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

In re:	§	Chapter 11
CJ HOLDING CO., *et al.*,[1]	§	Case No. 16-33590 (DRJ)
Debtors.	§	Jointly Administered

NOTICE OF FILING OF PROPOSED ORDER CONFIRMING THE SECOND AMENDED JOINT PLAN OF REORGANIZATION (AS MODIFIED) OF CJ HOLDING COMPANY, ET AL., PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

PLEASE TAKE NOTICE that the debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors") hereby file the proposed *Order Confirming the Second Amended Joint Plan of Reorganization (as Modified) of CJ Holding Company, et al., Pursuant to Chapter 11 of the Bankruptcy Code* (the "Proposed Confirmation Order"), attached hereto as **Exhibit 1**.

PLEASE TAKE FURTHER NOTICE that the Debtors reserve the right to materially alter, amend, or modify the Proposed Confirmation Order, *provided*, that if the Proposed Confirmation Order is altered, amended, or modified in any material respect, the Debtors will file a revised version of such document with the United States Bankruptcy Court for the Southern District of Texas (the "Court").

PLEASE TAKE FURTHER NOTICE THAT the hearing at which the Court will consider Confirmation of the Plan (the "Confirmation Hearing") will commence on **December 16, 2016, at 10:00 a.m.**, prevailing Central Time, before the Honorable David R. Jones, in the United States Bankruptcy Court for the Southern District of Texas, located at 515 Rusk Street Houston, Texas 77002.

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number (if any), are: CJ Holding Co. (4586); Blue Ribbon Technology Inc. (6338); C&J Corporate Services (Bermuda) Ltd.; C&J Energy Production Services-Canada Ltd.; C&J Energy Services, Inc. (3219); C&J Energy Services Ltd.; C&J Spec-Rent Services, Inc. (0712); C&J VLC, LLC (9989); C&J Well Services Inc. (5684); ESP Completion Technologies LLC (4615); KVS Transportation, Inc. (2415); Mobile Data Technologies Ltd.; Tellus Oilfield Inc. (2657); Tiger Cased Hole Services Inc. (7783); and Total E&S, Inc. (5351). The location of the Debtors' service address is 3990 Rogerdale, Houston, Texas 77042.

PLEASE TAKE FURTHER NOTICE that copies of all documents filed in these chapter 11 cases are available free of charge by visiting https://donlinrecano.com/cjenergy or by calling (866) 296-8019 (toll-free in North America) or (212) 771-1128 (outside North America). You may also obtain copies of any pleadings by visiting the Court's website at https://ecf.txsb.uscourts.gov in accordance with the procedures and fees set forth therein.

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Dated: December 15, 2016

/s/ *Chad J. Husnick*

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EXHIBIT 1

Proposed Confirmation Order

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

In re:	§	Chapter 11
CJ HOLDING CO., *et al.*,[1]	§	Case No. 16-33590 (DRJ)
Debtors.	§	Jointly Administered

ORDER CONFIRMING THE SECOND AMENDED JOINT PLAN OF REORGANIZATION (AS MODIFIED) OF CJ HOLDING COMPANY, *ET AL.*, PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE
(Docket No. ___)

The above-captioned debtors and debtors in possession (collectively, the "Debtors"), having:[2]

a. commenced, on July 20, 2016 (the "Petition Date"), these chapter 11 cases (these "Chapter 11 Cases") by filing voluntary petitions in the United States Bankruptcy Court for the Southern District of Texas (the "Court") for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code");

b. continued to operate their businesses and manage their properties as debtors in possession in accordance with sections 1107(a) and 1108 of the Bankruptcy Code;

c. Filed on August 19, 2016, (i) the *Joint Plan of Reorganization of CJ Holding Company, et al., Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 245] and (ii) the *Disclosure Statement Relating to the Joint Plan of*

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number (if any), are: CJ Holding Co. (4586); Blue Ribbon Technology Inc. (6338); C&J Corporate Services (Bermuda) Ltd.; C&J Energy Production Services-Canada Ltd.; C&J Energy Services, Inc. (3219); C&J Energy Services Ltd.; C&J Spec-Rent Services, Inc. (0712); C&J VLC, LLC (9989); C&J Well Services Inc. (5684); ESP Completion Technologies LLC (4615); KVS Transportation, Inc. (2415); Mobile Data Technologies Ltd.; Tellus Oilfield Inc. (2657); Tiger Cased Hole Services Inc. (7783); and Total E&S, Inc. (5351). The location of the Debtors' service address is 3990 Rogerdale, Houston, Texas 77042.

[2] Capitalized terms used but not otherwise defined in these amended findings of fact, conclusions of law, and order (collectively, the "Confirmation Order") have the meanings given to them in the *Second Amended Joint Plan of Reorganization (as Modified) of CJ Holding Company, et al., Pursuant to Chapter 11 of the Bankruptcy Code*, attached hereto as **Exhibit A** (as may be amended, supplemented, or otherwise modified from time to time, and including all exhibits and supplements thereto, the "Plan"). The rules of interpretation set forth in Article I.B of the Plan apply to this Confirmation Order.

Reorganization of CJ Holding Company, et al., Pursuant to Chapter 11 of the Bankruptcy Code [Docket No. 246];

d. Filed on September 28, 2016, (i) the *First Amended Joint Plan of Reorganization of CJ Holding Company, et al., Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 516], (ii) the *Disclosure Statement Relating to the First Amended Joint Plan of Reorganization of CJ Holding Co., et al., Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 518], and (iii) the *Debtors' Motion for Entry of an Order (I) Approving the Adequacy of the Disclosure Statement, (II) Approving the Solicitation and Notice Procedures with Respect to Confirmation of the Debtors' Proposed First Amended Joint Plan of Reorganization, (III) Approving the Forms of Ballots and Notices in Connection Therewith, (IV) Approving the Rights Offering Procedures and Related Materials, (V) Scheduling Certain Dates with Respect Thereto, and (VI) Granting Related Relief* [Docket No. 520];

e. Filed on November 3, 2016, (i) the *Second Amended Joint Plan of Reorganization of CJ Holding Company, et al., Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 682] and (ii) the *Disclosure Statement Relating to the Second Amended Joint Plan of Reorganization of CJ Holding Co., et al., Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 684];

f. obtained on November 5, 2016, entry of the *Order (I) Approving the Adequacy of the Disclosure Statement, (II) Approving the Solicitation and Notice Procedures with Respect to Confirmation of the Debtors' Second Amended Joint Plan of Reorganization, (III) Approving the Forms of Ballots and Notices in Connection Therewith, (IV) Approving the Rights Offering Procedures and Related Materials, (V) Scheduling Certain Dates with Respect Thereto, and (VI) Granting Related Relief* [Docket No. 720] (the "Disclosure Statement Order") approving of the Disclosure Statement, solicitation procedures (the "Solicitation Procedures"), and related notices, forms, and ballots (collectively, the "Solicitation Packages");

g. caused the Solicitation Packages and notice of the Confirmation Hearing and the deadline for objecting to confirmation of the Plan to be distributed beginning on or about November 11, 2016 (the "Solicitation Date"), in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), the Disclosure Statement Order, and the Solicitation Procedures, as evidenced by, among other things, the *Affidavit of Donlin, Recano and Company, Inc. Regarding Service of Solicitation Packages with Respect to the Disclosure Statement Relating to the Second Amended Joint Plan of Reorganization of CJ Holding Co., et al., Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 793] (the "Solicitation Affidavit");

h. caused notice of the Confirmation Hearing (the "Confirmation Hearing Notice") to be published on November 18, 2016, in *USA Today* (national edition), as evidenced by the *Notice of Filing of the Verification of Publication Regarding the Notice of Hearing to Consider Confirmation of the Second Amended Chapter 11 Plan Filed by the Debtors and Related Voting and Objection Deadlines in the*

National Edition of USA Today [Docket No. 862, Exhibit A]; (collectively, the "Publication Affidavit");

i. Filed on December 3, 2016, the *Plan Supplement for the Joint Chapter 11 Plan of Reorganization of CJ Holding Co. and its Debtor Affiliates* [Docket No. 911] (as the same may have been subsequently modified, supplemented, or otherwise amended from time to time, the "Plan Supplement");

j. Filed on December 15, 2016, the *Second Amended Joint Plan of Reorganization (As Modified) of CJ Holding Company, et al., Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 1045]

k. Filed on December 13, 2016, the *Declaration of Jung Song of Donlin, Recano and Company, Inc. Regarding the Solicitation of Votes and Tabulation of Ballots Cast on the Joint Plan of Reorganization of CJ Holding Company, et al., Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 1025] (the "Voting Report"); and

l. Filed on December 14, 2016, the *Debtors' Memorandum of Law in Support of Confirmation of the Joint Plan of Reorganization of CJ Holding Company, et al., Pursuant to Chapter 11 of the Bankruptcy Code and Omnibus Reply to Objections Thereto* [Docket No. 1032] (the "Confirmation Brief").

This Court having:

a. entered the Disclosure Statement Order on November 5, 2016;

b. set December 9, 2016, at 4:00 p.m. (prevailing Central Time) as the deadline for voting on the Plan and deadline for filing objections in opposition to the Plan;

c. entered the *Order Setting Deadlines With Respect to the Hearing on the Proposed Confirmation of the Debtors' Plan* [Docket No. 772] (the "Scheduling Order") on November 14, 2016;

d. set December 16, 2016, at 10:00 a.m. (prevailing Central Time) as the date and time for the commencement of the Confirmation Hearing in accordance with Bankruptcy Rules 3017 and 3018 and sections 1126, 1128, and 1129 of the Bankruptcy Code;

e. reviewed the Plan, the Disclosure Statement, the Confirmation Brief, the Voting Report, and all pleadings, exhibits, statements, responses, and comments regarding Confirmation, including all objections, statements, and reservations of rights Filed by parties in interest on the docket of these Chapter 11 Cases;

f. held the Confirmation Hearing;

g. heard the statements and arguments made by counsel in respect of Confirmation;

h. considered all oral representations, live testimony, written direct testimony, designated deposition testimony, exhibits, documents, filings, and other evidence presented at the Confirmation Hearing;

i. entered rulings on the record at the Confirmation Hearing held on December 16, 2016 (the "Confirmation Ruling");

j. overruled any and all objections to the Plan and to Confirmation, except as otherwise stated or indicated on the record, and all statements and reservations of rights not consensually resolved or withdrawn unless otherwise indicated; and

k. taken judicial notice of all papers and pleadings Filed in these Chapter 11 Cases.

NOW, THEREFORE, after due deliberation thereon and good cause appearing therefor, the Court hereby makes and issues the following findings of fact, conclusions of law, and order:

I. FINDINGS OF FACT AND CONCLUSIONS OF LAW

IT IS HEREBY DETERMINED, FOUND, ADJUDGED, DECREED, AND ORDERED THAT:

A. Jurisdiction and Venue.

1. Venue in this Court was proper as of the Petition Date and continues to be proper under 28 U.S.C. §§ 1408 and 1409. Confirmation of the Plan is a core proceeding under 28 U.S.C. § 157(b)(2). The Court has subject matter jurisdiction over this matter under 28 U.S.C. § 1334. The Court has exclusive jurisdiction to (a) determine whether the Plan complies with the applicable provisions of the Bankruptcy Code and should be confirmed and (b) enter a final order with respect thereto.

B. Eligibility for Relief.

2. The Debtors were and continue to be entities eligible for relief under section 109 of the Bankruptcy Code.

C. Commencement and Joint Administration of these Chapter 11 Cases.

3. On the Petition Date, the Debtors commenced these Chapter 11 Cases. On July 21, 2016, the Court entered an order [Docket No. 32] authorizing the joint administration of

these Chapter 11 Cases in accordance with Bankruptcy Rule 1015(b). The Debtors have operated their businesses and managed their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in these Chapter 11 Cases.

D. Appointment of Creditors' Committee.

4. On August 2, 2016, the U.S. Trustee appointed the Official Committee of Unsecured Creditors (the "Creditors' Committee") to represent the interests of the unsecured creditors of the Debtors in these Chapter 11 Cases [Docket No. 142].

E. Plan Supplement.

5. On December 3, 2016, the Debtors Filed the Plan Supplement with the Court. The Plan Supplement complies with the terms of the Plan, and the Debtors provided good and proper notice of the filing in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Disclosure Statement Order, and the facts and circumstances of these Chapter 11 Cases. No other or further notice is or will be required with respect to the Plan Supplement.

F. Modifications to the Plan.

6. Pursuant to section 1127 of the Bankruptcy Code, the modifications to the Plan described or set forth in this Confirmation Order constitute technical or clarifying changes, changes with respect to particular Claims by agreement with holders of such Claims, or modifications that do not otherwise materially and adversely affect or change the treatment of any other Claim or Interest. These modifications are consistent with the disclosures previously made pursuant to the Disclosure Statement and solicitation materials served pursuant to the Disclosure Statement Order, and notice of these modifications was adequate and appropriate under the facts and circumstances of these Chapter 11 Cases.

7. In accordance with Bankruptcy Rule 3019, these modifications do not require additional disclosure under section 1125 of the Bankruptcy Code or the resolicitation of votes under section 1126 of the Bankruptcy Code, and they do not require that holders of Claims or Interests be afforded an opportunity to change previously cast acceptances or rejections of the Plan. Accordingly, the Plan, as modified, is properly before this Court and all votes cast with respect to the Plan prior to such modification shall be binding and shall apply with respect to the Plan.

G. Objections Overruled.

8. Any resolution or disposition of objections to Confirmation explained or otherwise ruled upon by the Court on the record at the Confirmation Hearing is hereby incorporated by reference. All unresolved objections, statements, and reservations of rights are hereby overruled on the merits.

H. Disclosure Statement Order.

9. On November 5, 2016, the Court entered the Disclosure Statement Order, which, among other things, fixed December 9, 2016, at 4:00 p.m. (prevailing Central Time), as the deadline for voting to accept or reject the Plan, as well as the deadline for objecting to the Plan (the "Voting and Plan Objection Deadline").

I. Transmittal and Mailing of Materials; Notice.

10. As evidenced by the Solicitation Affidavit, the Publication Affidavit, and the Voting Report, the Debtors provided due, adequate, and sufficient notice of the Plan, the Disclosure Statement, the Disclosure Statement Order, the Scheduling Order, the Solicitation Packages, the Confirmation Hearing Notice, the Plan Supplement, and all the other materials distributed by the Debtors in connection with the Confirmation of the Plan in compliance with the Bankruptcy Rules, including Bankruptcy Rules 2002(b), 3017, 3019, and 3020(b), the

Bankruptcy Local Rules of the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Local Rules"), and the procedures set forth in the Disclosure Statement Order. The Debtors provided due, adequate, and sufficient notice of the Voting and Plan Objection Deadline, the Confirmation Hearing (as may be continued from time to time), and any applicable bar dates and hearings described in the Disclosure Statement Order and the Scheduling Order in compliance with the Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local Rules, and the Disclosure Statement Order. No other or further notice is or shall be required.

J. Solicitation.

11. The Debtors solicited votes for acceptance and rejection of the Plan in good faith, and such solicitation complied with sections 1125 and 1126, and all other applicable sections, of the Bankruptcy Code, Bankruptcy Rules 3017, 3018, and 3019, the Disclosure Statement Order, the Bankruptcy Local Rules, and all other applicable rules, laws, and regulations.

K. Voting Report.

12. Before the Confirmation Hearing, the Debtors Filed the Voting Report. The Voting Report was admitted into evidence during the Confirmation Hearing without objection. The procedures used to tabulate ballots were fair and conducted in accordance with the Disclosure Statement Order, the Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local Rules, and all other applicable rules, laws, and regulations.

13. As set forth in the Plan and the Disclosure Statement, holders of Claims or Interests in Classes 4, 5, 6, 9, and 10 (collectively, the "Voting Classes") were eligible to vote to accept or reject the Plan in accordance with the Solicitation Procedures. Holders of Claims in Classes 1, 2, and 3 (collectively, the "Deemed Accepting Classes") are Unimpaired and conclusively presumed to accept the Plan and, therefore, did not vote to accept or reject the Plan.

Holders of Claims and Interests in Classes 7 and 8 are Unimpaired and conclusively presumed to have accepted the Plan (to the extent reinstated) or are Impaired and deemed to reject the Plan (to the extent cancelled and released), and, in either event, are not entitled to vote to accept or reject the Plan.

L. Bankruptcy Rule 3016.

14. The Plan and all modifications thereto are dated and identify the Entities submitting them, thereby satisfying Bankruptcy Rule 3016(a). The Debtors appropriately Filed the Disclosure Statement and Plan with the Court, thereby satisfying Bankruptcy Rule 3016(b). The injunction, release, and exculpation provisions in the Disclosure Statement and Plan describe, in bold font and with specific and conspicuous language, all acts to be enjoined and identify the entities that will be subject to the injunction, thereby satisfying Bankruptcy Rule 3016(c).

M. Burden of Proof.

15. The Debtors, as proponents of the Plan, have met their burden of proving the elements of sections 1129(a) and 1129(b) of the Bankruptcy Code by a preponderance of the evidence, the applicable evidentiary standard for Confirmation. Further, the Debtors have proven the elements of sections 1129(a) and 1129(b) by clear and convincing evidence. Each witness who testified on behalf of the Debtors in connection with the Confirmation Hearing was credible, reliable, and qualified to testify as to the topics addressed in his or her testimony.

N. Compliance with the Requirements of Section 1129 of the Bankruptcy Code.

16. The Plan complies with all applicable provisions of section 1129 of the Bankruptcy Code as follows:

a. Section 1129(a)(1)—Compliance of the Plan with Applicable Provisions of the Bankruptcy Code.

17. The Plan complies with all applicable provisions of the Bankruptcy Code, including sections 1122 and 1123, as required by section 1129(a)(1) of the Bankruptcy Code.

i. Sections 1122 and 1123(a)(1)—Proper Classification.

18. The classification of Claims and Interests under the Plan is proper under the Bankruptcy Code. In accordance with sections 1122(a) and 1123(a)(1) of the Bankruptcy Code, Article III of the Plan provides for the separate classification of Claims and Interests into ten different Classes, based on differences in the legal nature or priority of such Claims and Interests (other than Administrative Claims, DIP Facility Claims, Professional Fee Claims, and Priority Tax Claims, which are addressed in Article II of the Plan and are required not to be designated as separate Classes by section 1123(a)(1) of the Bankruptcy Code). Valid business, factual, and legal reasons exist for the separate classification of the various Classes of Claims and Interests created under the Plan, the classifications were not implemented for any improper purpose, and the creation of such Classes does not unfairly discriminate between or among holders of Claims or Interests.

19. In accordance with section 1122(a) of the Bankruptcy Code, each Class of Claims or Interests contains only Claims or Interests substantially similar to the other Claims or Interests within that Class. Accordingly, the Plan satisfies the requirements of sections 1122(a), 1122(b), and 1123(a)(1) of the Bankruptcy Code.

ii. Sections 1123(a)(2)—Specification of Unimpaired Classes.

20. Article III of the Plan specifies that Claims in the Deemed Accepting Classes are Unimpaired under the Plan. In addition, Article II of the Plan specifies that Administrative Claims, DIP Facility Claims, and Priority Tax Claims are Unimpaired, although the Plan does

not classify these Claims. Accordingly, the Plan satisfies the requirements of section 1123(a)(2) of the Bankruptcy Code.

iii. Sections 1123(a)(3)—Specification of Treatment of Voting Classes.

21. Article III of the Plan specifies the treatment of each Voting Class under the Plan. Accordingly, the Plan satisfies the requirements of section 1123(a)(3) of the Bankruptcy Code.

iv. Sections 1123(a)(4)—No Discrimination.

22. Article III of the Plan provides the same treatment to each Claim or Interest in any particular Class, as the case may be, unless the holder of a particular Claim or Interest has agreed to a less favorable treatment with respect to such Claim or Interest. Accordingly, the Plan satisfies the requirements of section 1123(a)(4) of the Bankruptcy Code.

v. Section 1123(a)(5)—Adequate Means for Plan Implementation.

23. The Plan and the various documents included in the Plan Supplement provide adequate and proper means for the Plan's execution and implementation, including: (a) the restructuring of the Debtors' balance sheet and other financial transactions provided for by the Plan; (b) the New Organizational Documents, including that certain stockholders agreement to be entered into by Reorganized C&J Energy and certain holders of Secured Lender Claims (the "Stockholders Agreement"); (c) the consummation of the transactions contemplated by the RSA, including the Exit Facility Documents, the Backstop Commitment Agreement (including the Rights Offering), the Warrant Agreement, the Registration Rights Agreement, and the Unsecured Creditor Agreement; (d) the cancellation of certain existing agreements, obligations, instruments, and Interests; (e) the continuance of certain agreements, obligations, instruments, and Interests; (f) the vesting of the assets of the Debtors' Estates in the Reorganized Debtors; and (g) the execution, delivery, filing, or recording of all contracts, instruments,

releases, and other agreements or documents in furtherance of the Plan. Accordingly, the Plan satisfies the requirements of section 1123(a)(5) of the Bankruptcy Code.

vi. Section 1123(a)(6)—Non-Voting Equity Securities.

24. The New Organizational Documents prohibit the issuance of non-voting securities. Accordingly, the Plan satisfies the requirements of section 1123(a)(6) of the Bankruptcy Code.

vii. Section 1123(a)(7)—Directors, Officers, and Trustees.

25. The Reorganized Debtors' initial directors are set forth in the Plan Supplement. The selection of the New Boards will be determined in accordance with the New Organizational Documents, which is consistent with the interests of creditors and equity holders and public policy. Accordingly, the Plan satisfies the requirements of section 1123(a)(7) of the Bankruptcy Code.

b. Section 1123(b)—Discretionary Contents of the Plan.

26. The Plan contains various provisions that may be construed as discretionary but not necessary for Confirmation under the Bankruptcy Code. Any such discretionary provision complies with section 1123(b) of the Bankruptcy Code and is not inconsistent with the applicable provisions of the Bankruptcy Code. Thus, the Plan satisfies section 1123(b).

i. Impairment/Unimpairment of Any Class of Claims or Interests.

27. Pursuant to the Plan, Article III of the Plan impairs or leaves unimpaired, as the case may be, each Class of Claims or Interests, as contemplated by section 1123(b)(1) of the Bankruptcy Code.

ii. Assumption and Rejection of Executory Contracts and Unexpired Leases.

28. Article V of the Plan provides for the rejection of the Debtors' Executory Contracts and Unexpired Leases as of the Effective Date unless such Executory Contract or Unexpired Lease: (a) was previously assumed or rejected; (b) is identified on the Schedule of Assumed Executory Contracts and Unexpired Leases; (c) is the subject of a motion to assume an Executory Contract or Unexpired Lease that is pending on the Confirmation Date; (d) is subject to a motion to assume an Executory Contract or Unexpired Lease pursuant to which the requested effective date of such assumption is after the Effective Date; (e) is the subject of Article IV.O of the Plan; or (f) is one of the following types of agreements, all of which shall be deemed assumed even if not identified by clauses (a)-(e) above, unless specifically identified as rejected under the Schedule of Rejected Executory Contracts and Unexpired Leases: (i) confidentiality and non-disclosure agreements, (ii) customer agreements, (iii) software license agreements and affiliated contracts, (iv) intercompany agreements and arrangements, and (v) alternative dispute resolution agreements.

iii. Compromise and Settlement.

29. In accordance with section 1123(b)(3)(A) of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the distributions and other benefits provided under the Plan and with the support of the Supporting Creditors and the Creditors' Committee, the provisions of the Plan constitute a good-faith compromise of all Claims, Interests, and controversies relating to the contractual, legal, and subordination rights that all holders of Claims or Interests may have with respect to any Allowed Claim or Interest or any distribution to be made on account of such Allowed Claim or Interest. Such compromise and settlement is fair, equitable, and reasonable and in the best interests of the Debtors and their Estates.

30. The Plan incorporates the Plan Settlement, which is an integrated compromise and settlement of numerous Claims, issues and disputes designed to achieve a beneficial and efficient resolution of these Chapter 11 Cases for all parties in interest. Accordingly, in consideration for the distributions and other benefits provided under the Plan, including the release, exculpation, and injunction provisions contained therein, the Plan shall constitute a good faith compromise and settlement of all Claims and controversies resolved pursuant to the Plan, including the settlement of issues and disputes related to certain avoidance action claims, certain claims and causes of action regarding the amount, validity, perfection, enforceability, priority or extent of the Secured Lender Claims, any claim to avoid, subordinate, or disallow any Secured Lender Claim or Deficiency Lender Claim, whether under any provision of chapter 5 of the Bankruptcy Code, on any equitable theory (including equitable subordination, equitable disallowance, or unjust enrichment) or otherwise, and the valuation of the Debtors' businesses. Each component of the compromise and settlement, including the treatment of Claims or Interests under the Plan, is an integral, integrated, and inextricably linked part of the Plan Settlement.

31. Based upon the representations and arguments of counsel to the Debtors and all other testimony either actually given or proffered and other evidence introduced at the Confirmation Hearing and the full record of these Chapter 11 Cases, this Confirmation Order constitutes the Court's approval of the Plan Settlement incorporated in the Plan, because, among other things: (a) the Plan Settlement reflects a reasonable balance between the possible success of litigation with respect to each of the settled claims and disputes, on the one hand, and the benefits of fully and finally resolving such claims and disputes and allowing the Debtors to expeditiously exit chapter 11, on the other hand; (b) absent the Plan Settlement, there is a likelihood of complex and protracted litigation involving, among other things, the settled claims

and disputes, with the attendant expense, inconvenience and delay that has a possibility to derail the Debtors' reorganization efforts; (c) each of the parties supporting the Plan Settlement, including the Debtors, the Creditors' Committee, and the Supporting Creditors, are represented by counsel that is recognized as being knowledgeable, competent, and experienced; (d) the Plan Settlement is the product of arm's-length bargaining and good faith negotiations between sophisticated parties; and (e) the Plan Settlement is (i) fair, equitable, and reasonable and in the best interests of the Debtors, Reorganized Debtors, their respective Estates and property, creditors, and other parties in interest, (ii) will maximize the value of the Estates by preserving and protecting the ability of the Reorganized Debtors to continue operating outside of bankruptcy protection and in the ordinary course of business, and (iii) is essential to the successful implementation of the Plan.

32. The releases of the Debtors' directors and officers are an integral component of the Plan Settlement. The Debtors' directors and officers: (a) made a substantial and valuable contribution to the Debtors' restructuring and the estates; (b) invested significant time and effort to make the restructuring a success and preserve the value of the Debtors' estates in a challenging environment; (c) attended numerous board meetings related to the restructuring; and (d) are entitled to indemnification from the Debtors under state law, organizational documents, and agreements. Litigation by the Debtors against the Debtors' directors and officers would be a distraction to the Debtors' business and restructuring and would decrease rather than increase the value of the estates. The releases of the Debtors' directors and officers contained in the Plan have the consent of the Debtors and the Releasing Parties and are in the best interests of the estates.

iv. Debtor Release.

33. The releases of claims and Causes of Action by the Debtors described in Article VIII.C of the Plan in accordance with section 1123(b) of the Bankruptcy Code (the "Debtor Release") represent a valid exercise of the Debtors' business judgment under Bankruptcy Rule 9019. The Debtors' or the Reorganized Debtors' pursuit of any such claims against the Released Parties is not in the best interest of the Estates' various constituencies because the costs involved would likely outweigh any potential benefit from pursuing such Claims. The Debtor Release is fair and equitable and complies with the absolute priority rule.

34. The Debtor Release is furthermore an integral part of the Plan and the Plan Settlement embodied therein, and is in the best interests of the Debtors' Estates as a component of the comprehensive settlement implemented under the Plan. The probability of success in litigation with respect to the released Causes of Action supports the Debtor Release. In negotiations between the Debtors, the Supporting Creditors, and the Creditors' Committee, the parties identified potential Causes of Action held by the Debtors. With respect to each of these potential Causes of Action, the parties could assert colorable defenses and the probability of success is uncertain and appropriately reflected in the recovery to General Unsecured Creditors and other holders of Claims or Interests under the Plan.

35. Creditors have overwhelmingly voted in favor of the Plan, including the Debtor Release. The Plan, including the Debtor Releases, was negotiated before and after the Petition Date by sophisticated parties represented by able counsel and financial advisors, including the Supporting Creditors and the Creditors' Committee. The Debtor Release is therefore the result of an arm's-length negotiation process.

36. The Debtor Release appropriately offers protection to parties that participated in the Debtors' restructuring process, including the Supporting Creditors and the Creditors'

Committee. Specifically, the Released Parties under the Plan, including the Supporting Creditors and the Creditors' Committee, made significant concessions and contributions to the Debtors' Chapter 11 Cases, including, as applicable, entering into the RSA and related agreements, actively supporting the Plan and these Chapter 11 Cases, and waiving substantial rights and Claims against the Debtors under the Plan. The Debtor Release for the Debtors' directors and officers is appropriate because the Debtors' directors and officers share an identity of interest with the Debtors, waived contractual and statutory Claims against the Debtors, supported the Plan and these Chapter 11 Cases, and actively participated in meetings, negotiations, and implementation during these Chapter 11 Cases, and have provided other valuable consideration to the Debtors to facilitate the Debtors' reorganization.

37. The scope of the Debtor Release is appropriately tailored under the facts and circumstances of these Chapter 11 Cases. In light of, among other things, the value provided by the Released Parties to the Debtors' Estates and the critical nature of the Debtor Release to the Plan, the Debtor Release is appropriate.

v. Release by Holders of Claims and Interests.

38. The release by the Releasing Parties (the "Third Party Release"), set forth in Article VIII.D of the Plan, is an essential provision of the Plan. The Third Party Release is: (a) in exchange for the good and valuable consideration provided by the Released Parties; (b) a good-faith settlement and compromise of the claims and Causes of Action released by the Third Party Release; (c) materially beneficial to, and in the best interests of, the Debtors, their Estates, and their stakeholders, and is important to the overall objectives of the Plan to finally resolve certain Claims among or against certain parties in interest in these Chapter 11 Cases; (d) fair, equitable, and reasonable; (e) given and made after due notice and opportunity for hearing; (f) a bar to any of the Releasing Parties asserting any claim or Cause of Action released by the Third

Party Release against any of the Released Parties; and (g) consistent with sections 105, 524, 1123, 1129, and 1141 and other applicable provisions of the Bankruptcy Code.

39. The Third Party Release is an integral part of the Plan. Like the Debtor Release, the Third Party Release facilitated participation in both the Debtors' Plan and the chapter 11 process generally. The Third Party Release is instrumental to the Plan and was critical in incentivizing the parties to support the Plan and preventing potentially significant and time-consuming litigation regarding the parties' respective rights and interests. The Third Party Release was a core negotiation point in connection with the RSA and instrumental in developing a Plan that maximized value for all of the Debtors' stakeholders and kept the Debtors intact as a going concern. As such, the Third Party Release appropriately offers certain protections to parties who constructively participated in the Debtors' restructuring process by, among other things, supporting the Plan Furthermore, the Third Party Release is consensual as all parties in interest, including all Releasing Parties, were provided notice of the chapter 11 proceedings, the Plan, and the deadline to object to confirmation of the Plan and properly informed that all holders of Claims against or Interests in the Debtors that did not file an objection with the Court in the Chapter 11 Cases that expressly objected to the inclusion of such holder as a Releasing Party under the provisions contained in Article VIII of the Plan would be deemed to have expressly, unconditionally, generally, individually, and collectively consented to the release and discharge of all claims and Causes of Action against the Debtors and the Released Parties. Additionally, the release provisions of the Plan were conspicuous, emphasized with boldface type in the Plan, the Disclosure Statement, the ballots, and the applicable notices.

40. The scope of the Third Party Release is appropriately tailored under the facts and circumstances of these Chapter 11 Cases, and parties in interest received due and adequate notice

of the Third Party Release. Among other things, the Plan provides appropriate and specific disclosure with respect to the claims and Causes of Action that are subject to the Third Party Release, and no other disclosure is necessary. The Debtors, as evidenced by the Solicitation Affidavit, provided sufficient notice of the Third Party Release, and no further or other notice is necessary. The Third Party Release is specific in language, integral to the Plan, a condition of the Plan Settlement, and given for substantial consideration. In light of, among other things, the value provided by the Released Parties to the Debtors' Estates and the critical nature of the Third Party Release to the Plan, the Third Party Release is appropriate.

vi. Exculpation.

41. The exculpation provisions set forth in Article VIII.E of the Plan are essential to the Plan. The record in these Chapter 11 Cases fully supports the exculpation and the exculpation provisions set forth in Article VIII.E of the Plan, which are appropriately tailored to protect the Exculpated Parties from inappropriate litigation.

vii. Injunction.

42. The injunction provisions set forth in Article VIII.F of the Plan are essential to the Plan and are necessary to implement the Plan and to preserve and enforce the discharge, Debtor Release, the Third Party Release, and the exculpation provisions in Article VIII.E of the Plan. Such injunction provisions are appropriately tailored to achieve those purposes.

viii. Preservation of Claims and Causes of Action.

43. Article IV.P of the Plan appropriately provides for the preservation by the Debtors of certain Causes of Action in accordance with section 1123(b) of the Bankruptcy Code. Causes of Action not released by the Debtors or exculpated under the Plan will be retained by the Reorganized Debtors as provided by the Plan. The Plan is specific with respect to the Causes of Action to be retained by the Debtors, and the Plan and Plan Supplement provide meaningful

disclosure with respect to the potential Causes of Action that the Debtors may retain, and all parties in interest received adequate notice with respect to such retained Causes of Action. The provisions regarding Causes of Action in the Plan are appropriate and in the best interests of the Debtors, their respective Estates, and holders of Claims or Interests. For the avoidance of any doubt, Causes of Action released or exculpated under the Plan will not be retained by the Reorganized Debtors.

c. Section 1123(d)—Cure of Defaults.

44. Article V.D of the Plan provides for the satisfaction of Cure Claims associated with each Executory Contract and Unexpired Lease to be assumed in accordance with section 365(b)(1) of the Bankruptcy Code. Any monetary defaults under each Assumed Executory Contract or Unexpired Lease shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount in Cash on the Effective Date, subject to the limitations described in Article V.D of the Plan, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. Any disputed cure amounts will be determined in accordance with the procedures set forth in Article V.D of the Plan, and applicable bankruptcy and nonbankruptcy law. As such, the Plan provides that the Debtors will cure, or provide adequate assurance that the Debtors will promptly cure, defaults with respect to assumed Executory Contracts and Unexpired Leases in accordance with section 365(b)(1) of the Bankruptcy Code. Thus, the Plan complies with section 1123(d) of the Bankruptcy Code.

d. Section 1129(a)(2)—Compliance of the Debtors and Others with the Applicable Provisions of the Bankruptcy Code.

45. The Debtors, as proponents of the Plan, have complied with all applicable provisions of the Bankruptcy Code as required by section 1129(a)(2) of the Bankruptcy Code,

including sections 1122, 1123, 1124, 1125, 1126, and 1128, and Bankruptcy Rules 3017, 3018, and 3019.

46. The Debtors and their agents solicited votes to accept or reject the Plan after the Court approved the adequacy of the Disclosure Statement, pursuant to section 1125(a) of the Bankruptcy Code and the Disclosure Statement Order.

47. The Debtors and their agents have solicited and tabulated votes on the Plan and have participated in the activities described in section 1125 of the Bankruptcy Code fairly, in good faith within the meaning of section 1125(e), and in a manner consistent with the applicable provisions of the Disclosure Statement Order, the Disclosure Statement, the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, and all other applicable rules, laws, and regulations and are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code and the exculpation provisions set forth in Article VIII.E of the Plan. The Debtors and their respective agents and Affiliates have participated in good faith and in compliance with applicable provisions of the Bankruptcy Code, in the offer, issuance, sale, or purchase of the New Common Stock and the New Warrants, and the Debtors and their respective agents and Affiliates shall not be held liable on account of such participation for violation of any applicable law, rule, or regulation governing the offer, issuance, sale, or purchase of such securities.

48. The Debtors and their agents have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code with regard to the offering, issuance, and distribution of recoveries under the Plan and therefore are not, and on account of such distributions will not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or distributions

made pursuant to the Plan, so long as such distributions are made consistent with and pursuant to the Plan.

e. Section 1129(a)(3)—Proposal of Plan in Good Faith.

49. The Debtors have proposed the Plan in good faith and not by any means forbidden by law. In determining that the Plan has been proposed in good faith, the Court has examined the totality of the circumstances surrounding the filing of these Chapter 11 Cases, the Plan itself, and the process leading to its formulation. The Debtors' good faith is evident from the facts and record of these Chapter 11 Cases, the Disclosure Statement, the hearing on the Disclosure Statement, and the record of the Confirmation Hearing and other proceedings held in these Chapter 11 Cases.

50. The Plan is the product of good faith, arm's-length negotiations by and among the Debtors, the Debtors' directors and officers, the Supporting Creditors, and the Creditors' Committee. The Plan itself and the process leading to its formulation provide independent evidence of the Debtors' and such other parties' good faith, serve the public interest, and assure fair treatment of holders of Claims or Interests. Consistent with the overriding purpose of chapter 11, the Debtors filed these Chapter 11 Cases with the belief that the Debtors were in need of reorganization and the Plan was negotiated and proposed with the intention of accomplishing a successful reorganization and maximizing stakeholder value and for no ulterior purpose. Accordingly, the requirements of section 1129(a)(3) of the Bankruptcy Code are satisfied.

f. Section 1129(a)(4)—Court Approval of Certain Payments as Reasonable.

51. Any payment made or to be made by the Debtors, or by a person issuing securities or acquiring property under the Plan, for services or costs and expenses in connection with these Chapter 11 Cases, or in connection with the Plan and incident to these Chapter 11 Cases, has

been approved by, or is subject to the approval of, the Court as reasonable. Accordingly, the Plan satisfies the requirements of section 1129(a)(4).

g. Section 1129(a)(5)—Disclosure of Directors and Officers and Consistency with the Interests of Creditors and Public Policy.

52. The identities of the Reorganized Debtors' known directors and officers were disclosed in the Plan Supplement. Accordingly, the Debtors have satisfied the requirements of section 1129(a)(5) of the Bankruptcy Code.

h. Section 1129(a)(6)—Rate Changes.

53. The Plan does not contain any rate changes subject to the jurisdiction of any governmental regulatory commission and therefore will not require governmental regulatory approval. Therefore, section 1129(a)(6) of the Bankruptcy Code does not apply to the Plan.

i. Section 1129(a)(7)—Best Interests of Holders of Claims and Interests.

54. The evidence in support of the Plan that was proffered or adduced at the Confirmation Hearing, and the facts and circumstances of these Chapter 11 Cases, establish that each holder of Allowed Claims or Interests in each Class will recover as much or more value under the Plan on account of such Claim or Interest, as of the Effective Date, than the amount such holder would receive if the Debtors were liquidated on the Effective Date under chapter 7 of the Bankruptcy Code. As a result, the Debtors have demonstrated that the Plan is in the best interest of their creditors and equity holders and the requirements of section 1129(a)(7) of the Bankruptcy Code are satisfied.

j. Section 1129(a)(8)—Conclusive Presumption of Acceptance by Unimpaired Classes; Acceptance of the Plan by Certain Voting Classes.

55. The Deemed Accepting Classes are Unimpaired under the Plan and are deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Additionally, the overwhelming majority of Voting Classes voted to accept the Plan. For the avoidance of doubt,

however, even if section 1129(a)(8) has not been satisfied with respect to all of the Debtors, the Plan is confirmable because the Plan does not discriminate unfairly and is fair and equitable with respect to the Voting Classes and thus satisfies section 1129(b) of the Bankruptcy Code with respect to such Classes as described further below. As a result, the requirements of section 1129(b) of the Bankruptcy Code are satisfied.

k. Section 1129(a)(9)—Treatment of Claims Entitled to Priority Pursuant to Section 507(a) of the Bankruptcy Code.

56. The treatment of Administrative Claims, Professional Fee Claims, DIP Facility Claims, and Priority Tax Claims under Article II of the Plan satisfies the requirements of, and complies in all respects with, section 1129(a)(9) of the Bankruptcy Code.

l. Section 1129(a)(10)—Acceptance by at Least One Voting Class.

57. As set forth in the Voting Report, the Voting Classes overwhelmingly voted to accept the Plan. As such, there is at least one Voting Class that has accepted the Plan, determined without including any acceptance of the Plan by any insider (as defined by the Bankruptcy Code), for each Debtor. Accordingly, the requirements of section 1129(a)(10) of the Bankruptcy Code are satisfied.

m. Section 1129(a)(11)—Feasibility of the Plan.

58. The Plan satisfies section 1129(a)(11) of the Bankruptcy Code. The evidence supporting the Plan proffered or adduced by the Debtors at or before the Confirmation Hearing: (a) is reasonable, persuasive, credible, and accurate as of the dates such evidence was prepared, presented, or proffered; (b) has not been controverted by other persuasive evidence; (c) establishes that the Plan is feasible and Confirmation of the Plan is not likely to be followed by liquidation or the need for further financial reorganization; (d) establishes that the Debtors will have sufficient funds available to meet their obligations under the Plan—including sufficient

amounts of Cash to reasonably ensure payment of Allowed Claims that will receive Cash distributions pursuant to the terms of the Plan and the funding of the Unsecured Creditor Cash Pool and the Convenience Class Recovery Pool; and (e) establishes that the Debtors or the Reorganized Debtors, as applicable, will have the financial wherewithal to pay any Claims that accrue, become payable, or are allowed by Final Order following the Effective Date. Accordingly, the Plan satisfies the requirements of section 1129(a)(11) of the Bankruptcy Code.

n. Section 1129(a)(12)—Payment of Statutory Fees.

59. Article XII.D of the Plan provides that all fees payable pursuant to section 1930(a) of the Judicial Code, as determined by the Court at the Confirmation Hearing in accordance with section 1128 of the Bankruptcy Code, will be paid by each of the applicable Reorganized Debtors for each quarter (including any fraction of a quarter) until these Chapter 11 Cases are converted, dismissed, or closed, whichever occurs first. Accordingly, the Plan satisfies the requirements of section 1129(a)(12) of the Bankruptcy Code.

o. Section 1129(a)(13)—Retiree Benefits.

60. Pursuant to section 1129(a)(13) of the Bankruptcy Code, and as provided in Article IV.O of the Plan, the Reorganized Debtors will continue to pay all obligations on account of retiree benefits (as such term is used in section 1114 of the Bankruptcy Code) on and after the Effective Date in accordance with applicable law. As a result, the requirements of section 1129(a)(13) of the Bankruptcy Code are satisfied.

p. Section 1129(a)(14), (15), and (16)—Domestic Support Obligations, Individuals, and Nonprofit Corporations.

61. The Debtors do not owe any domestic support obligations, are not individuals, and are not nonprofit corporations. Therefore, sections 1129(a)(14), 1129(a)(15), and 1129(a)(16) of the Bankruptcy Code do not apply to these Chapter 11 Cases.

q. Section 1129(b)—Confirmation of Plan Over Nonacceptance of Voting Classes.

62. For the avoidance of doubt, if certain of the Voting Classes have not accepted the Plan, the Plan may be confirmed pursuant to section 1129(b)(1) of the Bankruptcy Code because: (a) at least one Voting Class at each Debtor voted to accept the Plan; and (b) the Plan does not discriminate unfairly and is fair and equitable with respect to the Claims or Interests in the Voting Classes that voted to reject the Plan. As a result, the Plan satisfies the requirements of section 1129(b) of the Bankruptcy Code. Thus, the Plan may be confirmed even though section 1129(a)(8) of the Bankruptcy Code is not satisfied. After entry of this Confirmation Order and upon the occurrence of the Effective Date, the Plan shall be binding upon the members of the Voting Classes that voted to reject the Plan.

r. Section 1129(c)—Only One Plan.

63. Other than the Plan (including previous versions thereof), no other plan has been Filed in these Chapter 11 Cases. Accordingly, the requirements of section 1129(c) of the Bankruptcy Code are satisfied.

s. Section 1129(d)—Principal Purpose of the Plan Is Not Avoidance of Taxes or Section 5 of the Securities Act.

64. No Governmental Unit has requested that the Court refuse to confirm the Plan on the grounds that the principal purpose of the Plan is the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act. As evidenced by its terms, the principal purpose of the Plan is not such avoidance. Accordingly, the requirements of section 1129(d) of the Bankruptcy Code have been satisfied.

t. Section 1129(e)—Not Small Business Cases.

65. These Chapter 11 Cases are not small business cases, and accordingly, section 1129(e) of the Bankruptcy Code does not apply to these Chapter 11 Cases.

u. Satisfaction of Confirmation Requirements.

66. Based upon the foregoing and all other pleadings and evidence proffered or adduced at or prior to the Confirmation Hearing, the Plan and the Debtors, as applicable, satisfy all the requirements for plan confirmation set forth in section 1129 of the Bankruptcy Code.

v. Good Faith.

67. The Debtors have proposed the Plan in good faith, with the legitimate and honest purpose of maximizing the value of the Debtors' Estates for the benefit of their stakeholders. The Plan accomplishes this goal. Accordingly, the Debtors or the Reorganized Debtors, as appropriate, have been, are, and will continue acting in good faith if they proceed to: (a) consummate the Plan, the Restructuring Transactions, and the agreements, settlements, transactions, and transfers contemplated thereby; and (b) take the actions authorized and directed or contemplated by this Confirmation Order. Therefore, the Plan has been proposed in good faith to achieve a result consistent with the objectives and purposes of the Bankruptcy Code.

w. Conditions to Effective Date.

68. The Plan shall not become effective unless and until the conditions set forth in Article IX.A of the Plan have been satisfied or waived pursuant to Article IX.B of the Plan.

x. Implementation.

69. All documents and agreements necessary to implement transactions contemplated by the Plan, including those contained or summarized in the Plan Supplement, have been negotiated in good faith and at arm's length, are in the best interests of the Debtors and their Estates, and shall, upon completion of documentation and execution, be valid, binding, and enforceable documents and agreements not in conflict with any federal, state, or local law. The Debtors are authorized to take any action reasonably necessary or appropriate to consummate such agreements and the transactions contemplated thereby.

y. Vesting of Assets.

70. Except as otherwise provided in the Plan, Exit Facility Documents, or any agreement, instrument, or other document incorporated in the Plan, on the Effective Date, all property in each Estate, all Causes of Action, and any property acquired by any of the Debtors pursuant to the Plan shall vest in each respective Reorganized Debtor (or, with respect to the Unsecured Creditor Recovery Pool, the Unsecured Claims Representative), free and clear of all Liens, Claims, charges, or other encumbrances. On and after the Effective Date, except as otherwise provided in the Plan, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

z. Treatment of Executory Contracts and Unexpired Leases.

71. Pursuant to sections 365 and 1123(b)(2) of the Bankruptcy Code, upon the occurrence of the Effective Date, the Plan provides for the assumption or rejection of certain Executory Contracts and Unexpired Leases. The Debtors' determinations regarding the assumption or rejection of Executory Contracts and Unexpired Leases are based on and within the sound business judgment of the Debtors, are necessary to the implementation of the Plan and are in the best interests of the Debtors, their Estates, holders of Claims or Interests and other parties in interest in these Chapter 11 Cases.

aa. Mediated Settlement Agreement.

72. Based upon the representations and arguments of counsel to the Debtors, the testimony either actually given or proffered, the evidence introduced at the Confirmation Hearing, and the full record of these Chapter 11 Cases, this Confirmation Order constitutes the Court's approval of that certain mediated settlement agreement attached to this Confirmation

Order as **Exhibit B** (the "Mediated Settlement Agreement") and incorporated into this Confirmation Order by reference, because, among other things: (a) the Mediated Settlement Agreement reflects a reasonable balance between the possible success of litigation with respect to each of the settled claims and disputes, on the one hand, and the benefits of fully and finally resolving such claims and disputes and allowing the Debtors to expeditiously exit chapter 11, on the other hand; (b) absent the Mediated Settlement Agreement, there is a likelihood of complex and protracted litigation involving, among other things, the settled claims and disputes, with the attendant expense, inconvenience, and delay; (c) each of the parties supporting the Mediated Settlement Agreement, including the Debtors, the Creditors' Committee, the Supporting Creditors, and Nabors are represented by counsel that is recognized as being knowledgeable, competent, and experienced; (d) the Mediated Settlement Agreement is the product of arm's-length bargaining and good faith negotiations between sophisticated parties; and (e) the Mediated Settlement Agreement (i) is fair, equitable, and reasonable and in the best interests of the Debtors, Reorganized Debtors, their respective Estates and property, stakeholders, and other parties in interest, (ii) will maximize the value of the Estates by preserving and protecting the ability of the Reorganized Debtors to continue operating outside of bankruptcy protection and in the ordinary course of business, and (iii) is essential to the successful implementation of the Plan.

II. ORDER

BASED ON THE FOREGOING FINDINGS OF FACT AND CONCLUSIONS OF LAW, IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED THAT:

73. This Confirmation Order confirms the Plan in its entirety.

74. This Confirmation Order approves the Plan Supplement, including the documents contained therein that may be amended through and including the Effective Date in accordance with and as permitted by the Plan. The terms of the Plan, the Plan Supplement, and the exhibits

thereto are incorporated herein by reference and are an integral part of this Confirmation Order; *provided*, *however*, that if there is any direct conflict between the terms of the Plan and the terms of this Confirmation Order, the terms of this Confirmation Order shall control solely to the extent of such conflict.

75. All holders of Claims or Interests that voted to accept the Plan are conclusively presumed to have accepted the Plan as modified.

76. The terms of the Plan, the Plan Supplement, all exhibits thereto, and this Confirmation Order shall be effective and binding as of the Effective Date on all parties in interest, including, but not limited to: (a) the Debtors; (b) the Creditors' Committee; and (c) all holders of Claims or Interests.

77. The failure to include or refer to any particular article, section, or provision of the Plan, the Plan Supplement or any related document, agreement, or exhibit does not impair the effectiveness of that article, section, or provision; it being the intent of the Court that the Plan, the Plan Supplement, and any related document, agreement, or exhibit are approved in their entirety.

A. Objections.

78. To the extent that any objections (including any reservations of rights contained therein) to Confirmation have not been withdrawn, waived, or settled before entry of this Confirmation Order, are not cured by the relief granted in this Confirmation Order, or have not been otherwise resolved as stated on the record of the Confirmation Hearing, all such objections (including any reservation of rights contained therein) are hereby overruled in their entirety and on their merits.

B. Findings of Fact and Conclusions of Law.

79. The findings of fact and the conclusions of law set forth in this Confirmation Order constitute findings of fact and conclusions of law in accordance with Bankruptcy Rule 7052, made applicable to this proceeding by Bankruptcy Rule 9014. All findings of fact and conclusions of law announced by the Court at the Confirmation Hearing in relation to Confirmation are hereby incorporated into this Confirmation Order. To the extent that any of the following constitutes findings of fact or conclusions of law, they are adopted as such. To the extent any finding of fact or conclusion of law set forth in this Confirmation Order (including any findings of fact or conclusions of law announced by the Court at the Confirmation Hearing and incorporated herein) constitutes an order of this Court, it is adopted as such.

C. The Plan Settlement.

80. The Plan Settlement, as incorporated into the Plan, and each component of the Plan Settlement, are hereby approved pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019 as fair and reasonable and in the best interests of each of the Debtors, their Estates and creditors. Further, the compromises and settlements described in the Plan are deemed an integrated compromise and settlement and, accordingly, are non-severable from each other and from all other terms of the Plan. The compromises and settlements embodied in the Plan Settlement are fair, equitable, and within the range of reasonableness. The Debtors and the Reorganized Debtors, as applicable, are duly authorized to execute, deliver, implement and fully perform any and all obligations, instruments, documents, and papers, and to take any and all actions reasonably necessary or appropriate to consummate the Plan Settlement and each of the settlements embodied therein.

D. The Mediated Settlement Agreement.

81. The Mediated Settlement Agreement, as incorporated into this Confirmation Order by reference, and each component of the Mediated Settlement Agreement, are hereby approved pursuant to Bankruptcy Rule 9019 as fair and reasonable and in the best interests of the Debtors, the Reorganized Debtors and their respective property, Estates, stakeholders, and other parties in interest. The compromises and settlements embodied in the Mediated Settlement Agreement are fair, equitable, and within the range of reasonableness. To consummate the Mediated Settlement Agreement and each of the settlements embodied therein, the Debtors and the Reorganized Debtors, as applicable, are duly authorized to (a) execute and deliver any and all reasonably necessary or appropriate instruments, documents, and papers, (b) implement and fully perform any and all obligations thereunder, and (c) take any and all other actions reasonably necessary or appropriate in connection therewith.

82. The first sentence of Paragraph 9 of the Mediated Settlement Agreement is hereby struck in its entirety and replaced with the following language: "The Debtors and the Reorganized Debtors will satisfy Allowed General Unsecured Claims and Allowed Unsecured Convenience Class Claims authorized to be paid under the orders issued at Docket Nos.: 61, 66, 415, 419, and 421."

83. To the extent there is any direct conflict between the terms of the Mediated Settlement Agreement and the terms of this Confirmation Order, the terms of the Mediated Settlement Agreement shall control solely to the extent of such conflict.

E. The Releases, Injunction, Exculpation, and Related Provisions Under the Plan.

84. The following releases, injunctions, exculpations, and related provisions set forth in Article VIII of the Plan are incorporated herein in their entirety, are hereby approved and

authorized in all respects, are so ordered, and shall be immediately effective on the Effective Date without further order or action on the part of this Court or any other party:

a. Releases by the Debtors.

85. **Pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, on and after the Effective Date, each Released Party is deemed released and discharged by the Debtors, the Reorganized Debtors, and their Estates, in each case on behalf of themselves and their respective successors, assigns, and representatives, and any and all other entities who may purport to assert any Cause of Action, directly or derivatively, by, through, for, or because of the foregoing entities, from any and all Causes of Action, including any derivative claims, asserted on behalf of the Debtors, that the Debtors, the Reorganized Debtors, or their Estates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim against, or Interest in, a Debtor or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the Merger, the Rights Offering, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the RSA, the Disclosure Statement, the DIP Facility, the Rights Offering, the Exit Facility, the Plan (including, for the avoidance of doubt, the Plan Supplement), or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the RSA, the Disclosure Statement, the DIP Facility, the Plan, or the Plan Settlement, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other**

act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date. Notwithstanding anything contained in this Confirmation Order or the Plan to the contrary, the foregoing release does not release any obligations of any party under this Confirmation Order, the Plan, or any document, instrument, or agreement executed to implement the Plan.

86. **Entry of this Confirmation Order shall constitute the Court's approval, pursuant to Bankruptcy Rule 9019, of the releases described in Article VIII.C of the Plan by the Debtors, which includes by reference each of the related provisions and definitions contained in the Plan, and further, shall constitute its finding that each release described in Article VIII.C of the Plan is: (1) in exchange for the good and valuable consideration provided by the Released Parties, a good faith settlement and compromise of such Claims; (2) in the best interests of the Debtors and all holders of Interests and Claims; (3) fair, equitable, and reasonable; (4) given and made after due notice and opportunity for hearing; and (5) a bar to any of the Debtors or Reorganized Debtors asserting any claim, Cause of Action, or liability related thereto, of any kind whatsoever, against any of the Released Parties or their property.**

b. Releases by Holders of Claims or Interests.

87. **As of the Effective Date, each Releasing Party is deemed to have released and discharged each Debtor, Reorganized Debtor, and Released Party from any and all Causes of Action, whether known or unknown, including any derivative claims, asserted on behalf of the Debtors, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the Merger, the Rights Offering, the Chapter 11 Cases, the**

formulation, preparation, dissemination, negotiation, or filing of the RSA, the Disclosure Statement, the DIP Facility, the Rights Offering, the Exit Facility, the Plan (including, for the avoidance of doubt, the Plan Supplement and the Plan Settlement), or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the RSA, the Disclosure Statement, the DIP Facility, the Plan, or the Plan Settlement, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date. Notwithstanding anything contained in this Confirmation Order or the Plan to the contrary, the foregoing release does not release any obligations of any party under this Confirmation Order, the Plan, or any document, instrument, or agreement executed to implement the Plan.

88. **Entry of this Confirmation Order shall constitute the Court's approval, pursuant to Bankruptcy Rule 9019, of the releases described in Article VIII.D of the Plan, which includes by reference each of the related provisions and definitions contained in this Plan, and further, shall constitute its finding that each release described in Article VIII.D of the Plan is: (1) in exchange for the good and valuable consideration provided by the Released Parties, a good faith settlement and compromise of such Claims; (2) in the best interests of the Debtors and all holders of Interests and Claims; (3) fair, equitable, and reasonable; (4) given and made after due notice and opportunity for hearing; and (5) a bar to any of the Debtors or Reorganized Debtors asserting any claim, Cause of Action, or**

liability related thereto, of any kind whatsoever, against any of the Released Parties or their property.

89. Notwithstanding anything to the contrary in this Confirmation Order or the Plan, the releases set forth in Article VIII.D of the Plan do not release any entity other than the Debtors, the Reorganized Debtors, or their Estates from any claim related to an act or omission that is determined in a Final Order by a court competent jurisdiction to have constituted actual fraud.

c. Exculpation.

90. **Except as otherwise specifically provided in the Plan, no Exculpated Party shall have or incur, and each Exculpated Party is released and exculpated from any Cause of Action for any claim related to any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the RSA and related prepetition transactions, the Disclosure Statement, the Plan, the Plan Settlement, or any Restructuring Transaction, contract, instrument, release or other agreement or document created or entered into in connection with the Disclosure Statement or the Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, except for claims related to any act or omission that is determined in a Final Order to have constituted actual fraud or gross negligence, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have, and upon completion of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable laws with regard to the**

solicitation of votes and distribution of consideration pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

d. Injunction.

91. **Except as otherwise expressly provided in the Plan or for obligations issued or required to be paid pursuant to the Plan or the Confirmation Order, all Entities who have held, hold, or may hold Claims or Interests that have been released, discharged, or are subject to exculpation are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors, the Reorganized Debtors, the Exculpated Parties, or the Released Parties: (1) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims or Interests; (2) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such Claims or Interests; (3) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or the estates of such Entities on account of or in connection with or with respect to any such Claims or Interests; (4) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any such Claims or Interests unless such holder has Filed a motion requesting the right to perform such setoff on or before the Effective Date, and notwithstanding an indication of a Claim or Interest or otherwise that such holder asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise; and (5) commencing**

or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims or Interests released or settled pursuant to the Plan.

92. **Upon entry of this Confirmation Order, all holders of Claims and Interests and their respective current and former employees, agents, officers, directors, principals, and direct and indirect affiliates shall be enjoined from taking any actions to interfere with the implementation or Consummation of the Plan; *provided, however,* that the foregoing shall not enjoin any Supporting Creditor from exercising any of its rights or remedies under the RSA in accordance with the terms thereof. Each holder of an Allowed Claim or Allowed Interest, as applicable, by accepting, or being eligible to accept, distributions under or Reinstatement of such Claim or Interest, as applicable, pursuant to the Plan, shall be deemed to have consented to the injunction provisions set forth in Article VIII.F of the Plan**

F. Preservation of Rights of Action.

93. Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement entered into or delivered in connection with the Plan, in accordance with section 1123(b)(3) of the Bankruptcy Code, the Reorganized Debtors shall have vested in them as of the Effective Date, and the Reorganized Debtors shall retain and may enforce, any claims, demands, rights, defenses and causes of action that the Debtor or the Estate may hold against any Entity. Each Reorganized Debtor or its successor may pursue such retained claims, demands, rights, defenses or causes of action, as appropriate, and may settle such claims after the Effective Date without notice to parties in interest or approval of this Court; *provided* that, prior to the Effective Date, the Debtors shall not settle, compromise, or discharge any Cause of Action that is not

agreed to be released pursuant to the Plan without the consent of the Required Supporting Creditors and, with respect to any claims and Causes of Action against Nabors, the Committee.

G. Post-Confirmation Notices, Professional Compensation, and Bar Dates.

94. In accordance with Bankruptcy Rules 2002 and 3020(c), no later than seven days after the Effective Date, the Reorganized Debtors must cause notice of Confirmation and occurrence of the Effective Date (the "Notice of Confirmation") to be served by United States mail, first-class postage prepaid, by hand, or by overnight courier service to all parties served with the Confirmation Hearing Notice. To supplement the notice procedures described in the preceding sentence, no later than fourteen days after the Effective Date, the Reorganized Debtors must cause the Notice of Confirmation, modified for publication, to be published on one occasion in *USA Today* (national edition). Mailing and publication of the Notice of Confirmation in the time and manner set forth in this paragraph will be good, adequate, and sufficient notice under the particular circumstances and in accordance with the requirements of Bankruptcy Rules 2002 and 3020(c). No further notice is necessary.

95. The Notice of Confirmation will have the effect of an order of the Court, will constitute sufficient notice of the entry of this Confirmation Order to filing and recording officers, and will be a recordable instrument notwithstanding any contrary provision of applicable non-bankruptcy law.

96. Professionals or other Entities asserting a Professional Fee Claim for services rendered before the Confirmation Date must File an application for final allowance of such Professional Fee Claim no later than 45 days after the Effective Date. The Reorganized Debtors shall pay Professional Fee Claims in Cash in the amount this Court allows, including from the Professional Fee Escrow Account, which the Reorganized Debtors will establish in trust for the

Professionals and fund with Cash equal to the Professional Fee Amount on the Effective Date and otherwise in accordance with the Plan.

97. Except as otherwise provided in the Plan, requests for payment of Administrative Claims must be Filed no later than the Administrative Claim Bar Date. Holders of Administrative Claims that are required to File and serve a request for such payment of such Administrative Claims that do not file and serve such a request by the Administrative Claim Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors, the Reorganized Debtors or their property, and such Administrative Claims shall be deemed discharged as of the Effective Date without the need for any objection from the Reorganized Debtors or any action by the Court.

H. Notice of Subsequent Pleadings.

98. Except as otherwise provided in the Plan or in this Confirmation Order, notice of all subsequent pleadings in these Chapter 11 Cases after the Effective Date will be limited to the following parties: (a) the U.S. Trustee; (b) counsel to the Supporting Creditors; (c) the Unsecured Claims Representative; and (d) any party known to be directly affected by the relief sought by such pleadings.

I. Retention of Jurisdiction.

99. This Court retains jurisdiction over these Chapter 11 Cases, all matters arising out of or related to these Chapter 11 Cases and the Plan, the matters set forth in Article XI of the Plan, and other applicable provisions of the Plan.

J. Reports.

100. After the Effective Date, the Debtors have no obligation to file with the Court or serve on any parties reports that the Debtors were obligated to file under the Bankruptcy Code or a Court order, including monthly operating reports (even for those periods for which a monthly

operating report was not Filed before the Effective Date), ordinary course professional reports, and monthly or quarterly reports for Professionals; *provided, however,* that the Debtors will comply with the U.S. Trustee's quarterly reporting requirements. From Confirmation through the Effective Date the Debtors will File such reports as are required under the Bankruptcy Local Rules.

K. Effectiveness of All Actions.

101. Except as set forth in the Plan, all actions authorized to be taken pursuant to the Plan shall be effective on, before, or after the Effective Date pursuant to this Confirmation Order, without further application to, or order of the Court, or further action by the Debtors and/or the Reorganized Debtors and their respective directors, officers, members, or stockholders, and with the effect that such actions had been taken by unanimous action of such officers, directors, managers, members, or stockholders.

L. Approval of Consents and Authorization to Take Acts Necessary to Implement Plan.

102. This Confirmation Order shall constitute all authority, approvals, and consents required, if any, by the laws, rules, and regulations of all states and any other governmental authority with respect to the implementation or consummation of the Plan and any documents, instruments, or agreements, and any amendments or modifications thereto, and any other acts and transactions referred to in or contemplated by the Plan, the Plan Supplement, the Disclosure Statement, and any documents, instruments, securities, or agreements, and any amendments or modifications thereto.

M. Plan Implementation Authorization.

103. The Debtors or the Reorganized Debtors, as the case may be, and their respective directors, officers, members, agents, and attorneys, financial advisors, and investment bankers are authorized and empowered from and after the date hereof to negotiate, execute, issue, deliver,

implement, file, or record any contract, instrument, release, or other agreement or document related to the Plan, including the New Organizational Documents (including the Stockholders Agreement), the Exit Facility Documents, the Backstop Commitment Agreement, the Registration Rights Agreement, the Warrant Agreement, and the Unsecured Creditor Agreement, as the same may be modified, amended and supplemented, and to take any action necessary or appropriate to implement, effectuate, consummate, or further evidence the Plan in accordance with its terms, or take any or all corporate actions authorized to be taken pursuant to the Plan, whether or not specifically referred to in the Plan or any exhibit thereto, without further order of the Court. To the extent applicable, any or all such documents shall be accepted upon presentment by each of the respective state filing offices and recorded in accordance with applicable state law and shall become effective in accordance with their terms and the provisions of state law. Pursuant to section 303 of the General Corporation Law of the State of Delaware and any comparable provision of the business corporation laws of any other state, as applicable, no action of the Debtors' boards of directors or the Reorganized Debtors' boards of directors will be required to authorize the Debtors or Reorganized Debtors, as applicable, to enter into, execute and deliver, adopt or amend, as the case may be, any such contract, instrument, release, or other agreement or document related to the Plan, and following the Effective Date, each of the Plan documents will be a legal, valid, and binding obligation of the Debtors or Reorganized Debtors, as applicable, enforceable against the Debtors and the Reorganized Debtors in accordance with the respective terms thereof. The Debtors are also authorized from and after the date hereof take additional steps to consolidate and streamline their organization, including, among other things, the merger, liquidation, or consolidation of one or more of the Debtors.

N. Restructuring Transactions.

104. On the Effective Date, the Reorganized Debtors may take all actions as may be necessary or appropriate to effect any Restructuring Transactions, including: (1) the execution and delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer, arrangement, continuance, dissolution, sale, purchase, or liquidation containing terms that are consistent with the terms of the Plan and that satisfy the applicable requirements of applicable law and any other terms to which the applicable Entities may agree; (2) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable parties agree; (3) the filing of appropriate certificates or articles of incorporation, reincorporation, merger, consolidation, conversion, amalgamation, arrangement, continuance, or dissolution pursuant to applicable state or provincial law; and (4) all other actions that the applicable Entities determine to be necessary, including making filings or recordings that may be required by applicable law in connection with the Plan.

105. The Debtors or the Reorganized Debtors, as the case may be, and their respective directors, officers, members, agents, and attorneys, financial advisors, and investment bankers are authorized and empowered from and after the date hereof to take any and all actions necessary to resolve, wind up, or otherwise conclude the Bermudian Proceedings and the Canadian Proceedings.

O. Approval of the Exit Facility.

106. On the Effective Date, the Reorganized Debtors shall enter into the Exit Facility, the terms of which will be set forth in the Exit Facility Documents. This Confirmation Order constitutes approval of the Exit Facility and the Exit Facility Documents, and all transactions

contemplated thereby, including any supplemental or additional syndication of the Exit Facility, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including the payment of all fees, indemnities, and expenses provided for therein, and the Reorganized Debtors are authorized to enter into and execute the Exit Facility Documents and such other documents as may be required to effectuate the treatment afforded by the Exit Facility, without further notice to or order of the Court, act, or action under applicable law, regulation, order, or rule or vote, consent, authorization, or approval of any Person, subject to such modifications as the Reorganized Debtors may deem to be necessary to consummate the Exit Facility.

107. On the Effective Date, all of the Liens and security interests to be granted in accordance with the Exit Facility Documents: (a) shall be deemed to be granted; (b) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Exit Facility Documents; (c) shall be deemed perfected on the Effective Date, subject only to such Liens and security interests as may be permitted under the Exit Facility Documents; and (d) shall not be subject to recharacterization or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy law. The Reorganized Debtors and the persons and entities granted such Liens and security interests are authorized to make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of the applicable state, provincial, federal, or other law (whether domestic or foreign) that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of this

Confirmation Order and any such filings, recordings, approvals, and consents shall not be required), and will thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable law to give notice of such Liens and security interests to third parties.

P. Approval of the Backstop Commitment Agreement.

108. The Backstop Commitment Agreement and the terms and provisions included therein are approved in their entirety. The Debtors are authorized and directed to enter into, execute, deliver, and implement the Backstop Commitment Agreement and any and all instruments, documents, and papers contemplated thereunder, to fully perform any and all obligations thereunder, and to take any and all actions necessary and proper to implement the terms of the Backstop Commitment Agreement.

109. The fees, indemnities and expenses provided for or permitted by the Backstop Commitment Agreement (including the Put Option Premium (as defined in the Backstop Commitment Agreement), the Expense Reimbursement (as defined in the Backstop Commitment Agreement), and the Debtors' obligations to indemnify the Backstop Parties for the matters set forth in the Backstop Commitment Agreement (the "Backstop Indemnification Obligations")) are hereby approved as reasonable, shall constitute allowed administrative expense claims pursuant to section 503(b) of the Bankruptcy Code and shall be subordinate in right of payment only to those Claims explicitly afforded more senior priority under the DIP Facility Order or the Plan, as applicable, and senior in right of payment to all other claims (of any nature) against the Debtors, now existing or hereafter arising, shall be non-refundable and shall not be subject to any avoidance, disgorgement, reduction, setoff, recoupment, offset, recharacterization, subordination (whether contractual, equitable, or otherwise), counterclaims, cross-claims, defenses, disallowance, impairment or any other challenges under any theory at law or in equity by any

person or entity. The Debtors and the Reorganized Debtors, as applicable, are authorized and directed to pay the fees, indemnities and expenses provided for or permitted by the Backstop Commitment Agreement (including the Put Option Premium, the Expense Reimbursement and the Backstop Indemnification Obligations), each in accordance with its terms and as and when required by the Backstop Commitment Agreement, without further application to or order of the Court.

Q. Binding Effect.

110. On the date of and after entry of this Confirmation Order and subject to the occurrence of the Effective Date, the terms of the Plan, the final versions of the documents contained in the Plan Supplement (including the New Organizational Documents (including the Stockholders Agreement), the Exit Facility Documents, the Backstop Commitment Agreement, the Registration Rights Agreement, the Warrant Agreement, and the Unsecured Creditor Agreement) and this Confirmation Order shall be immediately effective and enforceable and deemed binding upon the Debtors or the Reorganized Debtors, as applicable, any and all holders of Claims or Interests (regardless of whether such Claims or Interests are deemed to have accepted or rejected the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, and injunctions described in the Plan, each Entity acquiring property under the Plan or this Confirmation Order, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors. All Claims and debts shall be as fixed, adjusted, or compromised, as applicable, pursuant to the Plan regardless of whether any holder of a Claim or debt has voted on the Plan.

111. Pursuant to section 1141 of the Bankruptcy Code, subject to the occurrence of the Effective Date and subject to the terms of the Plan and this Confirmation Order, all prior orders entered in these Chapter 11 Cases, all documents and agreements executed by the Debtors as

authorized and directed thereunder and all motions or requests for relief by the Debtors pending before this Court as of the Effective Date shall be binding upon and shall inure to the benefit of the Debtors, the Reorganized Debtors and their respective successors and assigns.

R. Continued Corporate Existence and Vesting of Assets in the Reorganized Debtors.

112. Except as otherwise provided in the Plan, each of the Debtors will, as a Reorganized Debtor, continue to exist after the Effective Date as a separate legal entity, with all of the powers of such a legal entity under applicable law and without prejudice to any right to alter or terminate such existence (whether by merger, conversion, dissolution or otherwise) under applicable law, and on the Effective Date, all property of the Estate of a Debtor, and any property acquired by a Debtor or Reorganized Debtor under the Plan, will vest in the applicable Reorganized Debtors, free and clear of all Claims, liens, charges, other encumbrances, Interests and other interests.

113. On and after the Effective Date, each Reorganized Debtor may operate its business and may use, acquire and dispose of property and compromise or settle any claims without supervision or approval by this Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan or this Confirmation Order.

S. Directors and Officers of Reorganized Debtors.

114. As of the Effective Date, the term of the current members of the board of directors of the Debtors shall expire, and the New Board and the officers and directors of each of the Reorganized Debtors shall be appointed in accordance with the Plan, the New Organizational Documents, and other constituent documents of each Reorganized Debtor.

115. Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Debtors have, to the extent known and reasonably practicable, disclosed in advance of the Confirmation Hearing the

identity and affiliations of any Person proposed to serve on the New Board, as well as those Persons that will serve as an officer of the Reorganized Debtors. To the extent any such director or officer is an "insider" under the Bankruptcy Code, the nature of any compensation to be paid to such director or officer has also been disclosed to the extent reasonably practicable. Each such director and officer shall serve from and after the Effective Date pursuant to the terms of the New Organizational Documents and other constituent documents of the Reorganized Debtors.

T. Management Incentive Plan.

116. On or as soon as reasonably practicable after the Effective Date, the Debtors shall adopt the Management Incentive Plan. The Management Incentive Plan shall provide for ten percent of the New Common Stock contemplated herein, on a fully diluted basis, to be issued to management of the Reorganized Debtors on or after the Effective Date, solely at the discretion of the New Board and on terms to be determined by the New Board (including with respect to allocation, timing, and structure of such issuance and the Management Incentive Plan).

U. Release of Liens.

117. Except as otherwise specifically provided in the Plan, the Exit Facility Documents, or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title, and interest of any holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Reorganized Debtors

and their successors and assigns, in each case, without any further approval or order of the Court and without any action or Filing being required to be made by the Debtors.

V. Injunctions and Automatic Stay.

118. Unless otherwise provided in the Plan or this Confirmation Order, all injunctions or stays in effect in these Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or this Confirmation Order) shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or this Confirmation Order shall remain in full force and effect in accordance with their terms.

W. Cancellation of Existing Securities and Agreements.

119. Except as otherwise provided in the Plan or any agreement, instrument, or other document incorporated in the Plan or the Plan Supplement, on the Effective Date: (a) all notes, instruments, certificates, and other documents evidencing Claims or Interests, including credit agreements and indentures, shall be cancelled and the obligations of the Debtors and any non-Debtor affiliate thereunder or in any way related thereto shall be deemed satisfied in full, cancelled, discharged, and of no force or effect; and (b) the obligations of the Debtors pursuant, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws, or certificate or articles of incorporation or similar documents governing the shares, certificates, notes, bonds, purchase rights, options, warrants, or other instruments or documents evidencing or creating any indebtedness or obligation of the Debtors (except such agreements, certificates, notes, or other instruments evidencing indebtedness or obligations of the Debtors that are specifically Reinstated pursuant to the Plan) shall be deemed satisfied in full, released, and discharged.

X. Securities Law Exemption.

120. Pursuant to section 1145 of the Bankruptcy Code, the offering, issuance, and distribution of the New Common Stock issued to holders of Allowed Secured Lender Claims, the Rights Offering Shares, the shares of New Common Stock issued to the Backstop Parties as the Backstop Fee, the New Warrants and the shares of New Common Stock underlying the New Warrants (as applicable) (collectively, the "1145 Securities"), as contemplated by Article III.B of the Plan and Article XII.A of the Disclosure Statement, shall be exempt from, among other things, the registration requirements of section 5 of the Securities Act and any other applicable state or federal law requiring registration and/or prospectus delivery or qualification prior to the offering, issuance, distribution, or sale of Securities. In addition, under section 1145 of the Bankruptcy Code, such 1145 Securities will be freely tradable in the U.S. by the recipients thereof, subject to the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 2(a)(11) of the Securities Act, and compliance with applicable securities laws and any rules and regulations of the Securities and Exchange Commission, if any, applicable at the time of any future transfer of such Securities or instruments and subject to any restrictions in the Reorganized Debtors' New Organizational Documents.

121. The Debtors submit that the issuance of all unsubscribed shares under the Rights Offering would not be exempted by section 1145 of the Bankruptcy Code and are instead issuable upon the exemption from registration provided under section 4(a)(2) of the Securities Act and/or Regulation D promulgated thereunder.

Y. Cooperation by the DTC.

122. The DTC, and any participants and intermediaries, shall fully cooperate and facilitate distributions, as applicable, pursuant to the Plan.

123. The DTC shall be required to accept and conclusively rely upon the Plan and this Confirmation Order in lieu of legal opinion regarding whether any of the New Common Stock (including the Rights Offering Shares) and/or the New Warrants, as applicable, are exempt from registration and/or eligible for DTC book entry delivery, settlement and depository services.

Z. Section 1146 Exemption.

124. Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant hereto shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, sale or use tax, mortgage recording tax, or other similar tax or governmental assessment, and upon entry of this Confirmation Order, the appropriate state or local governmental officials or agents shall forgo the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents pursuant to such transfers of property without the payment of any such tax, recordation fee, or governmental assessment.

AA. Professional Compensation and Reimbursement Claims.

125. Except as otherwise specifically provided in the Plan, from and after the Confirmation Date, the Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Court, pay in Cash the reasonable legal, professional, or other fees and expenses incurred by the Debtors. Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331, 363, and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Reorganized Debtors may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Court. In addition, the Debtors and Reorganized Debtors (as applicable) are authorized to pay any and all professional fees as contemplated by and in accordance with the Plan.

BB. Nonseverability of Plan Provisions upon Confirmation.

126. Notwithstanding the possible applicability of Bankruptcy Rules 6004(g), 7062, 9014, or otherwise, the terms and conditions of this Confirmation Order shall be effective and enforceable immediately upon its entry. Each term and provision of the Plan, and the transactions related thereto as it heretofore may have been altered or interpreted by the Court is: (a) valid and enforceable pursuant to its terms; (b) integral to the Plan and may not be deleted or modified except as provided by the Plan or this Confirmation Order; and (c) nonseverable and mutually dependent.

CC. Waiver or Estoppel.

127. Each holder of a Claim or Interest shall be deemed to have waived any right to assert any argument, including the right to argue that its Claim or Interest should be Allowed in a certain amount, in a certain priority, secured, or not subordinated by virtue of an agreement made with the Debtors or their counsel (or any other Entity), if such agreement was not disclosed in the Plan, the Disclosure Statement, or papers Filed with the Court before the Confirmation Date.

DD. Authorization to Consummate.

128. The Debtors are authorized to consummate the Plan, including the Restructuring Transactions contemplated thereby, at any time after the entry of this Confirmation Order subject to satisfaction or waiver (by the required parties) of the conditions precedent to Consummation set forth in Article IX of the Plan. The substantial consummation of the Plan, within the meaning of sections 1101(2) and 1127 of the Bankruptcy Code, is deemed to occur on the first date, on or after the Effective Date, on which distributions are made in accordance with the terms of the Plan to holders of any Allowed Claims or Interests (as applicable).

EE. Assumption and Cure of Executory Contracts.

129. The provisions governing the treatment of Executory Contracts and Unexpired Leases set forth in Article V of the Plan (including the procedures regarding the resolution of any and all disputes concerning the assumption or rejection, as applicable, of such Executory Contracts and Unexpired Leases) shall be, and hereby are, approved in their entirety. For the avoidance of doubt, on the Effective Date, except as otherwise provided in the Plan, all Executory Contracts or Unexpired Leases will be deemed rejected in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, subject to the consent of the Required Supporting Creditors other than those Executory Contracts or Unexpired Leases that: (a) previously were assumed or rejected by the Debtors; (b) are identified on the Schedule of Assumed Executory Contracts and Unexpired Leases; (c) are the subject of a motion to assume Executory Contracts or Unexpired Leases that is pending on the Confirmation Date; (d) are subject to a motion to assume an Executory Contract or Unexpired Lease pursuant to which the requested effective date of such assumption is after the Effective Date; (e) are the subject of Article IV.O of the Plan; or (f) is one of the following types of agreements, all of which shall be deemed assumed even if not identified by clauses (a)-(e) above, unless specifically identified as rejected under the Schedule of Rejected Executory Contracts and Unexpired Leases: (i) confidentiality and non-disclosure agreements, (ii) customer agreements, (iii) software license agreements and affiliated contracts, (iv) intercompany agreements and arrangements, and (v) alternative dispute resolution agreements; *provided* that notwithstanding anything to the contrary in this Confirmation Order or the Plan, the Debtors or the Reorganized Debtors, as applicable, reserve and are hereby granted the right to alter, amend, modify, or supplement the Schedule of Rejected Executory Contracts and Unexpired Leases and the Schedule of Assumed Executory Contracts and Unexpired Leases identified in Article V of the

Plan and in the Plan Supplement at any time through and including 45 days after the Effective Date. For the avoidance of doubt, and to the extent not already identified on the Schedule of Assumed Executory Contracts and Unexpired Leases, for the purposes of this Confirmation Order all of Debtors' executory contracts with Oracle America, Inc. shall be categorized as falling within (f)(iii) above, and therefore deemed assumed in accordance with Article V of the Plan, subject to payment of the applicable cure. Subject to the foregoing, this Confirmation Order constitutes approval of such deemed rejections and the assumption or rejection of the Executory Contracts or Unexpired Leases listed on the Schedule of Rejected Executory Contracts and Unexpired Leases and the Schedule of Assumed Executory Contracts and Unexpired Leases, as applicable, pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Unless otherwise specified on a schedule to the Plan or notice sent to a given party, each Executory Contract and Unexpired Lease listed or to be listed thereon shall include any and all modifications, amendments, supplements, restatements and other agreements made directly or indirectly by any agreement, instrument or other document that in any manner affects such Executory Contract or Unexpired Lease, without regard to whether such agreement, instrument or other document is listed thereon.

130. Unless a party to an Executory Contract or Unexpired Lease has objected to the Cure Costs identified in the Plan Supplement and any amendments thereto, as applicable, the Debtors shall pay such Cure Costs in accordance with the terms of the Plan and the assumption of any Executory Contract or Unexpired Lease, pursuant to the Plan or otherwise, shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract

or Unexpired Lease at any time before the date that the Debtors assume such Executory Contract or Unexpired Lease. Any disputed Cure Costs shall be determined in accordance with the procedures set forth in Article V.C of the Plan, and applicable bankruptcy and nonbankruptcy law.

131. To the extent that any dispute with respect to the amount of any payments to cure any default with respect to any Executory Contract and Unexpired Lease to be assumed pursuant to the Plan is resolved or determined, including by entry of an order by the Court, in a manner that is not acceptable to the Debtors or Reorganized Debtors, as applicable, the Debtors or Reorganized Debtors, as applicable, may reject the applicable Executory Contract or Unexpired Lease within 20 days after such resolution or determination by filing and serving upon the counterparty to such Executory Contract or Unexpired Lease a notice of rejection. Upon service of such notice of rejection, such Executory Contract or Unexpired Lease shall be deemed to be rejected without the need for further action or an order from the Court, and such counterparty may thereafter file a proof of claim in the manner set forth in Article V.C of the Plan

132. Unless otherwise agreed, the Debtors will not assume, cure, or otherwise treat, nor be deemed to reject, any contract pursuant to this Confirmation Order that is the subject of an outstanding objection to a proposed assumption or cure amount (an "Assumption Objection") at the time of entry of this Confirmation Order. All outstanding Assumption Objections will be heard at the omnibus hearing scheduled for January 19, 2017, at 2:00 p.m. (prevailing Central Time), or another hearing that is convenient to the Court and the parties. Unless otherwise agreed, the Debtors will not assume any contract that is the subject of an Assumption Objection prior to the Assumption Objection being consensually resolved or the Court having made a determination on the Assumption Objection. Notwithstanding anything to the contrary in the

Plan or the Confirmation Order, the Debtors shall not be entitled to remove the Supply Agreement with Unimin dated July 1, 2015 from the Schedule of Assumed Executory Contracts and Unexpired Leases, provided that the Debtors receive payment from Unimin of an amount, mutually agreed upon in writing, no later than three business days subsequent to the Effective Date.

FF. Provisions Regarding Certain Governmental Unit Liabilities.

133. Nothing in this Confirmation Order or the Plan discharges, releases, precludes, or enjoins: (a) any liability to any Governmental Unit that is not a Claim; (b) any Claim of a Governmental Unit arising on or after the Effective Date; (c) any police or regulatory liability to a Governmental Unit on the part of any Person as the owner, permittee, or operator of property after the Effective Date; or (d) any liability to a Governmental Unit on the part of any Person other than the Debtors or Reorganized Debtors. Nor shall anything in this Confirmation Order or the Plan enjoin or otherwise bar a Governmental Unit from asserting or enforcing, outside this Court, any liability described in the preceding sentence. Nor shall anything in this Confirmation Order or the Plan divest any tribunal of any jurisdiction to adjudicate any claim, liability, or defense described in this paragraph 133 of this Confirmation Order.

134. Notwithstanding any provision in this Confirmation Order or the Plan to the contrary: (a) nothing in this Confirmation Order or the Plan shall release, discharge, enjoin, or preclude the exercise of any right of setoff or recoupment by any Governmental Unit, (b) no Governmental Unit is required to file a request for the payment of an expense described in 11 U.S.C. § 503(b)(1)(B) or (C) as a condition of it being an Allowed Administrative Expense, and (c) the Internal Revenue Service may pursue all ordinary course collection remedies after the Effective Date, in accordance with the Bankruptcy Code and applicable non-bankruptcy law. To the extent the United States' Priority Tax Claims, if any, are not paid in full in Cash on the

Effective Date, such Priority Tax Claims shall, at a minimum, be paid by regular, quarterly installment payments in Cash over a period not to exceed five years after the date of the order for relief under section 301 of the Bankruptcy Code, all as required by 11 U.S.C. § 1129(a)(9)(C).

GG. Provisions Regarding Certain Taxing Entities.

135. Notwithstanding anything to the contrary in this Confirmation Order or the Plan: (a) any outstanding *ad valorem* tax claims (collectively, the "Tax Claims") owed by the Debtors to certain political subdivisions of the state of Texas that Filed objections to Confirmation (collectively, the "Taxing Entities") shall be paid in full in Cash on the Effective Date or as soon as is reasonably practicable thereafter along with interest in accordance with sections 511, 506(b), and 1129(a)(9)(C) of the Bankruptcy Code, as applicable, if not paid before 30 days after the Effective Date; and (b) to the extent such entities are entitled to such liens, the Taxing Entities shall retain any tax liens until the applicable Tax Claims are paid in full in accordance with applicable Texas state law. In the event of a default in payment of the Tax Claims as provided for herein, the affected Taxing Entity shall send written notice of default to the Debtors or Reorganized Debtors, as applicable, and their counsel. If such default is not cured within 30 days after such notice of default is mailed, the affected Taxing Entity may proceed with Texas state law remedies for collection of any amounts due. The Debtors' and the Reorganized Debtors' (as applicable) rights and defenses under Texas state law and the Bankruptcy Code with respect to the foregoing are fully preserved.

HH. Provisions Regarding Certain Class Action Plaintiffs.

136. Notwithstanding anything to the contrary in this Confirmation Order or the Plan: (a) the cancellation of the C&J Common Stock pursuant to the Plan shall not impair or otherwise affect any rights of any plaintiff in *City of Miami General Employees' and Sanitation Employees' Retirement Trust v. Comstock,* C.A. No. 9980-CB (Del. Ch.) (the "Delaware

Action"), with respect to pursuing any claims against defendants in the Delaware Action other than the Debtors, the Reorganized Debtors, or their Estates; and (b) with respect to any claim asserted by any plaintiff in the Delaware Action, nothing in this Confirmation Order or the Plan discharges, releases, or enjoins the pursuit of former directors, officers, executives, and financial advisors of C&J Energy, as well as Nabors Industries Ltd., as defendants in the Delaware Action, including entering into or enforcing any settlement with such parties or judgment obtained against such parties in connection with or relating to the Delaware Action involving any applicable insurance policy (including any Side A coverage of any directors and officers liability insurance policy available to such parties) or the proceeds thereof.

137. For the avoidance of doubt, the Released Parties (other than former directors, officers, executives, and financial advisors of C&J Energy, as well as Nabors Industries Ltd., as defendants in the Delaware Action) shall be discharged and released from any claim related to the Delaware Action and the plaintiffs in the Delaware Action shall be enjoined from pursuing any of the Released Parties (other than former directors, officers, executives, and financial advisors of C&J Energy, as well as Nabors Industries Ltd., as defendants in the Delaware Action) from any claims or liability related to the Delaware Action.

II. Provisions Regarding Chevron.

138. Notwithstanding anything to the contrary in the Plan, this Confirmation Order, or any other order entered in these Chapter 11 Cases, the Debtors' agreements with Chevron (defined below), including, without limitation, (a) the Blanket Service Agreement, No. 99005099, dated as of October 2, 2001 (the "2001 Agreement"), (b) the North America Master Services Agreement No. CW1342852 for Onshore Drilling Services, dated March 27, 2015 (the "2015 Agreement") and (c) any document or instrument referred to or contemplated by either of the foregoing (all the Debtors' agreements with Chevron, including without limitation, the 2001

Agreement and the 2015 Agreement, collectively, the "Chevron Agreements") shall be deemed assumed upon entry of this Confirmation Order with the consent of Chevron. The Debtors and Reorganized Debtors (including, as applicable, Reorganized C&J Energy, C&J Energy Services Ltd., and/or any other entity that may be formed pursuant to the Plan) shall continue to have and perform the obligations under the Chevron Agreements in accordance with their terms.

139. It is expressly intended by the Debtors, and confirmed and ordered by this Court, that nothing in, about or related to these Chapter 11 Cases (including the confirmation of the Plan and the entry of the Confirmation Order) shall prevent Chevron from maintaining, asserting or pursuing any right or claim against the Debtors or the Reorganized Debtors (including, as applicable, Reorganized C&J Energy, C&J Energy Services Ltd., and/or any other entity that may be formed pursuant to the Plan) arising under the Chevron Agreements, including but not limited to rights or claims related to (a) contribution, indemnity, subrogation, recovery for breach or default, or similar right, arising under the Chevron Agreements, whether arising from or related to conduct or actions (or inactions) prior to or after the Petition Date, or (b) liability for regulatory, environmental, reclamation, restoration, remediation, operational, health or safety claims or obligations under any federal, state, local or other Law, to the extent the Debtors or Reorganized Debtors, as applicable, are liable for such obligations under the terms of the Chevron Agreements.

140. Without limiting the generality of the foregoing, the Debtors acknowledge their indemnity and related obligations to Chevron in connection with the litigation proceeding currently pending against Chevron U.S.A. Inc. and other Chevron entities (among others) in the District Court of Crane County, Texas, styled *Fincher v. Plains All American Pipeline, L.P., et al.* (Cause No. 6382) (the "Fincher Litigation"), and it is expressly intended by the Debtors that

their obligations to Chevron arising out of, related to, or in connection with the Fincher Litigation are preserved, and that Chevron's rights and claims arising out of, related to, or in connection with the Fincher Litigation are unimpaired by the Plan or these Chapter 11 Cases, notwithstanding anything to the contrary in the Plan, this Confirmation Order, or any other order entered in these Chapter 11 Cases; *provided, however*, that nothing in this paragraph 140 of this Confirmation Order shall limit or otherwise impair any of the Debtors' rights or claims (i) related to the Fincher Litigation or (ii) under any agreements with any third party other than Chevron, including with respect to any indemnity and related obligations with respect to the Fincher Litigation.

141. For purposes of paragraphs 138 through 141 of this Confirmation Order, (i) "Law" means any statute, law (including common law), rule, regulation, requirement, ordinance, order, code, ruling, writ, injunction, decree or other official act of or by any court or other governmental unit and (ii) "Chevron" means Chevron U.S.A. Inc. or Chevron Appalachia, LLC, as applicable, and their respective successors in interest or assigns, including with respect to each of the foregoing, their parent entities, all of their Affiliates and their respective directors, officers, and employees. Notwithstanding anything to the contrary in the Plan, this Confirmation Order, or any other order entered in these Chapter 11 Cases, nothing in the Plan or this Confirmation Order releases any entity other than the Debtors, the Reorganized Debtors, or their Estates from any claim or Cause of Action of Chevron.

JJ. Provisions Regarding the Texas Comptroller of Public Accounts and the Texas Workforce Commission.

142. Notwithstanding any term in the Plan or this Confirmation Order to the contrary: (a) the Texas Comptroller of Public Accounts' (the "Comptroller") and the Texas Workforce Commission's (the "TWC") setoff rights are preserved under section 553 of the

Bankruptcy Code; (b) to the extent the Comptroller's or the TWC's Priority Tax Claims, if any, are not paid in full in cash on the Effective Date, such Priority Tax Claims shall, at a minimum, be paid by regular, monthly installment payments in cash over a period not to exceed five years after the date of the order for relief under section 301 of the Bankruptcy Code, all as required section 1129(a)(9)(C) of the Bankruptcy Code, along with interest in accordance with sections 511 and 1129(a)(9)(C) of the Bankruptcy Code, as applicable; (c) the Chapter 11 Cases shall have no effect on the Comptroller's or the TWC's rights as to non-debtor third parties; (d) neither the Comptroller nor the TWC shall be required to file any proofs of claim or requests for payment in the Debtors' Chapter 11 cases for any liability described in section 503(b)(1)(B) and (C) of the Bankruptcy Code and such liabilities shall be determined, resolved, and paid when due under and in accordance with the laws of the state of Texas; and (e) the Comptroller and the TWC may amend any Proof of Claim against any Debtor after the Effective Date without leave of the Court with respect to (i) a pending audit, or (ii) an audit that may be performed, with respect to any pre- or post-petition tax return. In the event of a default in payment of Claims of the Comptroller or the TWC as provided for herein, the Comptroller or the TWC, as applicable, shall send written notice of default to the Debtors or Reorganized Debtors, as applicable, and their counsel. If such default is not cured within 20 calendar days after such notice of default is mailed, the Comptroller or the TWC, as applicable, may proceed with Texas state law remedies for collection of any amounts due. The Debtors' and the Reorganized Debtors' (as applicable) rights and defenses under Texas state law and the Bankruptcy Code with respect to the foregoing are fully preserved.

KK. Provisions Regarding Liberty Mutual Insurance Company.

143. Notwithstanding any other term or provision in the Plan or this Confirmation Order, nothing in the Plan or this Confirmation Order (including any other provision that

purports to be preemptory or supervening): (a) will prejudice any of the rights, claims or defenses including with respect to rights of setoff, subrogation or recoupment of Liberty Mutual Insurance Company or its affiliates ("Liberty") or any other Entity (as such term is defined in the Bankruptcy Code) under any insurance policies under which the Debtors, the Debtors' Estates, the Reorganized Debtors, and/or the Debtors' representatives seek(s) coverage (the "Policies") or any agreements related to the Policies (together, with the Policies, the "Insurance Agreements"); (b) will modify any of the terms, conditions, limitations and/or exclusions contained in the Insurance Agreements; (c) shall be deemed to create any insurance coverage that does not otherwise exist under the terms of the Insurance Agreements, or create any right of action against Liberty or any other Entity that does not otherwise exist under applicable non-bankruptcy law; (d) shall be deemed to prejudice any rights and/or defenses of Liberty or any other Entity in any pending or subsequent litigation in which Liberty or the Debtors or the Reorganized Debtors may seek any declaration regarding the nature and/or extent of any insurance coverage under the Insurance Agreements; (e) shall be deemed to alter the continuing duties and obligations of any insured or Liberty under the Insurance Agreements; (f) shall be construed as an acknowledgement that the Insurance Agreements cover or otherwise apply to any claims or that any claims are eligible for payment under any of the Insurance Agreements; or (g) will preclude any Insurer from drawing on any letter of credit or cash security issued or provided for Liberty's benefit or applying amounts therefrom to such claims.

LL. Provisions Regarding Blue Ribband Holdings Limited.

144. Notwithstanding anything to the contrary in the Plan or the Confirmation Order, neither the Plan nor the Confirmation Order shall release any claims or Causes of Action held by Blue Ribband Holdings Limited and/or Ziad Abu Al-Ragheb against any person or entity, including without limitation C&J International B.V., C&J International Middle East FZCO, and

any current and former officer, director or management of C&J International B.V., C&J International Middle East FZCO and the Debtors; *provided, however* that all pre-Effective Date claims or Causes of Action held by Blue Ribband Holdings Limited and/or Ziad Abu Al-Ragheb, if any, shall be released with respect to the Debtors, the Reorganized Debtors, and their Estates.

MM. Provisions Regarding Hunter S. and Diane Kennedy.

145. Notwithstanding anything to the contrary in this Confirmation Order or the Plan, the personal injury tort claims of Hunter S. and Diane Kennedy are specifically excluded from estimation under Section VII.C of the Plan.

NN. Provisions Regarding the Michigan Unemployment Insurance Agency.

146. In the event that the Debtors fail to make any payments due to the Michigan Unemployment Insurance Agency (the "MUIA") on account of an Allowed administrative, secured, or priority tax claim and such failure is not cured within 30 days of the mailing of a written notice of default by the MUIA, the MUIA may exercise all rights and remedies available under applicable non-bankruptcy law for the collection of such Allowed administrative, secured, or priority tax claim or seek appropriate relief in this Court. Any outstanding Allowed administrative, secured, or priority tax claim owed by the Debtors to the MUIA shall be paid in full in Cash on the Effective Date or as soon as is reasonably practicable thereafter along with interest in accordance with sections 511, 506(b), and 1129(a)(9)(C) of the Bankruptcy Code, as applicable, if not paid before 30 days after the Effective Date.

OO. Provisions Regarding the Louisiana Department of Revenue.

147. Notwithstanding any term in the Plan or this Confirmation Order to the contrary: (a) the Louisiana Department of Revenues' (the "LDR") setoff rights are preserved under section 553 of the Bankruptcy Code; (b) the LDR shall not be required to file any proofs of claim or requests for payment in the Debtors' Chapter 11 cases for any liability described in

section 503(b)(1)(B) and (C) of the Bankruptcy Code; (c) to the extent the LDR's Priority Tax Claims, if any, are not paid in full in Cash on the Effective Date, such Priority Tax Claims shall, at a minimum, be paid by regular, quarterly installment payments in Cash over a period not to exceed five years after the date of the order for relief under section 301 of the Bankruptcy Code, all as required section 1129(a)(9)(C) of the Bankruptcy Code, along with interest in accordance with sections 511 and 1129(a)(9)(C) of the Bankruptcy Code, as applicable; (d) the Chapter 11 Cases shall have no effect on the LDR's rights as to non-Debtor third parties; (e) Article VII.C of the Plan shall not apply to any Claims of the LDR; and (f) the LDR may amend any Proof of Claim against any Debtor after the Effective Date with respect to (i) a pending audit, or (ii) an audit that may be performed, with respect to any pre- or post-petition tax return. In the event of a default in payment of Claims of the LDR as provided for herein, the LDR shall send written notice of default to the Debtors or Reorganized Debtors, as applicable, and their counsel. If such default is not cured within 30 days after such notice of default is mailed, the LDR may proceed with Louisiana state law remedies for collection of any amounts due. The Debtors' and the Reorganized Debtors' (as applicable) rights and defenses under Louisiana state law and the Bankruptcy Code with respect to the foregoing are fully preserved. For the avoidance of doubt "quarterly payments," as used in this paragraph 147 of this Confirmation Order, shall coincide with each March 31, June 30, September 30 or December 31 that is at least 15 days after (y) the Effective Date or (z) the last date of the month in which the applicable Priority Tax Claim becomes an Allowed Priority Tax Claim, whichever is later.

PP. Provisions Regarding the Mississippi Department of Revenue.

148. Notwithstanding anything in the Plan or this Confirmation Order to the contrary: (a) the Mississippi Department of Revenues' (the "MDOR") setoff rights under section 553 of the Bankruptcy Code and recoupment rights are preserved; (b) the MDOR shall not be required

to file any proofs of claim or requests for payment in the Chapter 11 Cases for any Administrative Claims for the liabilities described in section 503(b)(1)(B) and (C) of the Bankruptcy Code (collectively, the "MDOR 503(b) Liabilities"), (c) the Debtors or Reorganized Debtors, as applicable, shall timely submit returns for and remit payment of any MDOR 503(b) Liabilities in accordance with applicable Mississippi state law, (d) should the Debtors or Reorganized Debtors fail to timely file returns for and remit payment of any MDOR 503(b) Liabilities, the MDOR may proceed with Mississippi state law remedies for collection of such MDOR 503(b) Liabilities due and/or seek such relief as may be available from the Court (subject to Debtors' and the Reorganized Debtors' (as applicable) rights and defenses under Mississippi state law and the Bankruptcy Code); (e) to the extent the MDOR's Priority Tax Claims, if any, are not paid in full in Cash on the Effective Date, such Priority Tax Claims shall, at a minimum, be paid by regular, quarterly installment payments in Cash over a period not to exceed five years after the date of the order for relief under section 301 of the Bankruptcy Code, all as required section 1129(a)(9)(C) of the Bankruptcy Code, along with interest in accordance with sections 511 and 1129(a)(9)(C) of the Bankruptcy Code, as applicable; (f) the Chapter 11 Cases shall have no effect on the MDOR's rights as to non-Debtor third parties; (g) the deadline for the MDOR to timely file Proofs of Claim is the later of (i) the applicable Governmental Unit bar date as established by prior order of the Court or (ii) the Effective Date; and (h) the MDOR may timely amend any Proof of Claim against any Debtor after January 17, 2017, or the Effective Date, whichever is later, with respect to (i) a pending audit, or (ii) an audit that may be performed, with respect to any pre- or post-petition tax return.

149. In the event of a default in payment of Priority Tax Claims of the MDOR as provided for herein, the MDOR shall send written notice of default to the Debtors or

Reorganized Debtors, as applicable (to the address in MDOR's records) and to their counsel. If such default is not cured within 15 business days after such notice of default is mailed, the MDOR may (a) enforce the entire amount of its claim; (b) proceed with Mississippi state law remedies for collection of any amounts due; and/or (c) seek such relief as may be available from the Court. The MDOR's, the Debtors' and the Reorganized Debtors' (as applicable) respective rights and defenses under Mississippi state law and the Bankruptcy Code with respect to the foregoing are fully preserved.

150. For the avoidance of doubt, nothing in this Confirmation Order or the Plan shall affect or relieve the Debtors' or Reorganized Debtors' obligations to timely submit returns and remit payment for all taxes due or coming due under applicable Mississippi state law after the Effective Date, in accordance therewith.

QQ. Provisions Regarding Harold Rose, Jr. and Harold Rose, III.

151. Nothing in the Plan or this Confirmation Order shall preclude or prejudice Harold Rose, Jr. and Harold Rose, III (the "Rose Creditors") from seeking and/or obtaining a judgment and/or recovery from the Debtors or the Reorganized Debtors solely to the extent of available insurance coverage and any proceeds thereof, if any; *provided* that the Debtors and the Reorganized Debtors shall only be nominal defendants in any such proceeding and shall not be personally liable to pay the Rose Creditors in any way whatsoever for any judgment or recovery awarded in any such proceeding. Debtors acknowledge that the Rose Creditors have filed a motion to modify the automatic stay in order to litigate their personal injury claims to final judgment and thus liquidate their claims, and all parties reserve their rights with respect to that motion. Nothing in this provision shall be deemed consent by the Rose Creditors to the Bankruptcy Court's jurisdiction over their personal injury claims, and the Rose Creditors hereby reserve all rights to object to the Bankruptcy Court's jurisdiction over such claims.

RR. Provisions Regarding Eli Leal.

152. Nothing in the Plan or this Confirmation Order shall preclude or prejudice Eli Leal ("Leal") from seeking and/or obtaining a judgment and/or recovery against the Debtors or the Reorganized Debtors and prosecuting the pending state court lawsuit to final judgment**;** *provided* that the Debtors and the Reorganized Debtors shall only be nominal parties in any such proceedings; and *provided further* that Leal may only collect any claim, settlement or judgment entered against any of the Debtors or Reorganized Debtors solely out of any available insurance proceeds, and the Debtors and the Reorganized Debtors shall not be personally liable to pay Leal in any way whatsoever for any judgment or recovery awarded in any such proceeding. Debtors acknowledge that Leal has filed a motion to modify the automatic stay and discharge injunction in order to litigate his personal injury claims to final judgment and thus liquidate his claims, and all parties reserve their rights with respect to that motion. Nothing in this provision shall be deemed consent by Leal to the Bankruptcy Court's jurisdiction over his personal injury claims, and Leal hereby reserves all rights to object to the Bankruptcy Court's jurisdiction over such claims.

SS. Provisions Regarding Reliance Well Services, LLC.

153. For the avoidance of doubt, Reliance Well Services, LLC's postpetition Claims and Causes of Action are preserved and not expunged, disallowed, or precluded by the Plan or Confirmation Order; *provided*, that any Administrative Claims shall be administered in accordance with the Plan and prior orders of the Court and subject to the Debtors' and Reorganized Debtors' rights and defenses related thereto.

TT. Provisions Regarding the Unsecured Creditor New Warrants.

154. The Reorganized Debtors shall hold the Unsecured Creditor New Warrants that are treated as part of the Unsecured Creditor Recovery Pool until such time as they are issued in

accordance with this Confirmation Order, the Unsecured Creditor Agreement, and the Warrant Agreement. The Reorganized Debtors shall hold the Unsecured Creditor New Warrants solely for the benefit of the entity (*i.e.*, the liquidating trust) created under the Unsecured Creditor Agreement (and the beneficiaries thereof), and the Unsecured Creditor New Warrants shall not be transferred (other than as directed by the Unsecured Claims Representative in his, her or its sole discretion), pledged to, or otherwise encumbered by any third parties. The Reorganized Debtors shall take all actions necessary to ensure that the Unsecured Creditor New Warrants remain unpledged, unencumbered and available at all times for issuance as directed by the Unsecured Claims Representative in his, her or its sole discretion, pursuant to this Confirmation Order, the Unsecured Creditor Agreement, and the Warrant Agreement.

155. The Unsecured Claims Representative shall provide written notice to the Reorganized Debtors of his, her, or its intent to seek issuance of the Unsecured Creditor New Warrants as far in advance of the date of issuance as reasonably practicable, but in no event later than three (3) business days prior to the date of issuance requested in the written notice. Upon receipt of written notice by the Unsecured Claims Representative of his, her, or its intent to seek issuance of the Unsecured Creditor New Warrants on the date specified in such written notice, the Reorganized Debtors shall immediately begin taking all actions necessary to be in a position to issue the Unsecured Creditor New Warrants on the requested date. The Reorganized Debtors shall issue the Unsecured Creditor New Warrants as directed by the Unsecured Claims Representative in his, her or its sole discretion on the requested issuance date or such other time as may be agreed by the Unsecured Claims Representative. The Unsecured Claims Representative may, but is not required to, seek issuance of the Unsecured Creditor New Warrants to the Unsecured Creditor Recovery Pool and/or directly to any third party purchasers

(not to exceed 10 parties in the event that the Unsecured Creditor New Warrants are to be issued by the Reorganized Debtors directly to third parties) transacting with the Unsecured Claims Representative to acquire all or a portion of the Unsecured Creditor New Warrants. Any direct issuance of the Unsecured Creditor New Warrants to any third party purchaser, as described above, shall be treated as if the Reorganized Debtors issued the Unsecured Creditor New Warrants to the liquidating trust created under the Unsecured Creditor Agreement, and then as if the liquidating trust assigned the Unsecured Creditor New Warrants to such third party. Except as provided for in the Plan and the Unsecured Creditor Agreement, the Reorganized Debtors shall not have any right to or interest in any consideration, including without limitation, cash proceeds, received by the Unsecured Claims Representative in exchange for issuance and monetization of the Unsecured Creditor New Warrants to any third parties, as directed by the Unsecured Claims Representative in his, her or its sole discretion.

156. To the extent the Reorganized Debtors or the Unsecured Claims Representative fails to abide by the terms of this Confirmation Order, the Unsecured Creditor Agreement, or the Warrant Agreement, as concerns the Unsecured Creditor New Warrants, the Reorganized Debtors or the Unsecured Claims Representative, as applicable, are hereby authorized to immediately exercise all of their, his, her, or its legal rights, including without limitation, filing suit against the Reorganized Debtors or Unsecured Claims Representative or other parties in the Bankruptcy Court, which shall retain exclusive jurisdiction, or take such other actions that the Unsecured Claims Representative or the Reorganized Debtors believe necessary in their, his, her, or its sole discretion.

UU. Provisions Regarding Certain Tax Disclosures.

157. Article XIII.C.3 of the Disclosure Statement is hereby struck in its entirety and replaced with the following language:

3. U.S. Federal Income Tax Consequences to U.S. Holders of Allowed Class 6 Claims

(a) Transfers to Liquidating Trust.

Except to the extent otherwise provided under the Plan and the Unsecured Creditor Agreement, and subject to the treatment of the Disputed Claims Reserve, the entity created under the Unsecured Creditor Agreement is intended to be treated as a "liquidating trust" within the meaning of Treasury Regulation section 301.7701-4(d) (the "Liquidating Trust") and to comply with the general criteria set forth in Revenue Procedure 94-45, 1994-2 C.B. 684. Further, for U.S. federal income tax purposes (and for purposes of all state, local and other jurisdictions to the extent applicable), the Liquidating Trust is intended be treated as a grantor trust pursuant to sections 671–677 of the Tax Code, or any successor provisions thereof, with the Holders of Allowed General Unsecured Claims in Class 6 under the Plan being treated as the grantors and the beneficiaries (the "Beneficiaries") of their respective shares of the Unsecured Creditor Recovery Pool. The assets of the Liquidating Trust (the "Liquidating Trust Assets") shall consist of the Unsecured Creditor Recovery Pool (as defined in the Plan), composed of: (i) the Unsecured Creditor Cash Pool (as defined in the Plan); and (ii) the Unsecured Creditor New Warrants (or the proceeds thereof, solely to the extent issued to the Liquidating Trust in accordance with the provisions hereof). As discussed below, a liquidating trust is not subject to tax but instead the grantors of the trust recognize the income of the trust in accordance with their interests, whether or not such income is actually distributed.

For all United States federal income tax purposes, among other purposes, the Debtors, Reorganized Debtors, the Beneficiaries, and the Unsecured Claims Representative must treat the transfer of the Unsecured Creditor Recovery Pool to the Liquidating Trust as (i) a transfer by each Debtor of the Liquidating Trust Assets (subject to any obligations relating to those assets) directly to the Beneficiaries in full satisfaction of the holders' Class 6 General Unsecured Claims against the Reorganized Debtors followed by (ii) the transfer by such Beneficiaries to the Liquidating Trust of the Unsecured Creditor Recovery Pool in exchange for such Beneficiaries' respective interest in the Unsecured Creditor Recovery Pool. Accordingly, the Beneficiaries are intended to be treated for United States federal income tax purposes as the grantors and owners of their respective share of the Unsecured Creditor Recovery Pool. The foregoing treatment shall also apply, to the extent permitted by applicable law, for all state, provincial, territorial and local income tax purposes, and the Debtors, the Reorganized Debtors, the Beneficiaries, and the Unsecured Claims Representative must treat the transfers consistently with that intent. The Liquidating Trust is not intended to be treated as a successor in interest of the Reorganized Debtors for any purpose.

As soon as reasonably practicable following the Effective Date, (i) the Unsecured Claims Representative will determine the fair market value of the

Unsecured Creditor Recovery Pool (other than Cash) as of the Effective Date, based on a good faith determination and the advice of any professionals retained by the Unsecured Claims Representative for such purpose, and (ii) the Unsecured Claims Representative shall notify the Debtors, the Reorganized Debtors, and the Beneficiaries of such valuation. Such valuation must be utilized by the Debtors, the Reorganized Debtors, the Unsecured Claims Representative, and the Beneficiaries for all U.S. federal income tax purposes.

The transfer of the Unsecured Creditor Recovery Pool to the Liquidating Trust should be treated, under section 1001 of the Tax Code, as a taxable exchange of the Class 6 General Unsecured Claims for the consideration composing the Unsecured Creditor Recovery Pool. A U.S. Holder should recognize gain or loss in an amount equal to the difference between (1) the sum of the fair market value of the assets composing the Unsecured Creditor Recovery Pool and (2) the U.S. Holder's adjusted tax basis in its Claim. The character of such gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the U.S. Holder, the nature of the Claim in such U.S. Holder's hands, whether the Claim was purchased at a discount, and whether and to what extent the U.S. Holder previously has claimed a bad debt deduction with respect to its Claim.

The foregoing discussion assumes that no Allowed General Unsecured Claim is a "security" for U.S. federal income tax purposes. Each U.S. Holder of an Allowed General Unsecured Claim should consult its own tax advisor as to whether its Claim constitutes a "security" for U.S. federal income tax purposes.

(b) Treatment of Beneficial Interests in Liquidating Trust.

Subject to the treatment of the Disputed Claims Reserve, no tax should be imposed on the Liquidating Trust on earnings generated by the assets held by the Liquidating Trust. Instead, each holder of an interest in the Unsecured Creditor Recovery Pool must report on its federal income tax return its allocable share of income, gain, loss, deduction and credit, if any, recognized or incurred by the Liquidating Trust. Given the intended treatment of the Liquidating Trust as a grantor trust, each Beneficiary has an obligation to report its share of the Liquidating Trust's tax items such as gain on the sale or other disposition of any asset of the Unsecured Creditor Recovery Pool, if any, which is not dependent on the distribution of any cash or other asset from the Liquidating Trust to any Beneficiary. Accordingly, a holder of an interest in the Liquidating Trust may incur a tax liability on gain or income, if any, that is recognized with respect to such Beneficiary's interest in the Liquidating Trust, regardless of whether the Liquidating Trust distributes cash or other assets.

Other than with respect to the Disputed Claims Reserve, allocations of taxable income with respect to the Liquidating Trust shall be determined by reference to the manner in which an amount of cash equal to such taxable income would be distributed (without regard to any restriction on distributions described

herein) if, immediately prior to such deemed distribution, the entity created hereunder had distributed all of its other assets (valued for this purpose at their tax book value) to the Beneficiaries, taking into account all prior and concurrent distributions from the entity created hereunder. Similarly, taxable losses of the entity created hereunder will be allocated by reference to the manner in which an economic loss would be borne immediately after a liquidating distribution of the remaining assets. The tax book value of the assets for this purpose shall equal their fair market value on the Effective Date or, if later, the date such assets were acquired by the assets, adjusted in either case in accordance with tax accounting principles prescribed by the applicable Tax Code provisions, the Treasury Regulations and other applicable administrative and judicial authorities and pronouncements.

The character of items of income, gain, loss, deduction and credit to any holder of an interest in the Liquidating Trust, and the ability of such holder to benefit from any deductions or losses, may depend on the particular circumstances or status of the holder. Taxable income or loss allocated to a Beneficiary should be treated as income or loss with respect to such Beneficiary's interest in the Liquidating Trust Assets, and not as income or loss with respect to such Beneficiary's Claim against the Debtors.

(c) Tax Compliance.

The Unsecured Claims Representative shall be liable to prepare and provide to, or file with, the appropriate taxing authorities and other required parties such notices, tax returns and other filings, including all federal, state and local tax returns for the Liquidating Trust, as may be required under the Bankruptcy Code, the Plan, or by other applicable law, including, if required under applicable law, notices required to report interest or dividend income.

The Unsecured Claims Representative will file tax returns pursuant to Treasury Regulations section 1.671-4(a) on the basis that Liquidating Trust is a grantor trust that is a "liquidating trust" within the meaning of Treasury Regulations section 301.7701-4(d) and related regulations. As soon as reasonably practicable after the close of each calendar year, the Unsecured Claims Representative will send each affected Beneficiary a statement setting forth such Beneficiary's share of the Liquidating Trust's income, gain, deduction, loss and credit for the year and will instruct the holder to report all such items on its tax return for such year and pay any tax due with respect thereto.

The Unsecured Claims Representative shall be responsible for payment, solely out of the Unsecured Creditor Recovery Pool, of any taxes imposed on the Liquidating Trust or the Unsecured Creditor Recovery Pool.

(d) Treatment of Disputed Claims Reserve.

Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary (including the receipt by the Unsecured Claims Representative of a private letter ruling if the Unsecured Claims Representative so requests one, or the receipt of an adverse determination by the IRS upon audit if not contested), the Unsecured Claims Representative shall (i) timely elect to treat the Disputed Claims Reserve as a "disputed ownership fund" governed by Treasury Regulation section 1.468B-9, and (ii) to the extent permitted by applicable law, report consistently with the foregoing for applicable state, provincial, territorial, non-U.S., and local income tax purposes.

Accordingly, with respect to the Disputed Claims Reserve, a separate federal income tax return shall be filed by the Unsecured Claims Representative, and any taxes imposed with respect to the Disputed Claims Reserve shall be paid by the Unsecured Claims Representative out of the assets of the Disputed Claims Reserve. To the extent property is transferred to the Disputed Claims Reserve, although not free from doubt, a U.S. Holder of a Claim against the Debtors whose recovery is funded from the Disputed Claims Reserve should not recognize any gain or loss on the date that the property is transferred to the Disputed Claims Reserve. Instead, gain or loss should be recognized by such U.S. Holder when and to the extent property is actually distributed to such U.S. Holder, calculated as if such property was distributed directly to such U.S. Holder by the Debtors (or Reorganized Debtors).

VV. Dissolution of the Creditors' Committee.

158. Except to the extent provided in the Plan, on the Effective Date and upon the appointment of the Unsecured Claims Representative, the Creditors' Committee shall dissolve, and the members of the Creditors' Committee and their respective officers, employees, counsel, advisors and agents shall be released and discharged from further authority, duties, responsibilities and obligations related to and arising from and in connection with these Chapter 11 Cases; *provided, however*, that following the Effective Date the Creditors' Committee shall continue in existence and have standing and a right to be heard solely to pursue Professional Fee Claims in accordance with Article II.D of the Plan. Following the completion of the remaining duties of the Creditors' Committee set forth above, the retention or employment of the Creditors' Committee's respective attorneys, accountants and other agents shall terminate. The

Reorganized Debtors shall no longer be responsible for paying any fees or expenses incurred by the members of or advisors to the Creditors' Committee after the Effective Date.

WW. Effect of Non-Occurrence of Conditions to the Effective Date.

159. Notwithstanding the entry of this Confirmation Order, if the Effective Date does not occur, the Plan shall be null and void in all respects and nothing contained in the Plan or the Disclosure Statement shall: (a) constitute a waiver or release of any Claims by or Claims against or Interests in the Debtors; (b) prejudice in any manner the rights of the Debtors, any holders of a Claim or Interest, or any other Entity; or (c) constitute an admission, acknowledgment, offer, or undertaking by the Debtors, any holders, or any other Entity in any respect.

XX. Waiver of 14-Day Stay.

160. Notwithstanding Bankruptcy Rule 3020(e), this Confirmation Order is effective immediately and not subject to any stay.

YY. Post-Confirmation Modification of the Plan.

161. The Debtors are hereby authorized to amend or modify the Plan at any time prior to the substantial consummation of the Plan, but only in accordance with section 1127 of the Bankruptcy Code, without further order of this Court.

ZZ. Final Order.

162. This Confirmation Order is a Final Order and the period in which an appeal must be filed will commence upon entry of this Confirmation Order.

Dated: _____, 2016
Houston, Texas

THE HONORABLE DAVID R. JONES
CHIEF UNITED STATES BANKRUPTCY JUDGE

Exhibit A

Plan

Exhibit B

Mediated Settlement Agreement