estates, waive any such rights. It is expressly understood by all parties that in making all such undertakings and proceeding in compliance with the DIP Budget, this Interim Order and the DIP Credit Documents, the DIP Agent, DIP Lenders, and Prepetition Secured Parties have each

relied on the foregoing provisions of this Paragraph. Notwithstanding any approval of or consent to the DIP Budget, nothing in this Interim Order shall constitute or be deemed to constitute the consent by any of the DIP Agent, DIP Lenders and Prepetition Secured Parties to the imposition of any costs or expense of administration or other charge, lien, assessment or claim (including, without limitation, any amounts set forth in the DIP Budget) against such party, its claims or its collateral under sections 105(a), 506(c) or 552(b) of the Bankruptcy Code or otherwise and no such consent shall be implied from any other action or inaction by such parties.

15. Automatic Perfection.

(a) The (i) DIP Liens granted to the DIP Agent, for the benefit of the DIP Secured Parties pursuant to this Interim Order and the DIP Credit Documents, and the (ii) Adequate Protection Liens granted pursuant to this Interim Order to the Prepetition Secured Parties shall be valid, enforceable, and perfected by operation of law upon entry of this Interim Order by the Court without any further action by any party. Neither the DIP Secured Parties in respect of the DIP Liens, nor the Prepetition Secured Parties in respect of the Adequate Protection Liens, shall be required to enter into or to obtain (unless required by law or contract) any control agreements, landlord waivers, mortgagee waivers, bailee waivers or warehouseman waivers or to give, file or record any UCC-1 financing statements, mortgages, deeds of trust, leasehold mortgages, notices to account debtors or other third parties, notices of lien or similar instruments in any jurisdiction (including filings with the United States Patent and Trademark Office, the United States Copyright Office or any similar agency in respect of trademarks, copyrights, trade names or patents with respect to intellectual property) (collectively, the “Perfection Documents”), or obtain consents from any licensor or similarly situated party in interest, or take any other action to validate, record or perfect the DIP Liens granted under the

DIP Credit Documents and this Interim Order and the Adequate Protection Liens granted under this Interim Order and approved hereby, all of which are automatically and immediately perfected by the entry of this Interim Order. If the DIP Agent, DIP Lenders, Prepetition Secured Parties, independently or collectively, in each of their sole discretion respectively, choose to obtain, enter into, give, record or file any Perfection Documents, (x) all such Perfection Documents shall be deemed to have been obtained, entered into, given, recorded or filed, as the case may be, as of the Petition Date, (y) no defect in any such act shall affect or impair the validity, perfection, priority or enforceability of the DIP Liens and Adequate Protection Liens, and (z) such liens shall have the relative priority set forth herein notwithstanding the timing of filing of any such Perfection Documents. In lieu of optional recording or filing any Perfection Documents, the DIP Agent, DIP Lenders, the RBL Agent and the Second Lien Indenture Trustee may, in each of their sole discretion, choose to record or file a true and complete copy of this Interim Order in any place that any Perfection Document would or could be recorded or filed (which may include a description of the collateral appropriate to be indicated in a recording or filing at such place of recording or filing), and such recording or filing by the DIP Agent, the DIP Lenders, the RBL Agent and the Second Lien Indenture Trustee shall have the same effect as if such Perfection Document had been filed or recorded as of the Petition Date. In addition, the DIP Agent may, in its sole discretion, at the Debtors' expense, require the Debtors to file or record any Perfection Document. The Debtors are authorized and directed to execute and deliver promptly upon demand to the DIP Agent all Perfection Documents as the DIP Agent may reasonably request.

(b) Until the indefeasible payment in full in cash of the DIP Obligations, DIP Collateral and Perfection Documents evidencing liens subordinate to the DIP Liens in the

possession, custody or control of the RBL Agent (or in the possession, custody or control of agents or bailees of the RBL Agent) shall be deemed to be an agent or bailee, as the case may be, on behalf of and for the benefit of the DIP Secured Parties for the purposes of perfecting the security interests granted in such DIP Collateral. Upon an Event of Default and the request of the DIP Agent, the RBL Agent (or its agents or bailees, as applicable) shall transfer, assign and otherwise convey, as applicable, any DIP Collateral and Perfection Documents in its possession, custody or control to the DIP Agent for the enforcement of rights and remedies under the DIP Credit Documents, and, upon the indefeasible payment in full in cash of all DIP Obligations, the DIP Agent (or its agents or bailees, as applicable) shall transfer, assign and otherwise convey any Prepetition Collateral and Perfection Documents to the RBL Agent, and upon the indefeasible payment in full in cash of all DIP Obligations and RBL Obligations, the RBL Agent (or its agents or bailees, as applicable) shall transfer, assign and otherwise convey any Prepetition Collateral and Perfection Documents to the Second Lien Indenture Trustee. The authorization, grant, perfection, scope and vesting of the DIP Liens, DIP Superpriority Claims and DIP Obligations are fully effectuated by this Interim Order and any security agreements, collateral agreements or other Perfection Documents executed as part of the DIP Credit Documents shall supplement the authorization, grant, perfection, scope and vesting set forth herein as well as the powers and protections accorded to the DIP Agent, on behalf of the DIP Secured Parties, but in no event shall any such security agreement, collateral agreement or other Perfection Document be interpreted as a limitation of such provisions of this Interim Order.

16. Stipulations and Waivers: **Subject to the rights of the Debtors to oppose setoff of RBL Obligations or other obligations against RBL Hedge Proceeds as set forth in Paragraph 23**, after consultation with their attorneys and financial advisors, subject to and

without prejudice to the rights of any Committee and any other party with standing as set forth in Paragraph 17 below, the Debtors admit, stipulate, and agree to the following, and make the releases and waivers set forth below, on and as of the Petition Date:

(a) All Prepetition Financing Documents are valid and enforceable by the Prepetition Secured Parties against each of the Debtors in accordance with their respective priorities. With respect to the Prepetition Collateral, the Prepetition Secured Parties have valid, duly-authorized, perfected, enforceable, non-voidable and binding security interests in, and liens on, substantially all of the Prepetition Collateral as of the Petition Date (with the Second Lien Secured Parties holding junior liens on all RBL Collateral), including the Cash Collateral. The Debtors further admit, acknowledge and agree that (i) the Prepetition Secured Obligations constitute legal, valid and binding obligations of each of the Debtors, (ii) no offsets, defenses or counterclaims to the Prepetition Secured Obligations exist, and (iii) no portion of the Prepetition Secured Obligations is subject to avoidance, disallowance, reduction or subordination pursuant to the Bankruptcy Code or applicable non-bankruptcy law.

(b) The Debtors have no valid claims (as such term is defined in section 101(5) of the Bankruptcy Code) or causes of action against the Prepetition Secured Parties with respect to the Prepetition Financing Documents or the Prepetition Intercreditor Agreement, whether arising at law, in contract or at equity, including any recharacterization, subordination, avoidance or other claims arising under or pursuant to sections 105, 510 or 542 through 553, inclusive, of the Bankruptcy Code.

(c) As of the Petition Date, the Prepetition Secured Obligations for which the Debtors, without defense, counterclaim or offset of any kind, were truly and justly indebted to the Prepetition Secured Parties are as follows: (i) to the RBL Secured Parties, not less than

approximately \$1,197,000,000.00 aggregate principal amount of RBL Obligations plus an additional \$45,299,132.00 in outstanding letters of credit; (ii) to the Second Lien Secured Parties, not less than approximately \$650,000,000 in aggregate principal amount of Second Lien Obligations, plus, in each case, all accrued or hereafter accruing and unpaid interest thereon and any additional amounts, charges, fees and expenses (including any attorneys', accountants', appraisers' and financial advisors' fees and expenses that are chargeable or reimbursable under the Prepetition Financing Documents) now or hereafter due under the Prepetition Financing Documents.

(d) The Debtors do not have, and hereby forever release and waive, any claims, objections, challenges, counterclaims, causes of action, defenses, setoff rights, obligations, rights to subordination or any other liabilities, whether arising under the Bankruptcy Code or applicable non-bankruptcy law, against the Prepetition Secured Parties, or any of their respective affiliates, agents, attorneys, advisors, professionals, officers, directors, and employees from the beginning of time through the Petition Date; provided that the Debtors do not waive any rights set forth in Paragraph 23.

(e) Due to the commencement of these Chapter 11 Cases, the Debtors are in default with respect to their Prepetition Obligations and an Event of Default has occurred under the Prepetition Financing Documents.

17. Effect of Stipulations on Third Parties.

(a) Generally. The admissions, stipulations, agreements, releases, and waivers set forth in the immediately preceding Paragraph 16 and Paragraph D above of this Interim Order (collectively, the "Prepetition Lien and Claim Matters") are and shall be binding on the Debtors, any subsequent trustee, responsible person, examiner with expanded powers, any

other estate representative and all parties-in-interest and all of their successors-in-interest and assigns, including, without limitation, any Committee, unless, and solely to the extent that, a party-in-interest with standing and requisite authority, (i) has timely filed the appropriate pleadings, and timely commenced the appropriate proceeding required under the Bankruptcy Code and Bankruptcy Rules, including, without limitation, as required pursuant to Part VII of the Bankruptcy Rules (in each case subject to the limitations set forth in Paragraph 18 of this Interim Order) challenging the Prepetition Lien and Claim Matters (each such proceeding or appropriate pleading commencing a proceeding or other contested matter, a “Challenge”) by no later than 60 days from the date of entry of the Final Order (the “Challenge Deadline”), as such applicable date may be extended in writing from time to time in the sole discretion of the RBL Agent (with respect to the RBL Collateral) and the Second Lien Indenture Trustee (with respect to the Second Lien Collateral) or by this Court for good cause shown pursuant to an application filed by a party in interest prior to the expiration of the Challenge Deadline, and (ii) this Court enters judgment in favor of the plaintiff or movant in any such timely and properly commenced Challenge proceeding and any such judgment has become a final judgment that is not subject to any further review or appeal.

(b) Binding Effect. To the extent any Prepetition Lien and Claim Matters are not subject to a Challenge timely and properly commenced by the Challenge Deadline, or to the extent any Challenge does not result in a final and non-appealable judgment or order of this Court that is inconsistent with the Prepetition Lien and Claim Matters, then, without further notice, motion or application to, order of, or hearing before, this Court and without the need or requirement to file any proof of claim, the Prepetition Lien and Claim Matters shall pursuant to this Interim Order become binding, conclusive and final on any person, entity or party-in-interest

in the Chapter 11 Cases, and their successors and assigns, and in any successor case for all purposes and shall not be subject to challenge or objection by any party-in-interest, including, without limitation, a trustee, responsible individual, examiner with expanded powers or other representative of the Debtors' estates. Notwithstanding anything to the contrary herein, if any such proceeding is properly and timely commenced, the Prepetition Lien and Claim Matters shall nonetheless remain binding unless such Challenge is successful pursuant to an order or judgment that is final and no longer subject to appeal or further review. To the extent any such Challenge proceeding is timely and properly commenced, the Prepetition Secured Parties shall be entitled to include the related costs and expenses, including but not limited to reasonable attorneys' fees, incurred in defending themselves in any such proceeding pursuant to the Prepetition Financing Documents.

18. Limitation on Use of Proceeds. Notwithstanding anything in this Interim Order to the contrary, no portion or proceeds of the DIP Facility, the DIP Collateral, the Prepetition Collateral, the Cash Collateral, or the Carve-Out, and no disbursements set forth in the DIP Budget shall be used for the payment of professional fees, disbursements, costs or expenses incurred in connection with: (a) objecting, contesting or raising any defense to the validity, perfection, priority, or enforceability of, or any amount due under, the DIP Credit Documents or the Prepetition Financing Documents or any security interests, liens or claims granted under this Interim Order, the DIP Credit Documents, or the Prepetition Financing Documents to secure such amounts; (b) asserting any Challenges, claims, actions or causes of action against any of the DIP Agent, the DIP Lenders, the Prepetition Secured Parties or any of their respective agents, affiliates, subsidiaries, directors, officers, representatives, attorneys or advisors; (c) preventing, hindering or otherwise delaying enforcement or realization on the DIP Collateral or the

Prepetition Collateral; (d) seeking to amend or modify any of the rights granted to the DIP Agent, the DIP Lenders, the Prepetition Secured Parties under this Interim Order, the DIP Credit Documents or the Prepetition Financing Documents, including seeking to use Cash Collateral and/or DIP Collateral on a contested basis; or (f) contesting the Prepetition Lien and Perfection Matters; provided that no more than \$50,000 in the aggregate of the proceeds of the DIP Facility, the DIP Collateral, the Prepetition Collateral, the Cash Collateral, and the Carve-Out may be used by any Committee to investigate (but not prosecute or Challenge) Prepetition Lien and Claim Matters; and provided further that the Debtors may use DIP Proceeds and Cash Collateral with respect to the matters set forth in Paragraph 23.

19. Avoidance Action Proceeds. **Subject to entry of the Final Order**, (i) Avoidance Action Proceeds shall be DIP Collateral and shall be subject to the DIP Liens and DIP Superpriority Claims, and, (ii) subject and subordinate to the DIP Liens and DIP Superpriority Claims, Avoidance Action Proceeds shall be subject to the Adequate Protection Liens and Section 507(b) Claims of the Prepetition Secured Parties.

20. Adequate Protection. The Prepetition Secured Parties agree, and this Court finds, that the adequate protection provided in this Interim Order (the "Adequate Protection"), including, without limitation, in this Paragraph, is reasonable and calculated to protect the interests of the Prepetition Secured Parties. Notwithstanding any other provision hereof, (i) the grant of Adequate Protection to the Prepetition Secured Parties pursuant hereto is without prejudice to the right of the Prepetition Secured Parties to seek adequate protection or to seek modification of a grant of Adequate Protection provided in this Interim Order so as to provide different or additional adequate protection, and without prejudice to the right of the Debtors or any other party in interest to contest any such request; and (ii) any Adequate Protection

Payments (defined below) received by a Prepetition Secured Party that are later determined to be undersecured shall be recharacterized as payments of principal as set forth below.

(a) RBL Agent Adequate Protection Liens. As adequate protection, the RBL Agent, in accordance with sections 361, 363(e) and 364(d) of the Bankruptcy Code, is hereby granted, for the benefit of the RBL Secured Parties, valid, binding, enforceable and perfected security interests and replacement liens (the “RBL Agent Adequate Protection Liens”) upon all property of the Debtors whether arising prepetition or postpetition of any nature whatsoever, wherever located, in each case to secure the RBL Obligations against, without duplication, the aggregate diminution, if any, subsequent to the Petition Date, in the value of the RBL Collateral by: (i) the reduction in RBL Collateral available to satisfy RBL Obligations as a consequence of the priming of the RBL Obligations by the DIP Obligations; (ii) depreciation, use, sale, loss, decline in market price or otherwise of the RBL Collateral as a consequence of the use, sale or lease of the RBL Collateral by the Debtors or as a result of the imposition of the automatic stay; and (iii) the sum of the aggregate amount of all Cash Collateral and the aggregate value of all non-cash RBL Collateral which is applied in payment of the DIP Obligations or any other obligations or expenses of the Debtors other than RBL Obligations, but only to the extent of any decrease in the value of the RBL Collateral on account of subsections (i), (ii) and (iii) above, all to the extent authorized by the Bankruptcy Code. The RBL Agent Adequate Protection Liens are subject and subordinate to (A) the Carve-Out, (B) the DIP Obligations, DIP Liens and DIP Superpriority Claims, and (C) the Permitted Prior Senior Liens, and are senior to the Second Lien Adequate Protection Liens (defined below). The RBL Agent Adequate Protection Liens shall not (x) be subject to any lien or security interest that is avoided and preserved for the benefit of the Debtors’ estates under section 551 of the Bankruptcy Code, (y) subject to any

inter-company claim, whether secured or unsecured, of any Debtor or any domestic or foreign subsidiary or affiliate of any Debtor, or (z) hereafter be subordinated to or made *pari passu* with any other lien or security interest under sections 361, 363 or 364 of the Bankruptcy Code or otherwise except as expressly provided in this Interim Order and the DIP Credit Documents, including, without limitation, with respect to the Carve-Out, Permitted Prior Senior Liens, DIP Obligations, DIP Liens and DIP Superpriority Claims.

(b) Second Lien Indenture Trustee Adequate Protection Liens. As adequate protection, the Second Lien Indenture Trustee, in accordance with sections 361, 363(e) and 364(d) of the Bankruptcy Code, shall be granted (for itself and holders of the Second Lien Notes) valid, binding, enforceable and perfected junior security interests and replacement liens (the “Second Lien Indenture Trustee Adequate Protection Liens” and together with the RBL Agent Adequate Protection Liens, the “Adequate Protection Liens”) upon all property of the Debtors whether arising prepetition or postpetition of any nature whatsoever, wherever located, in each case to secure the Second Lien Obligations against, without duplication, the aggregate diminution, if any, subsequent to the Petition Date, in the value of the Second Lien Collateral by: (i) the reduction in Second Lien Collateral available to satisfy Second Lien Obligations as a consequence of the priming of the Second Lien Obligations by the DIP Obligations; (ii) depreciation, use, sale, loss, decline in market price or otherwise of the Second Lien Collateral as a consequence of the use, sale or lease of the Second Lien Collateral by the Debtors or as a result of the imposition of the automatic stay; and (iii) the sum of the aggregate amount of all Cash Collateral and the aggregate value of all non-cash Second Lien Collateral which is applied in payment of the DIP Obligations or any other obligations or expenses of the Debtors other than Second Lien Obligations, but only to the extent of any decrease in the value of the

Second Lien Collateral on account of subsections (i), (ii) and (iii) above, all to the extent authorized by the Bankruptcy Code. The Second Lien Indenture Trustee Adequate Protection Liens are subject and subordinate to (A) the Carve-Out, (B) the DIP Obligations, DIP Liens and DIP Superpriority Claims, (C) the RBL Liens, RBL Obligations and RBL Agent Adequate Protection Liens, and (D) the Permitted Prior Senior Liens. The Second Lien Indenture Trustee Adequate Protection Liens shall not (x) be subject to any lien or security interest that is avoided and preserved for the benefit of the Debtors' estates under section 551 of the Bankruptcy Code, (y) subject to any inter-company claim, whether secured or unsecured, of any Debtor or any domestic or foreign subsidiary or affiliate of any Debtor, or (z) hereafter be subordinated to or made *pari passu* with any other lien or security interest under sections 361, 363 or 364 of the Bankruptcy Code or otherwise except as expressly provided in this Interim Order and the DIP Credit Documents, including, without limitation, with respect to the Carve-Out, Permitted Prior Senior Liens, DIP Obligations, DIP Liens and DIP Superpriority Claims, RBL Liens, RBL Obligations and RBL Agent Adequate Protection Liens.

(c) Section 507(b) Claims. To the extent the RBL Agent and Second Lien Indenture Trustee shall hold claims allowable under sections 503(b) and 507(a)(2) of the Bankruptcy Code, notwithstanding the provision of Adequate Protection hereunder, the RBL Agent, for the benefit of the RBL Secured Parties, and the Second Lien Indenture Trustee, for the ratable benefit of holders of the Second Lien Notes, are hereby each granted an administrative expense claim pursuant to Bankruptcy Code section 507(b) (each, a "Section 507(b) Claim") of the Bankruptcy Code with priority over all other administrative expenses, but in all cases subject and subordinate to the Carve-Out, Permitted Prior Senior Liens, DIP Obligations, DIP Liens and DIP Superpriority Claims. Section 507(b) Claims of the Second Lien Indenture Trustee shall be

in all respect subordinate and junior in priority to the Section 507(b) Claims of the RBL Agent.

(d) Adequate Protection Payments. The payments under this Paragraph 20 shall be referred to collectively as the “Adequate Protection Payments.” In the event any Adequate Protection Payment would be required to be repaid to the Debtors as a result of application of Bankruptcy Code section 506(b) or otherwise, any such amounts shall not be repaid and instead shall be applied as follows: first, to the DIP Obligations until such obligations are indefeasibly paid in full, in cash; second, to the RBL Obligations until such obligations are indefeasibly paid in full, in cash; third, to the Second Lien Obligations until such obligations are indefeasibly paid in full, in cash; fourth, to the Debtors and their estates, or subject to further order of this Court. The Debtors shall make the following Adequate Protection Payments:

(i) Promptly pay, whether incurred prior to or following the Petition Date, interest (at the default rate) due under the RBL Credit Documents, and all reasonable fees and expenses provided for in the RBL Credit Documents, including the reasonable fees and expenses of (x) Winston & Strawn LLP, as counsel to the RBL Agent; and (y) FTI Consulting, Inc., as financial advisor to the RBL Agent, and any other professionals retained by the RBL Agent for which such party is entitled to be reimbursed under the RBL Credit Documents; and

(ii) Promptly pay, whether incurred prior to or following the Petition Date, all reasonable fees and expenses of (x) Kirkland & Ellis LLP, as counsel to the Second Lien Noteholder Group; (y) Moelis & Company, as investment banker to the Second Lien Noteholder Group; and (z) Foley & Lardner LLP, as counsel to the Second Lien Indenture Trustee, and any other professionals retained by the Second Lien Noteholder Group and Second Lien Indenture Trustee for which such party is entitled to be reimbursed under the Second Lien Documents.

(e) Invoices supporting fees and expenses being charged by attorneys and advisors for the Prepetition Secured Parties shall be submitted to counsel to the Debtors, with copies to the U.S. Trustee, counsel to the RBL Agent, counsel to the Second Lien Noteholder Group, counsel to the Second Lien Indenture Trustee, counsel to the Unsecured Bondholder Group, counsel to the Unsecured Bonds Indenture Trustee, and counsel to any Committee (invoices may be redacted to the extent necessary to delete any information subject to the attorney-client privilege, any information constituting attorney work product, or any other confidential information, and the provision of such invoices shall not constitute any waiver of the attorney-client privilege or of any benefits of the attorney work product doctrine). No attorney or advisor to the Prepetition Secured Parties shall be required to file an application seeking compensation for services or reimbursement of expenses with the Court. The Debtors, U.S. Trustee, RBL Agent, the Second Lien Noteholder Group, the Second Lien Indenture Trustee, the Unsecured Bondholder Group, the Unsecured Bonds Indenture Trustee and any Committee shall have ten (10) business days in which to raise an objection to the payment of any fees and expenses of such attorneys and advisors. In the event a timely objection is raised prior to payment having been made, the entire amount shall nevertheless be paid, and any amount not

approved by the Court shall be applied to the outstanding Prepetition Obligations in order of priority.

21. Indemnification. The Debtors shall indemnify the DIP Agent and DIP Lenders and their respective affiliates, successors and assigns and the officers, directors, employees, agents, advisors, controlling persons and members of each of the foregoing (each, an “Indemnified Person”) and hold each of them harmless from and against all costs, expenses (including reasonable fees, disbursements and other charges of counsel) and liabilities of such Indemnified Person arising out of or relating to any claim or any litigation or other proceeding (regardless of whether such Indemnified Person is a party thereto and regardless of whether such matter is initiated by a third party or by the Debtors or any of their affiliates or shareholders) that relates to the DIP Facility or this Interim Order, including the financing contemplated hereby, the Chapter 11 Cases, or any transactions in connection therewith, provided that no Indemnified Person will be indemnified for any cost, expense or liability to the extent determined in a final, non-appealable judgment of a court of competent jurisdiction to have resulted primarily from such Person’s gross negligence or willful misconduct. Nothing herein is meant to limit the scope of any indemnity provided for the benefit of the DIP Agent or DIP Lenders in the DIP Credit Documents. This Paragraph does not apply or otherwise affect any indemnification rights or obligations in respect of the RBL Secured Parties.

22. Remedies. Upon the occurrence of an Event of Default under the DIP Credit Documents or upon the Termination Date, and in each case without further notice, motion or application to, order of, or hearing before, this Court, the DIP Agent is granted leave to cease making financial accommodations to the Debtors, accelerate any or all of the DIP Obligations and declare such DIP Obligations to be immediately due and payable in full, in cash. Upon the

Termination Date, and after providing seven (7) days' prior notice to the Court, U.S. Trustee, counsel to the RBL Agent, counsel to the Second Lien Noteholder Group, counsel to the Second Lien Indenture Trustee, counsel to the Unsecured Bondholder Group, counsel to the Unsecured Bonds Indenture Trustee, and counsel to any Committee, then the DIP Agent, for the benefit of the DIP Secured Parties, shall be entitled to exercise all of its rights and remedies under this Order and the DIP Credit Documents, including, without limitation, foreclose upon the DIP Collateral or otherwise enforce the DIP Obligations, DIP Liens and DIP Superpriority Claims on any or all of the DIP Collateral and/or to exercise any other default-related remedies under the DIP Credit Documents, this Interim Order or applicable law in seeking to recover payment of the DIP Obligations. With respect to Permitted Prior Senior Liens, any exercise of such rights and remedies shall be in accordance with applicable non-bankruptcy law in respect of Permitted Prior Senior Liens. During the seven (7) day notice period, any party in interest may seek an order of the Court staying the DIP Agent's exercise of such remedies against the DIP Collateral and, if no such stay is obtained, then the DIP Agent may exercise any and all such rights and remedies without further order of the Court or notice to any party and the Debtors' authority to use Cash Collateral under this Interim Order shall terminate.

23. Standstill.

(a) Standstill Termination Date. Pursuant to, *inter alia*, Sections 9.04(a) and (e) of the RBL Credit Agreement, each RBL Lender Derivative Provider agreed that (i) it will not, without the prior consent of the RBL Agent, exercise certain rights of setoff, and that (ii) it will indemnify the RBL Agent, other RBL Derivative Providers, and other RBL Lenders if it exercises such rights in contravention of Section 9.04. The RBL Agent and RBL Derivative Providers assert that amounts payable to any Debtor under RBL Lender Derivative Contracts

(collectively, including amounts due under terminated or non-terminated RBL Lender Derivative Contracts, "RBL Hedge Proceeds") are subject to setoff as permitted under the terms of the RBL Lender Derivative Contract and/or applicable law. In addition, pursuant to the RBL Credit Documents, the RBL Agent and RBL Lenders assert that all RBL Hedge Proceeds and amounts payable to any Debtor, whether subject to setoff or not, constitute RBL Collateral. So as to permit the parties a reasonable period of time to negotiate the disposition of the RBL Lender Derivative Contracts and RBL Hedge Proceeds, including any right an RBL Lender Derivative Provider may have to setoff RBL Hedge Proceeds against RBL Obligations, the RBL Agent agrees, in consideration of the Debtors' good faith efforts to enter into such negotiations, not to provide such consent until the date (the "Standstill Termination Date") that is the earlier of (a) the date this Court approves in a final order a mutually acceptable resolution among the RBL Agent, the RBL Lender Derivative Providers and the Debtors with regard to the disposition of the RBL Lender Derivative Contracts and RBL Hedge Proceeds, (b) three (3) Business Days after the date counsel to the RBL Agent notifies in writing counsel to the Debtors (with copies to counsel to the RBL Agent, counsel to the Second Lien Noteholder Group, counsel to the Second Lien Indenture Trustee, counsel to the Unsecured Bondholder Group, counsel to the Unsecured Bonds Indenture Trustee, and counsel to any Committee, provided, any assertion of a failure to receive a copy of the notice shall not render such notice ineffective) that (x) the RBL Agent intends for the Standstill Termination Date to occur and (y) the RBL Agent asserts that following the Standstill Termination Date it may provide consent to the RBL Lender Derivative Providers pursuant to Section 9.04(a) of the RBL Credit Agreement, and (c) the date that is 60 days from the date of entry of this Interim Order upon the docket. The Standstill Termination Date may be extended pursuant to a written and executed agreement by counsel to the Debtors and counsel to

the RBL Agent, so as to permit the Debtors, the RBL Agent, and each RBL Lender Derivative Provider under any RBL Lender Derivative Contract to continue to engage in good faith negotiations.

(b) Good Faith Negotiations. Prior to the occurrence of the Standstill Termination Date, as may be extended hereunder, the Debtors and the RBL Agent have agreed to enter into good faith negotiations with each RBL Lender Derivative Provider to achieve a consensual resolution of the disposition of the RBL Lender Derivative Contracts and RBL Hedge Proceeds. The parties enter into such negotiations with the intent to avoid the inherent cost and uncertainty of litigation over the RBL Lender Derivative Contracts and RBL Hedge Proceeds but only on the basis set forth herein that in the interim no rights or remedies of the parties shall be impaired. So as to allow good faith negotiations to proceed, the Debtors, RBL Agent, RBL Lenders, and RBL Lender Derivative Providers are authorized to share information, including any material confidential information (as that term is used in 17 C.F.R. §23.410(c)) concerning the RBL Lender Derivative Contracts, including with respect to termination and RBL Hedge Proceeds.

(c) Reservation of Rights. Notwithstanding anything to the contrary herein, the RBL Agent and RBL Lender Derivative Providers each reserve all of their respective rights, remedies, claims and defenses with respect to the RBL Lender Derivative Contracts and RBL Hedge Proceeds and/or applicable law, including any and all rights under sections 362, 553, 560, and 561 of the Bankruptcy Code, and the Debtors similarly reserve their rights, remedies, claims and defenses with respect to the RBL Lender Derivative Contracts, RBL Hedge Proceeds and all of the foregoing. Nothing in this Interim Order is intended to waive any rights of the Debtors, RBL Agent, and RBL Lender Derivative Providers under applicable law; rather, the agreement

to a temporary standstill until the Standstill Termination Date is to allow the parties to engage in good faith negotiations without prejudice to any rights they may have. The time for taking any action or asserting any such rights, remedies, claims and defenses shall be tolled until the Standstill Termination Date with respect to the calculation of time to take action or assert any such matters under any statute of limitations or repose, contractual or other statutory provision, common or case law or equitable doctrine (including, without limitation, laches, waiver or estoppel), regardless of whether a consensual resolution is reached or not. The Debtors agree not to assert, and no other party may assert that the passage of time until the Standstill Termination Date has resulted in a waiver of any of the rights of the RBL Agent or any RBL Lender Derivative Providers to exercise any applicable rights and remedies under the RBL Credit Agreement, any RBL Lender Derivative Contract or with respect to RBL Hedge Proceeds, including with respect to termination or setoff with respect to the RBL Lender Derivative Contracts and RBL Hedge Proceeds or any other matters with respect to the liquidation of the RBL Lender Derivative Contracts and RBL Hedge Proceeds. Upon the occurrence of the Standstill Termination Date, the Debtors, the RBL Agent, and each RBL Lender Derivative Provider may exercise all of their respective rights, remedies, claims and defenses with respect to the RBL Lender Derivative Contracts and RBL Hedge Proceeds.³

(d) Interim Dispositions. The intent of this provision is to permit any RBL Lender Derivative Provider to terminate (or not) any RBL Lender Derivative Contract pursuant to the terms thereof, to calculate the amounts due to or from the Debtors thereunder as a result of such termination in accordance with the terms of the RBL Lender Derivative Contract and to hold any RBL Hedge Proceeds (under terminated or non-terminated RBL Lender Derivative

³ Under the RBL Credit Agreement, the Debtors are expressly not third party beneficiaries of Section 9.04 or any applicable rights granted the RBL Agent with respect to any RBL Lender Derivative Contract or the Hedge Proceeds, and nothing contained herein shall create any such rights for the Debtors.

Contracts) without liability or obligation until a consensual or non-consensual resolution is achieved. Prior to the Standstill Termination Date, any RBL Lender Derivative Provider who would either pay RBL Hedge Proceeds to a Debtor under a RBL Lender Derivative Contract (whether or not terminated) or setoff RBL Hedge Proceeds against the RBL Obligations shall be required to hold such RBL Hedge Proceeds in a book entry account maintained by such RBL Lender Derivative Provider (which can be non-interest bearing but any interest earned on RBL Hedge Proceeds shall be considered RBL Hedge Proceeds). It shall not be a violation of the automatic stay or any other law or provision of contract for a RBL Lender Derivative Provider to comply with this Interim Order and hold RBL Hedge Proceeds as provided for herein. To the extent applicable, if at all, the automatic stay is modified to permit the RBL Lender Derivative Providers to hold RBL Hedge Proceeds. If any RBL Hedge Proceeds are, contrary to this Interim Order, paid to the Debtors, such RBL Hedge Proceeds shall be Cash Collateral subject to restrictions and conditions on use of Cash Collateral set forth herein.

24. Access to DIP Collateral. **Subject to appropriate notice and entry of the Final Order**, notwithstanding anything contained herein to the contrary and without limiting any other rights or remedies of the DIP Agent, exercisable on behalf of the DIP Secured Parties, contained in this Interim Order or the DIP Credit Documents, or otherwise available at law or in equity, and subject to the terms of the DIP Credit Documents, upon written notice to the landlord of any leased premises that an Event of Default or the Termination Date has occurred and is continuing under the DIP Credit Documents, the DIP Agent may, subject to the applicable notice provisions, if any, in this Interim Order and any separate agreement by and between such landlord and the DIP Agent, enter upon any leased premises of the Debtors or any other party for the purpose of exercising any remedy with respect to DIP Collateral located thereon and shall be entitled to all

of the Debtors' rights and privileges as lessee under such lease without interference from the landlords thereunder, provided that the DIP Agent shall only be obligated to pay rent of the Debtors that first accrues after the DIP Agent's written notice referenced above and that is payable during the period of such occupancy by the DIP Agent, calculated on a daily per diem basis. Nothing herein shall require the DIP Agent to assume any lease as a condition to the rights afforded to the DIP Agent in this Paragraph. In addition, any landlord's lien, right of distraint or levy, security interest or other interest that any landlord, warehousemen or landlord's mortgagee may have in any DIP Collateral of the Debtors located on such leased premises, to the extent the same is not void under section 545 of the Bankruptcy Code, is hereby subordinated to the DIP Obligations, DIP Liens, and DIP Superpriority Claims.

25. Insurance Policies. Effective as of entry of this Interim Order, the DIP Agent, DIP Lenders, and the Prepetition Secured Parties shall be, and shall be deemed to be, without any further action or notice, named as additional insureds and loss payees on each insurance policy maintained by the Debtors that in any way relates to DIP Collateral or Prepetition Collateral, as applicable.

26. Successors and Assigns. This Interim Order, the DIP Credit Agreement and the other DIP Credit Documents shall be binding upon all parties in interest in these Chapter 11 Cases, including any subsequently appointed trustee, responsible individual, examiner with expanded powers, or other estate representative.

27. Survival. The provisions of this Interim Order and any actions taken pursuant hereto shall survive the entry of any subsequent order (other than entry of any subsequent Final Order which shall supersede this Interim Order), and the rights, remedies, powers, privileges, liens and priorities of the DIP Agent, DIP Lenders, and Prepetition Secured Parties provided for

in this Interim Order and in any DIP Credit Document shall not be modified, altered or impaired in any manner by any order, including any order (i) confirming any plan of reorganization or liquidation in any of the Chapter 11 Cases (and, to the extent not indefeasibly paid in full in cash, the DIP Obligations shall not be discharged by the entry of any such order, each of the Debtors having hereby waived such discharge pursuant to section 1141(d)(4) of the Bankruptcy Code); (ii) converting any of the Chapter 11 Cases to a Chapter 7 case; (iii) dismissing any of the Chapter 11 Cases; or (iv) any superseding cases under the Bankruptcy Code. The terms and provisions of this Interim Order as well as the DIP Obligations, DIP Liens, DIP Superpriority Claim, DIP Credit Documents, and Adequate Protection Liens shall continue in full force and effect notwithstanding the entry of any such order, and such rights, claims and liens shall maintain their priority as provided by this Interim Order and the DIP Credit Documents to the maximum extent permitted by law until all of the DIP Obligations are indefeasibly paid in full, in cash.

28. Good Faith. The DIP Facility, the use of Cash Collateral, and the other provisions of this Interim Order, the DIP Credit Agreement and the other DIP Credit Documents have been negotiated in good faith and at arm's-length among the Debtors, the DIP Agent, DIP Lenders, and the Prepetition Secured Parties, and the extension of the financial accommodations to the Debtors by the DIP Agent, DIP Lenders, and Prepetition Secured Parties pursuant to this Interim Order and the DIP Credit Documents have been and are deemed to be extended in good faith, as that term is used in section 364(e) of the Bankruptcy Code. The DIP Agent, DIP Lenders, and Prepetition Secured Parties are entitled to, and are hereby granted, the full protections of section 364(e) of the Bankruptcy Code.

29. Subsequent Reversal or Modification. Subject to Paragraphs 27 and 28, if any or

all of the provisions of this Interim Order are hereafter reversed, modified, vacated or stayed, that action will not affect (i) the validity of any obligation, indebtedness or liability under this Interim Order and the DIP Credit Documents by the Debtors prior to the date of receipt of written notice to the DIP Agent, RBL Agent and Second Lien Indenture Trustee of the effective date of such action; or (ii) the validity and enforceability of any lien, administrative expense, right, or priority authorized or created hereby or pursuant to this Interim Order and the DIP Credit Documents, including, without limitation, the DIP Obligations, DIP Liens and DIP Superpriority Claims, the Prepetition Secured Obligations, the Prepetition Secured Obligations, the Adequate Protection Liens, the Adequate Protection Payments and Section 507(b) Claims.

30. No Waiver. This Interim Order shall not be construed in any way as a waiver or relinquishment of any rights that the DIP Secured Parties and Prepetition Secured Parties may have to bring or be heard on any matter brought before the Court. Any consent, modification, declaration of default, or exercise of remedies or non-exercise of remedies under or in connection with this Interim Order or the DIP Credit Documents shall require the approval of DIP Agent, and, as and to the extent required by the voting provisions of the DIP Credit Agreement and shall not be deemed a waiver or relinquishment of any of the rights of the DIP Secured Parties. Except as expressly set forth herein, nothing contained in this Interim Order (including without limitation, the authorization to use any Cash Collateral) shall impair, prejudice or modify any rights, claims or defenses available in law or equity to the DIP Agent on behalf of the DIP Secured Parties, or Prepetition Secured Parties, including, without limitation, the right to (a) request conversion of the Debtors' chapter 11 case to chapter 7, (b) seek to terminate the exclusive rights of the Debtors to file, and solicit acceptances of, a plan of reorganization under section 1121 of the Bankruptcy Code or propose, subject to the provisions

of section 1121 of the Bankruptcy Code, a chapter 11 plan or plans, (c) object to the fees and expenses of any Retained Professionals, and (d) seek relief from the automatic stay. All such rights, claims and defenses, and the rights, objections and defenses of all parties in connection therewith, are hereby reserved.

31. Additional Defaults. In addition and without limitation of the Events of Default set forth in and defined in the DIP Credit Documents or this Interim Order, it shall be a default hereunder (and constitute an “Event of Default” under the DIP Credit Documents) if an order is entered dismissing or converting any of the Chapter 11 Cases under section 1112 of the Bankruptcy Code or appointing a Chapter 11 trustee or an examiner or other estate representative with expanded powers. Any order for dismissal or conversion shall be automatically deemed to preserve the rights of the DIP Secured Parties, and Prepetition Secured Parties under this Interim Order and shall preserve the Carve-Out. It shall be an Event of Default for the sale of substantially all of the assets of the Debtors, unless, upon the closing of such transaction, all liens securing the DIP Obligations and Prepetition Secured Obligations (in their respective priority) are transferred to the proceeds of such sale. If an order dismissing any of these Chapter 11 Cases under section 305 or 1112 of the Bankruptcy Code or otherwise is at any time entered, such order shall be deemed to provide that (a) the DIP Liens and DIP Superpriority Claims granted to the DIP Secured Parties hereunder and in the DIP Credit Documents, as the case may be, and the Carve-Out shall continue in full force and effect, shall remain binding on all parties in interest and shall maintain their priorities as provided in this Interim Order until all DIP Obligations and indebtedness owing to the DIP Secured Parties under the DIP Credit Documents shall have been indefeasibly paid in full in cash and the DIP Lenders’ obligations and commitments under the DIP Credit Documents shall have been terminated, and the Court shall retain jurisdiction,

notwithstanding such dismissal, for purposes of enforcing the DIP Obligations, DIP Liens, DIP Superpriority Claims, Adequate Protection Liens, Adequate Protection Payments, 507(b) Claims, and the Carve-Out.

32. Order Governs. In the event of any conflict between the provisions of this Interim Order and the DIP Credit Documents, the Motion, or any supporting documents, the provisions of this Interim Order shall control and govern to the extent of such conflicts.

33. Right to Credit Bid. Pursuant to section 363(k) of the Bankruptcy Code, (i) the DIP Agent shall have the exclusive right to use the DIP Obligations, DIP Liens and DIP Superpriority Claim to credit bid with respect to any bulk or piecemeal sale of all or any portion of the DIP Collateral; (ii) subject to the indefeasible payment in full in cash of the DIP Obligations, the RBL Agent shall have the exclusive right to use the RBL Obligations and the RBL Agent Adequate Protection Liens and Section 507(b) Claims to credit bid with respect to any bulk or piecemeal sale of all or any portion of the Prepetition Collateral; and (iii) subject to the indefeasible payment in full in cash of the DIP Obligations and RBL Obligations, the Second Lien Indenture Trustee shall have the exclusive right to use the Second Lien Obligations and the Second Lien Indenture Trustee Agent Adequate Protection Liens and Section 507(b) Claims to credit bid with respect to any bulk or piecemeal sale of all or any portion of the Prepetition Collateral.

34. No Marshaling. **Subject to entry of the Final Order,** none of the DIP Agent, DIP Lenders, DIP Collateral, Prepetition Secured Parties or Prepetition Collateral shall be subject to the doctrine of marshaling or any similar doctrine or law of any jurisdiction requiring the recovery upon or application to any indebtedness of any collateral or proceeds in any particular order or action.

35. Master Proof of Claim. The RBL Agent on behalf of the RBL Secured Parties, and the Second Lien Indenture Trustee on behalf of itself and holders of the Second Lien Notes, will not be required to file proofs of claim in the Chapter 11 Cases or any successor case for any claim. Notwithstanding any order to the contrary entered by the Court in relation to the establishment of a bar date in the Chapter 11 Cases or any successor case, each of the RBL Agent on behalf of the RBL Secured Parties, and the Second Lien Indenture Trustee on behalf of itself and holders of the Second Lien Notes shall each be authorized (but not required) in its sole discretion to file a master proof of claim against the Debtors (each a “Master Proof of Claim”) on account of their prepetition claims arising under the Prepetition Financing Documents, as applicable. Upon the filing of a Master Proof of Claim against the Debtors, the applicable Prepetition Secured Party and each of its respective successors and assigns, shall be deemed to have filed a proof of claim in the amount set forth opposite its name therein in respect of its claims against the Debtors arising under the Prepetition Financing Documents, and the claims of the Prepetition Secured Party (and its respective successors and assigns) named in the Master Proof of Claim shall be allowed or disallowed as if such entity had filed a separate proof of claim in each Chapter 11 Case or any successor cases in the amount set forth opposite each name listed in the Master Proof of Claim. Each of the RBL Agent and Second Lien Indenture Trustee shall further be authorized to amend its respective Master Proof of Claim from time to time to, among other things, reflect a change in the holders of the claims set forth therein or a reallocation among such holders of the claims asserted therein resulting from any transfer of such claims. The provisions set forth in this Paragraph and any Master Proof of Claim filed pursuant to the terms hereof are intended solely for the purpose of administrative convenience and shall not affect the substantive rights of any party in interest or their respective successors in interest, including,

without limitation, the rights of each Prepetition Secured Party as the holder of a claim against the Debtors under applicable law, and the numerosity requirements set forth in section 1126 of the Bankruptcy Code.

36. Headings. The headings in this Interim Order are for reference purposes only and will not in any way affect the meaning and interpretation of the terms of this Interim Order.

37. Immediate Docketing and Effect of Order. The Clerk of the Court is hereby directed to forthwith enter this Interim Order on the docket of this Court maintained in regard to these Chapter 11 Cases. This Interim Order shall take effect immediately upon execution hereof, and, notwithstanding anything to the contrary contained in Bankruptcy Rules, including Bankruptcy Rule 4001(a)(3), there shall be no stay of execution of effectiveness of this Order. All objections to the entry of this Interim Order have been withdrawn or overruled and the Motion is approved on an interim basis on the terms and conditions set forth herein. The Debtors shall promptly mail copies of this Interim Order to the Notice Parties and to counsel to any committee.

38. Final Hearing. The Final Hearing is scheduled for July 14, 2016, at 10:30 a.m. (prevailing Eastern Time) before this Court. Any objections by creditors or other parties in interest to any provisions of this Interim Order shall be deemed waived unless timely filed and served in accordance with this Paragraph. The Debtors shall promptly serve a notice of entry of this Interim Order and the Final Hearing, together with a copy of this Interim Order, by first class mail, postage prepaid, facsimile, electronic mail or overnight mail upon the Notice Parties. The notice of the entry of this Interim Order and the Final Hearing shall state that objections to the entry of the Final Order shall be filed with the Court by no later than 5:00 p.m. (prevailing Eastern Time) on July 5, 2016 (the "Objection Deadline"), with copies to: (i) the Office of the

United States Trustee, 201 Varick Street, Suite 1006, New York, NY 10014 Attn. Richard Morrissey; (ii) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, NY 10153-0119, Attn. Ray C. Schrock, P.C., and Stephen Karotkin, counsel to the Debtors; (iii) Winston & Strawn LLP, 333 S. Grand Avenue, 38th Floor, Los Angeles, CA 90071-1543, Attn. Eric E. Sagerman and Justin E. Rawlins, and 200 Park Avenue, New York, NY 10166, Attn. David Neier and Carey D. Schreiber, as counsel to the DIP Agent and the RBL Agent; (iv) Kirkland & Ellis LLP, 601 Lexington Avenue New York, New York 10022-4611, Attn: Christopher J. Marcus and Jonathan S. Henes, as counsel to the Second Lien Noteholder Group; (v) Foley & Lardner LLP, 321 North Clark Street, Suite 2800, Chicago, IL 60654-5313 Attn: Mark F. Hebbeln and Lars A. Peterson, as counsel to the Second Lien Indenture Trustee; (vi) Milbank, Tweed, Hadley & McCloy LLP, 601 South Figueroa Street, Los Angeles, CA 90017-5735, Attn: Gregory A. Bray and Eric R. Reimer, counsel to Unsecured Bondholder Group; (vii) Wilmington Trust Company, Kilpatrick Townsend & Stockton LLP, 1100 Peachtree Street, NE, Suite 2800, Atlanta, Georgia 30309-4530, Attn: Todd C. Meyers, and 1114 Avenue of the Americas New York, NY 10036-7703, Attn: David M. Posner, as counsel to the Unsecured Bonds Indenture Trustee; and counsel to any Committee.

Dated: May 23rd, 2016.

Issued at 11:17 a.m.

/s/ STUART M. BERNSTEIN
UNITED STATES BANKRUPTCY JUDGE

Exhibit A to Interim Order

DIP Credit Agreement

Exhibit B to Interim Order

Budget