NORTHERN DISTRICT OF TEXAS BANKRUPTCY BENCH BAR CONFERENCE 2016

“BLACK GOLD, TEXAS TEA”

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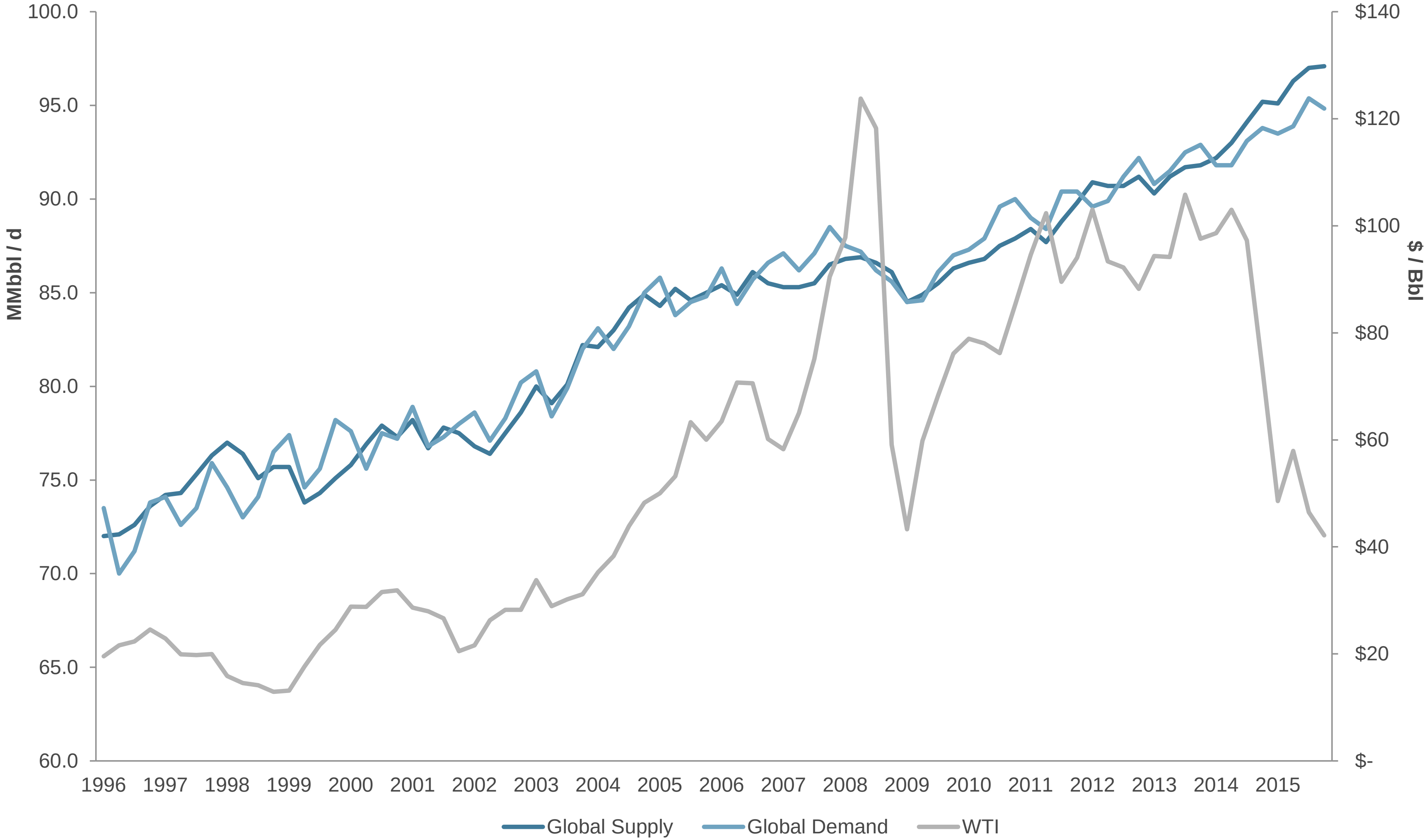
DISCLAIMER

- We have prepared this summary to provide an overview of issues that may arise in connection with gathering and processing agreements related to a producer in the financial restructuring process.
- This is a broad summary not intended to cover every issue which may affect the company or industry.
- This is not intended to be and is not legal advice or an opinion of any of the firms making this presentation.

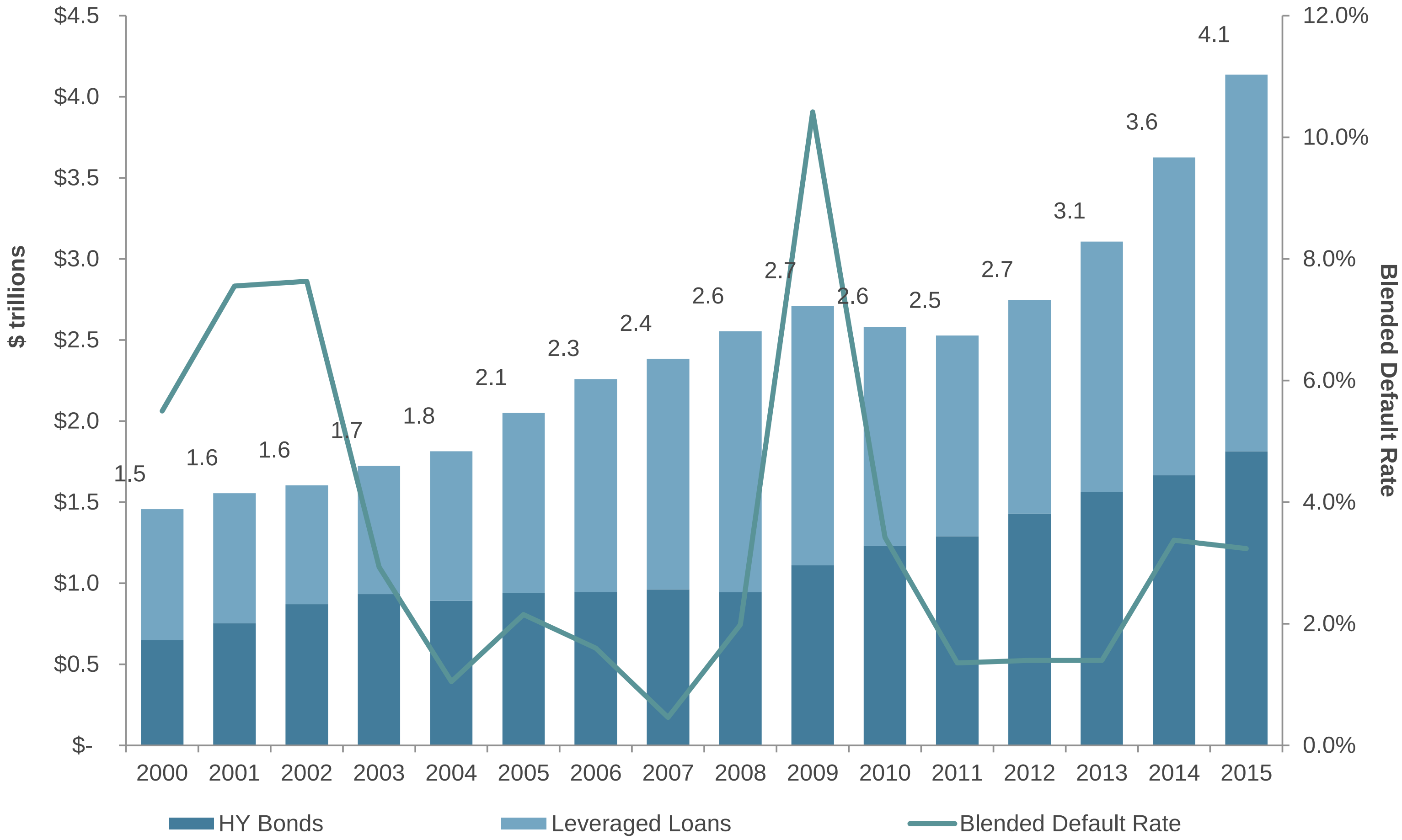
INTRODUCTION

GLOBAL OIL SUPPLY AND DEMAND (QUARTERLY)



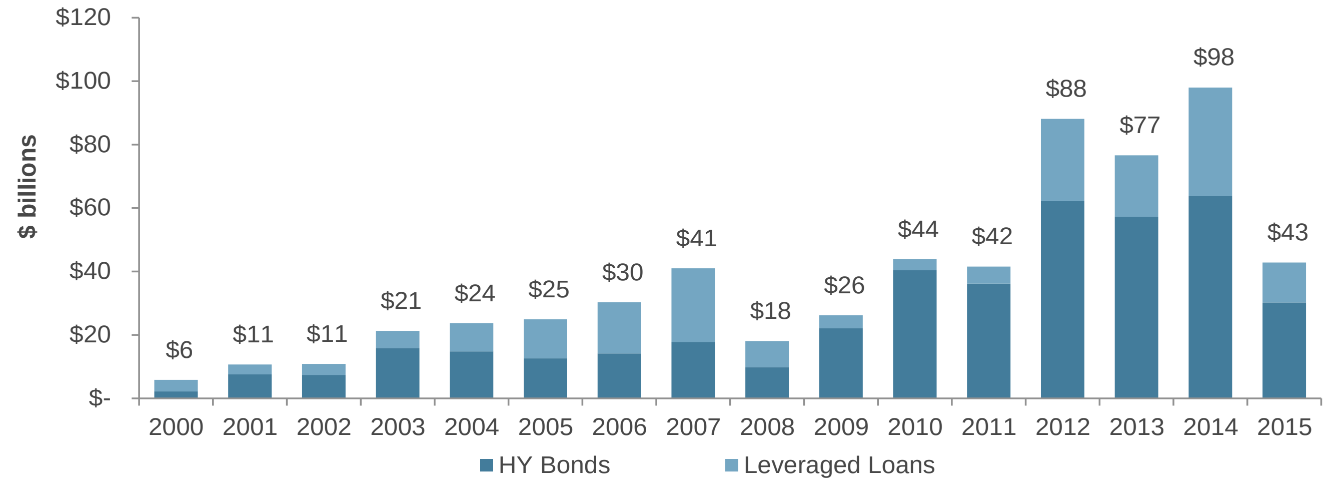
CAPITAL MARKETS OVERVIEW

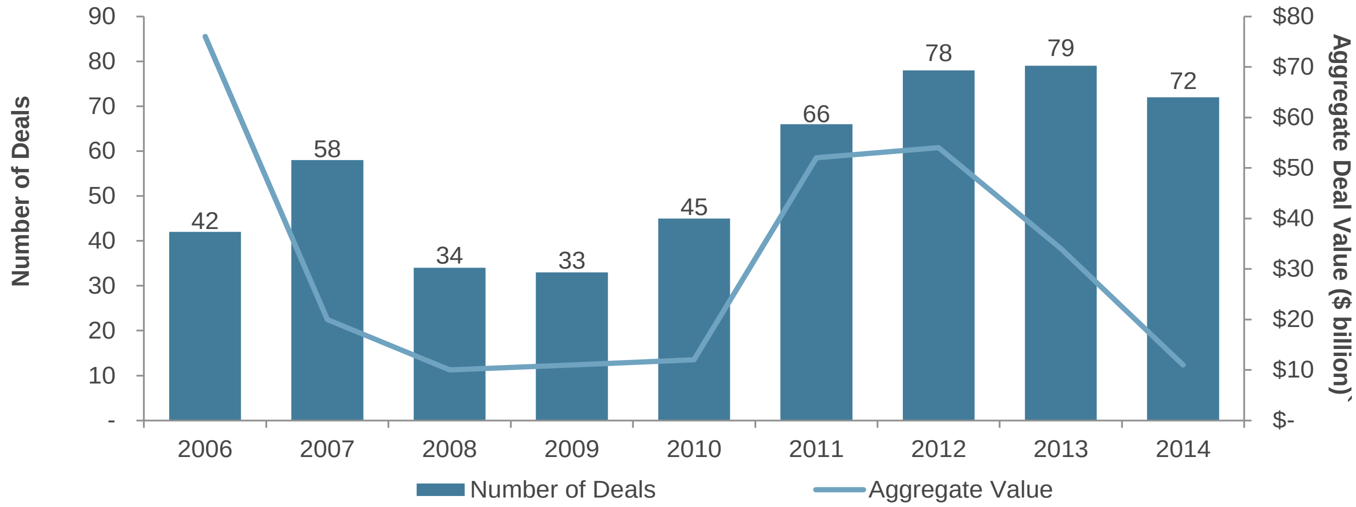
The market size on non-investment grade debt has grown dramatically since the 2008 / 2009 financial crisis. The default rate has begun to increase slightly, led by oil and gas defaults



CAPITAL MARKETS OVERVIEW (CONT.)

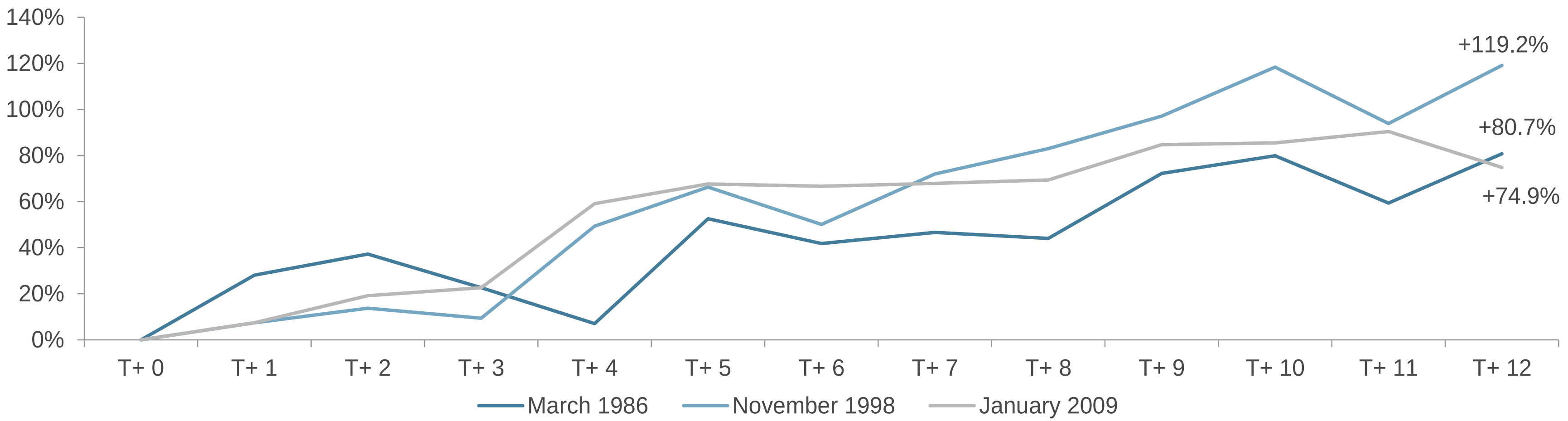
Readily available, low cost credit and the market's search for yield were contributing factors to the over building of the oil and gas industry. Additionally, private equity played a significant role in oil & gas investing in recent years

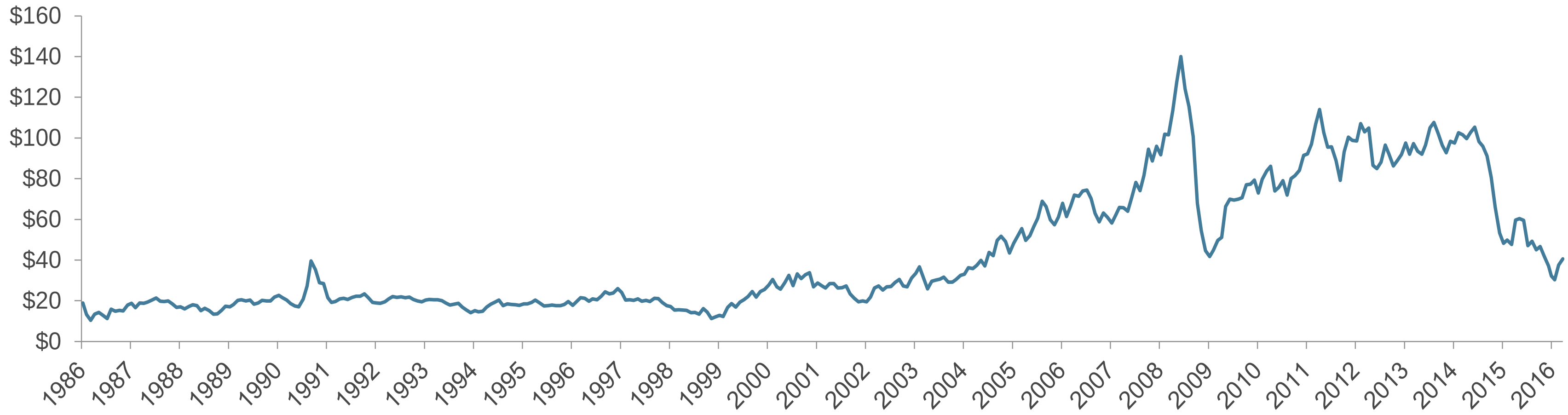




HISTORICAL PRICE TRENDS

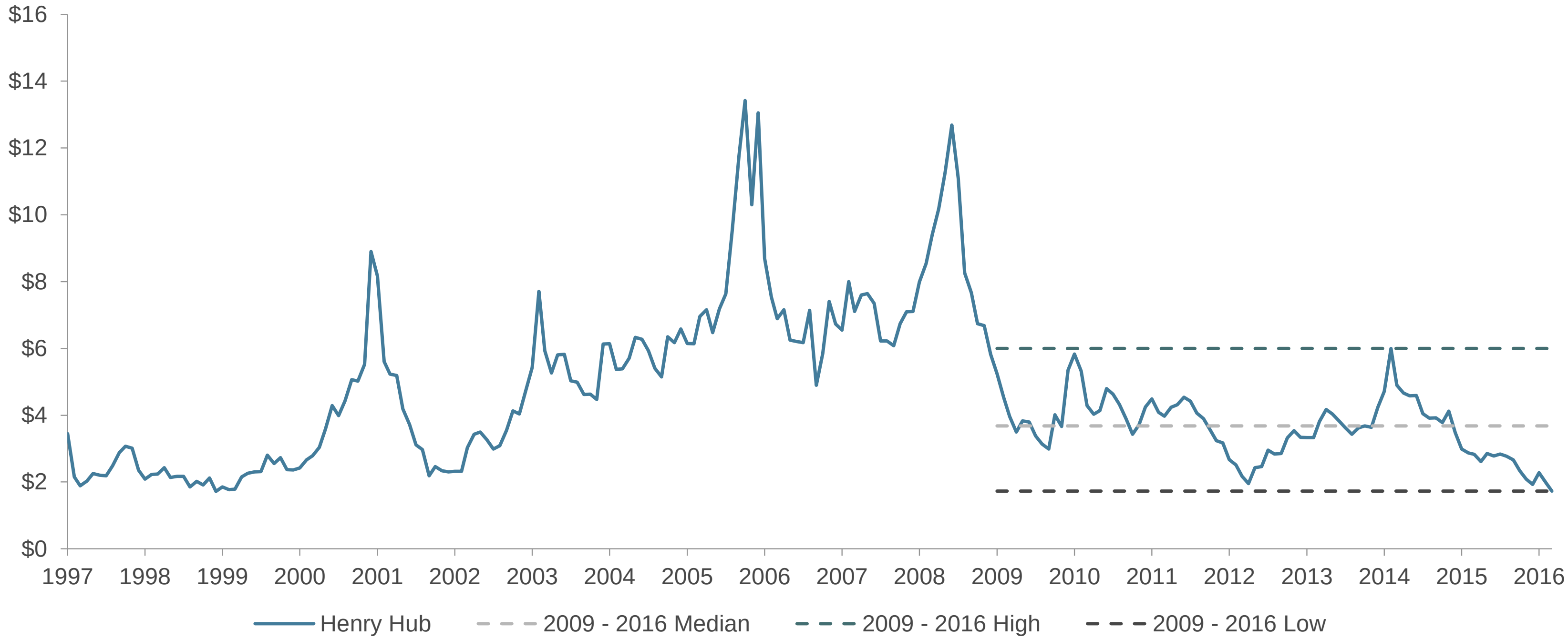
Historical WTI Oil Price & 12-month Rebounds





HISTORICAL PRICE TRENDS (CONT.)

Historical Henry Hub Price – Range Bound since 2009



Henry Hub Statistics from 2009 - 2016	
Mean	$3.63
Median	$3.68
High	$6.00
Low	$1.73

ENERGY INDUSTRY SECTORS

- Upstream (explore and produce)
  - Exploration and production
- Midstream (prepare for transport/storage, transport, store)
  - Gathering and processing
  - Gas storage, liquefied natural gas (LNG)
  - Pipelines
  - FERC
- Downstream (refine for sale, sale)
  - Refining petrochemicals, ethanol
  - Retail
  - Trading and marketing
  - Power
- Renewables
  - Solar
  - Water
  - Wind
- Energy Services
  - Fracking
  - Oilfield Services
  - Shipping/transport

ENERGY POTENTIAL PLAYERS

- Energy bankruptcy case players
- Common industry players
  - Debtor
  - Lenders
    - Pre-petition facility
    - Post-petition DIP financing
  - Other secured parties
  - Derivative counterparties
  - Potential purchasers and customers
  - Trade vendors/services companies/M&M
  - Contract counterparties
  - Regulatory agencies

- Specific to industry sector players
  - Upstream
    - Oil and gas lease lessors/royalty owners
    - JOA and pooled unit co-working interest owners
    - Farmors/farmees, production payment parties
  - Midstream
    - Marketing companies
    - Gathering and transportation companies
  - Downstream
    - Refineries
    - Power producers
  - Energy Services
    - Shippers
    - Oilfield Services

2. ENERGY INDUSTRY/HOT ISSUES IN THE MIDSTREAM SPACE.

MIDSTREAM GATHERING AND PROCESSING AGREEMENTS (“GPA”) OUTLINE

- Outline of issues:
  - Practical reality: alternatives to the gathering system?
  - Bankruptcy filing impact
  - Restrictions on assignment of the GPA by the producer
  - Restrictions on assignment/sale by producer of the dedicated properties
    - Covenants running with the land
    - Bankruptcy sales free and clear of interests
  - Dual debtors where both GPA parties are in bankruptcy
  - Complex analytical framework
  - Key Takeaways
- Dedications
- Minimum volume commitments
- No uniform answer, differing contracts, application of bankruptcy and non-bankruptcy law
- Economic realities will drive the negotiation, level of co-dependency, replacement options, GPA so burdensome as to render production not economical?

MIDSTREAM GPA: BANKRUPTCY FILING IMPACT

- Automatic stay – halts all litigation and actions against the debtor including seeking payment of any defaulted amounts under the GPA
- Performance under executory contracts prior to assumption/rejection, the "twilight period"
  - Counter-party gatherer required to perform under GPA
    - Arguably entitled to reasonable value of services, may not be contract rate
    - Risk as to minimum volume payment during the twilight period
    - Assumption of GPA would cure past due amounts
  - Debtor is not required to perform post-bankruptcy filing; however, will have to cure any post-petition defaults if it desires to assume the GPA
- Pre-bankruptcy filing unpaid amounts remain outstanding pending assumption/rejection of the GPA which may not be until a plan is confirmed
- Counter-party gatherer may seek to compel assumption/rejection if sufficient showing of harm can be made to the Bankruptcy Court

MIDSTREAM GPA: RESTRICTIONS ON ASSIGNMENT

- Restrictions on assignments of GPA, consent requirements generally not enforceable
- GPA as executory contracts (mutual obligations of parties)
- Bankruptcy Code Section 365 assumption, assumption/assignment, rejection of the GPA
  - Assumption by producer, cure of defaults, assurance of performance
    - Reorganizing and not conducting asset sale of the business
    - Business is sold via synthetic plan sale (re-issuance of new equity to buyer)…change of control, consent issues may arise.
  - Assumption and assignment if producer is conducting asset sale…cure of defaults, adequate assurance of performance, raises issue of consent to assignment
  - Rejection by producer results in deemed breach of GPA as of date of case filing with damages claim
    - Security for claim
    - If no security, general unsecured claim
    - Credit support for claim
  - Practical consequences on the Producer if GPA is rejected

MIDSTREAM GPA: RESTRICTIONS ON SALE OF THE DEDICATED PROPERTIES

- Restrictions on the sale of the dedicated properties
  - GPA contains restrictions on the sale of the dedicated properties
    - Acknowledgment by purchaser of GPA obligations and new GPA
    - Producer remains obligated for payment terms unless released (e.g. credit rating of purchaser equal or better than selling producer)
  - Commitment and dedication may be designated as covenants running with the land
    - *“The dedication and commitment made by Producers and their Affiliates under this Agreement is a covenant running with the land.”*
  - A sale free and clear of interests under Bankruptcy Code Section 363 or via a plan transaction may not be free and clear of a covenant that runs with the land
  - What is a covenant the runs with the land?
    - Must be analyzed under applicable non-bankruptcy law
    - Recent cases raising this issue, Sabine, Quicksilver

MIDSTREAM GPA: COVENANTS THAT RUN WITH THE LAND (TX)

- A properly created and perfected covenant running with the land may provide a strong negotiating position for the midstream service provider
- In Texas, a covenant runs with the land when:
  - it touches and concerns the land
  - relates to a thing in existence or specifically binds the parties and their assigns
  - is intended by the original parties to run with the land
  - the successor to the burden has notice (e.g. recordation)
  - there is privity of estate between the parties (horizontal (original parties to the conveyance "**simultaneous existing interests**" or "**mutual privity**") and vertical (successive relationships) privity)
- The Fifth Circuit recently held in *In re Energytec, Inc.* that a contractual right to a transportation fee reserved in connection with a pipeline conveyance, and a right to consent to the assignment of the pipeline were covenants running with the land
  - The Fifth Circuit did not completely close the door on a sale free and clear of a covenant that runs with the land, but never ruled determinatively
  - The 5th Circuit also questioned the requirement for horizontal privity under Texas law
- *Note, even if a covenant running with the land, may be inferior to the perfected liens of secured creditors first in time if no subordination agreement*

MIDSTREAM GPA: SALES FREE AND CLEAR/PLAN VESTING FREE AND CLEAR

- Under Bankruptcy Code § 363, a debtor can sell free and clear of “interests” in property of the estate
  - Includes liens, claims, and certain encumbrances
  - Generally not free and clear of easements or covenants that run with the land
  - Must meet one of 5 tests in Bankruptcy Code § 363(f):
    - applicable non-bankruptcy law permits sale of such property free and clear of such interest
    - such entity consents
    - such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property
    - such interest is in bona fide dispute; or
    - such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest…this is the prong the Fifth Circuit mentioned in *Energytec*
- Adequate protection is required, proceeds
- Consider plan vesting free and clear

MIDSTREAM GPA: SABINE AND QUICKSILVER REDUCED

- *Sabine*
  - Court approved rejection of gathering agreement based on business judgment
  - Non-binding ruling on CRWTL issues
    - Nordheim and HPIP had dedications
    - Dedication does not equal conveyance to meet privity test
    - Burden via dedication was as to severed minerals, thus no touching and concerning “land” in any event
    - Orion 2nd Circuit ruling mandates adversary proceeding, determine an interest in property
- *Quicksilver*
  - No ruling as this is prepared
  - Court seeming to be willing to approve rejection in order to consummate sale
  - Court cites potential waiver of challenge to free and clear sale based on language of sale order being free and clear of dedications, etc.

3. PRACTICAL ISSUES WITH JOINT OPERATING AGREEMENTS.

PRACTICAL ISSUES WHEN DEALING WITH JOAS AND ASSIGNING WORKING INTERESTS

- Don’t forget the business goals behind filing for bankruptcy
  - Keep the revenues flowing
  - Maintain valuable business relationships
  - Create as smooth of a transition as possible

PRACTICAL ISSUES WHEN DEALING WITH JOAS AND ASSIGNING WORKING INTERESTS

- Recoupment Issues
  - Recoupment is an equitable doctrine that allows a creditor to reduce the amount of a debtor's claim by asserting a claim against the debtor that arose out of the **same transaction** to "determine a just liability on a plaintiff's claim". *Herod v. Southwest Gas Corp. (In re Gasmark Ltd.)*, 193 F.3d 371, 374-75 (5th Cir. 1999). "Even though an overpayment is not a required element for recoupment, the doctrine is often applied **to prevent a windfall** to the debtor in the overpayment context." *Id.* citing 5 Collier on Bankruptcy P 553.10[1].
  - **Don't setoff, recoup.** Recoupment is not subject to the automatic stay and allows reduction of a prepetition claim against the debtor by application of the claim to reduce a creditor's postpetition obligation to a debtor. *Holford v. Powers (In re Holford)*, 896 F.2d 176, 179 (5th Cir. 1990) ("the trustee of a bankruptcy estate takes the property subject to rights of recoupment"); *Sacramento Municipal Utility District v. Mirant Americas Energy Marketing, LP (In re Mirant Corp.)*, 318 B.R. 377, 381 (Bankr. N.D. Tex. 2004); *In re Buttes Res. Co.*, 89 B.R. 613, 617 (S.D. Tex. 1988); *In re Buttes Gas & Oil*, 72 B.R. 236 (Bankr. S.D. Tex. 1987) (applying the doctrine of recoupment where right to proceeds arose from a JOA).

PRACTICAL ISSUES WHEN DEALING WITH JOA'S AND ASSIGNING WORKING INTERESTS

- Working with Operators
  - Operators want to know what to expect:
    - are the JOAs being assumed and assigned
    - are past due JIBs being paid (is there an order in place)
    - are assignments being executed, filed properly, and provided to the operators
    - address accounting discrepancies

4. ISSUES SURROUNDING DRAWDOWNS ON RESERVE BASED LENDING FACILITIES.

FACILITY DRAW DOWNS AND SOLVENCY

- Drawdowns of cash on the RBL…what is it?
- How do the reps work in connection with a drawdown?
- What does insolvency mean? Balance sheet? Ability to pay?
- The solvency certificate and its impact?
- Risks to the person making the certification?
- Generally, Delaware's business judgment rule applies to protect managers from hindsight scrutiny of certificates of solvency based on business judgments made in good faith. Business purpose of the drawdown?
- Managers can be held liable in derivative actions under Delaware law brought by shareholders or other stakeholders (mostly creditors in bankruptcy) for gross negligence "of the highest order."
- Cases involving litigation over certificates of solvency occurs most often in relation to bankruptcy proceedings. Claims may be asserted against directors, officers, and managers for breach of fiduciary duty in connection with false statements on solvency certificates. *See, e.g., In re Greater Se. Cmty. Hosp. Corp. I*, 353 B.R. 324, 343 (Bankr. D.D.C. 2006), *as amended* (Sept. 26, 2006).

FACILITY DRAW DOWNS AND SOLVENCY (CONTINUED)

- Applying Delaware law, the court in *In re Greater Southeast Hospital Corp.* held that a "the issuance of patently false 'solvency certificates'—that plunged the debtors deeper and deeper into insolvency" "cannot be excused as ordinary negligence or inattention, but rather constitutes gross negligence of the highest order," and stated a claim for breach of the directors and officers' fiduciary duties of care. *Id*.
- The court in Greater Southeast Hospital explained that the business judgment rule would ordinarily apply absent "gross negligence of the highest order," i.e., in that case, the issuance of patently false certificates. Id.
- Additionally, bankruptcy courts have refused to discharge and insolvent company's debt obligation under Chapter 7 if the debtor (1) knowingly and fraudulently made a false oath (2) relating to a material fact in violation of 11 U.S.C. § 727(a)(4)(A). *See, e.g., In re Drumm*, 524 B.R. 329, 349 (Bankr. D. Mass. 2015) (refusing to discharge a debt obligation, reasoning: "The same month that he signed the solvency certificate for the Malahide transfer, Drumm wrote IBRC that he did not have the resources to service an interest payment on a €400,000 loan.").

FACILITY DRAW DOWNS AND SOLVENCY

- The covenant certification can help a lender avoid liability for an aiding-and-abetting-breach-of-fiduciary-duty claim brought by a shareholder. For instance, in *In re Fedders North America, Inc.*, a Delaware bankruptcy court rejected the committee of unsecured creditors' derivative claim against General Electric Capital Corp. for aiding and abetting a debtor to which it lent money. *In re Fedders N. Am., Inc.*, 422 B.R. 5, 11 (Bankr. D. Del. 2010). As part of the court's reasoning, it pointed out that the Credit Agreement required that Fedders provide GE Capital with financial statements and a solvency agreements, "which contradict the Complaint's contention that GE [Capital] knew that insiders were engaged in breaches of fiduciary duty and misconduct." *Id.* at 11-12.
- Similarly, banks have sought declaratory judgments relieving them of their financing obligations when the debtor stated that it would be unable to deliver a solvency certificate. *E.g., UBS Sec. LLC v. Finish Line, Inc.*, No. 07 CIV. 10382 (LAP), 2008 WL 536616, at *1-7 (S.D.N.Y. Feb. 22, 2008).
- The certificate of solvency has been to some extent a shield for lenders to say they were not complicit in deepening a company's insolvency, by aiding and abetting the company's managers taking on more debt in violation of their fiduciary duties.

5. GETTING CRAMMED *MOMENTIVE* STYLE.

CRAMDOWN DISPUTE

- ***Cramdown Plan Terms***

  - In the event that the holders of Senior Lien Notes voted to reject the Plan — which, in fact, occurred — the Plan provided that they would receive Replacement Notes "with a present value equal to the Allowed amount of [each] holder's [Senior] Note Claim."

  - The respective rates of interest on the Replacement First Lien Notes and the Replacement 1.5 Lien Notes provided in the Plan were: (i) a 7-year Treasury Rate plus 1.50% (approximately 3.6%) and (ii) a 7.5-year Treasury Rate plus 2.00% (approximately 4.1%), respectively.

    - These rates were lower than the rates the Debtors secured for the Exit Financing.

APPLICABLE LAW

- ***Applicable Law – Bankruptcy Code***
  - Section 1129(b)(2)(A) of the Bankruptcy Code permits confirmation of a chapter 11 plan when a class of secured creditors votes to reject the plan if:

    (i)(I) such creditors retain the liens securing their prepetition claims, and

    (II) such creditors receive "deferred cash payments totaling at least the allowed amount of such claim, of a value, as of the effective date of the plan, of at least the value of" the secured claim;

    (ii) such creditors' collateral is sold, subject to the secured creditors' right to credit bid, and a lien attaches to the proceeds of the sale; or

    (iii) such creditors receive the "indubitable equivalent" of their secured claims.
  - Because the Plan did not contemplate the sale of the Senior Lien Noteholders' collateral or propose to provide the Senior Lien Noteholders with the indubitable equivalent of their secured claims through a means other than that provided under section 1129(b)(2)(A)(i), the latter two cramdown methods were not at issue.
  - Because the present value of the deferred payments under clause (i)(I) is achieved through the application of an appropriate interest rate, determining the correct interest rate is paramount.

APPLICABLE LAW (CONT'D)

- ***Applicable Law – Case Law***
  - *Till v. SCS Credit Corp.*, 541 U.S. 465 (2004) – In a chapter 13 cramdown interest rate dispute, a plurality of the Supreme Court held that a "formula approach" should be utilized to determine the appropriate rate by adding a "risk premium," generally between 1 and 3 percent, to the national prime rate.
    - Footnote 14 of the *Till* decision stated that "in a Chapter 11 case, it might make sense to ask what rate an efficient market would produce," which differs from the chapter 13 context, in which the plurality said an efficient market did not exist.
    - The *Till* plurality also concluded that Congress likely intended courts to use a uniform approach whenever the Bankruptcy Code required them to choose an interest rate to discount a stream of deferred payments to present value, whether in a chapter 11 or 13 case.

APPLICABLE LAW (CONT'D)

- ***Applicable Law – Case Law (cont'd)***
  - *GMAC v. Valenti (In re Valenti)*, 105 F.3d 55 (2d Cir. 1997) – Prior to *Till,* the Second Circuit, in another chapter 13 case, held that an appropriate cramdown interest rate was the rate of interest on a U.S. Treasury instrument having a maturity equivalent to the repayment schedule under the plan, plus a premium of between 1 and 3 percent reflecting the risk to the creditor receiving deferred payments.
    - The Second Circuit noted that "the value of a creditor's allowed claim does not include any degree of profit. There is no reason, therefore, that the [cramdown] interest rate should account for profit."
    - The *Till* decision cited to *Valenti* with approval.

SENIOR LIEN TRUSTEES’ ARGUMENTS

- ***Senior Lien Trustees’ Arguments – Market Rate***
  - The Senior Lien Trustees contended that the Plan was not “fair and equitable” under section 1129(b) of the Bankruptcy Code because (i) *Till*’s formula approach should not apply to chapter 11 cases and should be limited to chapter 13 cases; and (ii) the Replacement Notes’ interest rates ignores the command in Footnote 14 of *Till* that the market rate of interest should be used if an efficient market is available.
  - The Senior Lien Trustees contended that an efficient market existed in this case, as evidenced by the availability of the Exit Financing and the robust markets for leveraged loans and high-yield debt generally.
  - The Senior Lien Trustees contended that the Replacement Notes would trade below par and as such would not provide their respective noteholders with the full value of the allowed amount of their claims.

SENIOR LIEN TRUSTEES' ARGUMENTS (CONT'D)

- ***Senior Lien Trustees' Arguments – Formula Rate***
  - The Senior Lien Trustees also argued that even if the *Till* formula approach were appropriate, the Replacement Notes' interest rates did not comply with *Till* for two reasons:
    - **Use of Treasury Rate** – The Replacement Notes should utilize the prime rate as a base rate, because a prime rate "reflects the financial market's estimate of the amount a commercial bank should charge a creditworthy commercial borrower" (quoting *Till*) and was the rate specifically approved by the *Till* plurality.
    - **Inadequate Risk Premium** – The risk premium of 1.5% and 2% for the First and 1.5 Lien Replacement Notes, respectively, failed to adequately compensate the Senior Lien Noteholders for the risk of the Debtors' business and industry, as well as the specific features of the Replacement Notes (*e.g.*, extended maturity, relaxed covenants, and non-availability of certain premiums).

DEBTORS' ARGUMENTS

- ***Debtors' Arguments – Use of Formula Rate***
  - The Debtors contended that the *Till* decision dictated the use of a "formula" approach, not a market analysis, in chapter 11 cases.
    - *Till* specifically held that Congress intended a single methodology for determining the present value of a future payment stream to apply under both chapter 11 and chapter 13 of the Bankruptcy Code.
    - Footnote 14 of *Till* does not require a market interest rate analysis and the Debtors followed *Till's* "straightforward and objective formula approach."
- ***Debtors' Arguments – Appropriate Formula Rate***
  - The Debtors also contended that their specific formula for the cramdown rate on the Replacement Notes was appropriate for several reasons:
    - The use of a Treasury rate was appropriate because *Till* did not mandate the use of the prime rate, and other cases, including *Valenti*, used a Treasury rate as the benchmark.
    - The risk premiums for the Replacement Notes were appropriate in light of the Debtors' post-emergence circumstances.

BANKRUPTCY COURT RULING

- ***Bankruptcy Court Ruling – Use of Formula Rate***
  - The Bankruptcy Court rejected the Senior Lien Trustees' arguments and held that the "formula" approach was the correct methodology to establish a cramdown interest rate.
    - The Bankruptcy Court noted that the "first principles" of *Till* and *Valenti* rejected a market-based approach in favor of a formula approach.
    - The Bankruptcy Court also noted that Footnote 14 of *Till* was a "very slim reed" on which to contradict these first principles.
    - Relying on *Valenti*, the Bankruptcy Court concluded that a cramdown rate "should not contain any profit or cost element" and "it is highly unlikely that there will ever be an efficient market that does not include a profit element."
  - Although *Till* and *Valenti* concerned chapter 13 debtors, the Bankruptcy Court noted that they were likely intended to apply in chapter 11 as well.
    - Quoting *Till*, the Bankruptcy Court noted: "Congress likely intended bankruptcy judges and trustees to follow essentially the same approach when choosing an appropriate interest rate under any of the many Code provisions requiring a court to discount a stream of deferred payments back to their present dollar value."

BANKRUPTCY COURT RULING (CONT'D)

- ***Bankruptcy Court Ruling – Specific Formula Rate***
  - While approving the formula approach for cramdown interest rates, the Bankruptcy Court nevertheless increased the risk premiums by 0.5% and 0.75% for the First Lien and 1.5 Lien Replacement Notes, respectively.
    - The Bankruptcy Court noted that the prime rate discussed in *Till* accounted for some level of risk of nonpayment, while the Treasury rate proposed under the Plan did not.
    - Even after these adjustments, the cramdown interest rate on the First Lien Replacement Notes is still approximately 1% below the interest rate on the portion of the Exit Financing earmarked to repay the First Lien Notes, and the interest rate on the 1.5 Lien Replacement Notes is approximately 2.15% below the interest rate on the portion of the Exit Financing earmarked to repay the 1.5 Lien Notes.
- ***Senior Lien Trustees' Motion to Change Plan Votes***
  - Subsequent to the Bankruptcy Court's ruling, the rejecting Senior Lien Noteholders filed motions, pursuant to Bankruptcy Rule 3018, to change their votes to accept the Plan *(i.e*. to opt for payment in cash, albeit without the Applicable Premium).
    - The Bankruptcy Court denied these motions, ruling that it would not be proper to allow the Senior Lien Noteholders to undo the consequences of their timely exercised voting decisions with respect to the Plan.

6. VENUE AND THE CURRENT TREND OF TEXAS ENERGY FILINGS.

VENUE AND THE CURRENT TREND OF TEXAS ENERGY FILINGS.

- Texas Bankruptcy Courts Are Active as Bankruptcy Energy Filings Surge
  - Antero…ND TX
  - Emkey Resources…ND TX
  - Aztec Oil and Gas…SD TX
  - Energy XXI…SD TX
  - Goodrich Petroleum…SD TX
  - Trinity River Resources…WD TX
  - Paladin Energy Corp…ND TX
  - Ultra Petroleum…SD TX
  - MidStates Petroleum…SD TX
- Complex Chapter 11 Rules
- Expertise of the TX Courts

7. DIP LOAN & BREAKUP FEE SUMMARY

7. DIP LOAN & BREAKUP FEE SUMMARY

The below shows a summary of certain U.S. Debtor-in-Possession ("DIP") financings in the last twelve months from $1 - $500 million

DIP Financing Statistics

$ in millions

		Size	LIBOR Margin	All-in Rate	Up Front Fee[1]	Unused Line Fee[1]
Average	$	65.1	790.0	8.4%	2.6%	1.7%
Median		54.8	800.0	8.7%	2.0%	2.0%
Low		1.4	200.0	2.2%	1.0%	0.4%
High		275.0	1,500.0	18.0%	5.0%	3.0%

- Looking at 136 DM&A transactions from 2013 through March 2016, Houlihan Lokey has compiled the following breakup fee statistics as a percentage of the total transaction value

Breakup Fee Statistics

As % of transaction value, except for transaction value amounts

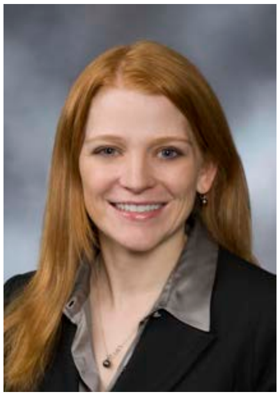
		Transaction Value	Shareholder Deposit	Breakup Fee	Expense Reimbursement	Break-Up + Expenses	Initial Overbid (Ex. Break-Up)	Total Initial Overbid	Subseq. Bid Increments
Average	$	78.1	7.7%	2.5%	1.1%	3.6%	1.4%	4.5%	0.8%
Median		25.9	7.3%	2.8%	0.8%	3.2%	1.0%	4.4%	0.6%
Low		6.2	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
High		1,875.0	64.5%	30.0%	13.3%	40.0%	16.0%	20.1%	10.0%

QUESTIONS

Qs

Akin Gump
STRAUSS HAUER & FELD LLP

Professional Biography



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Education

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B.A., University of North Dakota, *summa cum laude*, 1998

Bar Admissions

Texas

Areas of Experience

Financial Restructuring • Creditor Representations, including Official Committees and Informal Creditor Groups • Secured Creditors • Debtors • Distressed Asset Sales and Acquisitions • Distressed Real Estate Asset Services • Cross-Border Insolvencies • Oil and Gas • Real Estate • Retail • Telecommunications • Traditional Power • North America

Sarah Link Schultz represents debtors, official and unofficial committees of creditors, secured lender groups, debtors-in-possession lenders, acquirers of assets and vendors in large, complex cases and out-of-court restructurings. Her restructuring matters encompass a variety of industries.

Practice & Background

Ms. Schultz received her B.A. *summa cum laude* in 1998 from the University of North Dakota and her J.D. *cum laude* in 2001 from the University of Minnesota Law School, where she was a member of the *Minnesota Law Review* in 2000 and 2001. She is a member of the State Bar of Texas.

Representative Matters

Ms. Schultz's recent engagements include:

- debtor Quicksilver Resources Inc.
- Official Committee of Unsecured Creditors of Swift Energy Company, et al.
- Official Committee of Unsecured Creditors of Emerald Oil, Inc., et al.

- ad hoc noteholder group of Black Elk Energy Offshore Operations, LLC
- informal noteholder group in Excel Maritime Carriers Ltd.
- informal noteholder group in Genco Shipping & Trading Limited
- senior secured lender for The Dolan Company
- debtor Geokinetics, Inc., et al.
- debtor TerreStar Corporation, et al.
- Official Committee of Unsecured Creditors of Saint Vincents Catholic Medical Center, et al.
- Official Committee of Unsecured Creditors of Nortel Networks Inc., et al.
- debtor Edge Petroleum Corporation, et al.
- debtor Foothills Resources, Inc., et al.
- Official Committee of Unsecured Creditors of Calpine Corporation, et al.
- Official Committee of Unsecured Creditors of LandAmerica 1031 Exchange Services, Inc., et al.
- Official Committee of Unsecured Creditors of Quebecor World (USA), Inc., et al.
- Official Committee of Unsecured Creditors of Vitro America, LLC, et al.
- Consenting Noteholders of R.H. Donnelley Corporation, et al.
- debtor Gadzooks, Inc.

Community Involvement

Ms. Schultz’s community, civic and charitable activities include:

- vice president of the Dallas Bankruptcy Bar Association
- member of the council of King of Glory Lutheran Church
- an active participant with Visiting Orphans.

Awards & Accolades

- “Outstanding Young Bankruptcy Lawyer” (2015) – *Turnarounds & Workouts*
- *Chambers USA: America’s Leading Lawyers for Business* (2013 to 2014)
- “Texas Rising Star” (2009 through 2015) - *Texas Monthly* in a survey of her peers
- “Forty Under 40” (2010) - *Dallas Business Journal* - recognizing her as one of the outstanding young professionals in North Texas
- *D Magazine* (2010) - recognized as one of Dallas’ Best Women Lawyers in the area of Bankruptcy/Workouts.

Articles

March 10, 2016	**"Midstream Acreage Contract Dedications Take a Hit in Bankruptcy"**
February 5, 2016	**"Midstream Contract Acreage Dedications at Risk"**
August, 31, 2012	**"Settlements That Pay Pre-Petition Unsecured Creditors Cash On Account of Their Claim and Outside of a Plan"**
June 11-17 2010	**"In Business, the Most Successful People Don't Follow Trends - They Set Them."** ***Dallas Business Journal***

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Bill Wallander is a Partner and the Practice Group Leader of the Restructuring & Reorganization Practice Group of Vinson & Elkins L.L.P. Bill represents debtors, agents and lending groups, bondholder and noteholder groups, funds and committees. Bill has also served as an expert witness in Bankruptcy Court and class action litigation. Bill's industry experience includes aerospace, agriculture, chemicals, commodities, construction, defense, energy (upstream, mid-stream, downstream, renewables), derivatives, financial services, healthcare, hotel, legal, manufacturing, mining, mortgage finance, power, public finance, commercial real estate, retail, shipping, technology, and transportation. Bill is a Fellow of the American College of Bankruptcy, a Life Fellow of the Dallas Bar Foundation, and member of the Chancellor's Council and Littlefield Society of the University of Texas. Bill is recognized in Chambers Global, Chambers USA; Best Lawyers in America; Texas Lawyer "Superlawyer". Bill is a member of the American Bar Association; State Bar of Texas; New York Bar Association; and current Chair of the State Bar of Texas Bankruptcy Law Section. Bill is authorized to practice before the Supreme Court of the United States, Texas Supreme Court; Supreme Court of the State of New York; U.S. Court of Appeals for the Fifth and Tenth Circuits; U.S. District Courts for the Northern, Eastern, Western and Southern Districts of Texas, U.S. District Court of Colorado, and the U.S. District Court of Arizona. Bill received his B.A. in Economics and Political Science with minors in Mathematics and Latin from the University of Pittsburgh in 1981. Bill received his J.D. from the University of Texas School of Law 1984. While practicing law full time, Bill earned an MBA in 1998-2001 from the University of Phoenix. Bill is a supporter of Dallas CASA, United Way, Red Cross, the Catholic Foundation, Ursuline Academy, Bishop Lynch High School, and other charitable and community organizations.