

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

|   |   |                               |
|---|---|-------------------------------|
| <b>In re:</b>                                 | § |                               |
|   | § | <b>Case No. 23-90558</b>      |
| <b>PARADOX RESOURCES, LLC, <i>et al.</i>,</b> | § |                               |
|   | § | <b>Chapter 11</b>             |
| <b>Debtors.<sup>1</sup></b>                   | § |                               |
|   | § | <b>(Jointly Administered)</b> |

**NOTICE OF PROPOSED SALE OF ASSETS, AUCTION AND SALE HEARING**

**PLEASE TAKE NOTICE** that on July 25, 2023, Paradox Resources, LLC, *et al.*, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed with the Court their *Emergency Motion for (a) Entry of an Order (i) Approving Bidding Procedures, (ii) Approving Procedures for the Assumption and Assignment of Executory Contracts and Unexpired Leases, (iii) Approving Stalking Horse Protections, (iv) Scheduling Bid Deadline, Auction Date and Sale Hearing Date, and (v) Approving Form of Notice Thereof; (b) Entry of an Order After the Sale Hearing (i) Authorizing the Debtors to Sell Their Assets, and (ii) Authorizing the Debtors to Assume and Assign Certain Executory Contracts and Unexpired Leases; and (c) Granting Related Relief* [ECF # 180] (the “Sale Motion”).<sup>2</sup>

**PLEASE TAKE FURTHER NOTICE** that:

1. After the Bidding Procedures Hearing held on July 28, 2023, the Court entered the order [ECF # 207] (the “Bidding Procedures Order”), which among other things, establishes bidding procedures (the “Bidding Procedures”) that govern the manner in which the Assets of the Debtors are to be marketed and sold.

2. Bids are due on **August 28, 2023 at 5:00 p.m. (prevailing Central Time)** (the “Bid Deadline”). The Debtors will notify each Potential Bidder no later than **5:00 p.m. (prevailing Central Time) on August 30, 2023 at 10:00 a.m. (prevailing Central Time)** whether their respective Bids are determined to be a Qualified Bid.

3. In accordance with the terms of the Bidding Procedures Order, if the Debtors receive one or more Qualified Bids within the requirements and timeframe established in the Bidding Procedures Order, the Debtors will conduct an auction (the “Auction”) for the Assets starting at **10:00 a.m. (prevailing Central Time) on August 31, 2023** (the “Auction Date”), at the offices of Evercore Group, L.L.C., 909 Fannin, Suite 1800, Houston, Texas 77002, or at an alternate location (including by telephone or Zoom videoconference) designated in advance by the Debtors with notice to the Qualified Bidders and certain other parties in interest in the Chapter 11 Cases. Only Qualified Bidders, as determined by the Debtors in consultation with the Consultation Parties, that have submitted a Qualified Bid by the Bid Deadline will be permitted to participate in and/or make any

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<sup>1</sup> The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective Employer Identification Numbers, are as follows: Paradox Resources, LLC (7152); Paradox Midstream, LLC (2127); Paradox Upstream, LLC (0256); Capital Commercial Development, Inc. (3124); Neuhaus Barrett Investments, LLC (5529); Four Corners Energy, LLC (8159); and Four Corners Pipeline, LLC (8748). The Debtors’ service address is: 500 Dallas Street, Suite 1600, Houston, Texas 77002.

<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Sale Motion or Bidding Procedures Order, as applicable.

statements on the record at the Auction. As soon as reasonably practicable after the Auction, the Debtors shall file a notice of the Successful Bidder and the Successful Bid with the Court.

4. A hearing (the “Sale Hearing”) shall be held before the Honorable David R. Jones, United States Bankruptcy Judge, at the United States Bankruptcy Court for the Southern District of Texas on **September 6, 2023 at 9:00 a.m. (prevailing Central Time)**, or as soon thereafter as counsel may be heard. The Debtors shall appear before the Court at the Sale Hearing and seek entry of an order: (a) authorizing the Sale of the designated Purchased Assets by the Debtors to the Successful Bidder; (b) authorizing the assumption and assignment of certain executory contracts and unexpired leases; and (c) granting certain related relief.

5. Pursuant to the Bidding Procedures Order, any objections to the relief requested in the Sale Motion as relates to the Sale of the Purchased Assets to any Successful Bidder (a “Sale Objection”) must: (a) set forth in writing and describe with specificity the factual and legal basis for the Sale Objection; (b) comply with the Bankruptcy Rules and Bankruptcy Local Rules; and (c) be filed with the Clerk of the Court no later than **5:00 p.m. (prevailing Central Time) on August 28, 2023** (the “Objection Deadline”).

6. The failure of any person or entity to file a Sale Objection by the Objection Deadline shall be deemed a consent to the Sale of the Purchased Assets to the Successful Bidder and the other relief requested in the Sale Motion.

7. This Sale Notice is subject to the full terms and conditions of the Sale Motion and the Bidding Procedures Order, which shall control in the event of any conflict, and the Debtor encourages all parties in interest to review such documents in their entirety.

8. Additional information regarding the Sale, including copies of the Sale Motion, the Bidding Procedures and the Bidding Procedures Order, is available by contacting Debtors’ counsel using the contact information below, or by visiting the website of the Debtors’ Chapter 11 Cases established by the Debtors’ claims and noticing agent at the link set forth below: <https://www.donlinrecano.com/Clients/prl/Index>

Dated: August 4, 2023.

**OKIN ADAMS BARTLETT CURRY LLP**

By: /s/ Matthew S. Okin  
Matthew S. Okin  
Texas Bar No. 00784695  
Email: [mokin@okinadams.com](mailto:mokin@okinadams.com)  
David L. Curry, Jr.  
Texas Bar No. 24065107  
Email: [dcurry@okinadams.com](mailto:dcurry@okinadams.com)  
Ryan A. O’Connor  
Texas Bar No. 24098190  
Email: [roconnor@okinadams.com](mailto:roconnor@okinadams.com)  
1113 Vine St., Suite 240  
Houston, Texas 77002  
Tel: 713.228.4100  
Fax: 346.247.7158

**ATTORNEYS FOR THE DEBTORS**