

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

In re: § Chapter 11  
AZURE MIDSTREAM §  
PARTNERS, LP, et al., § Case No. 17-30461 (DRJ)  
§  
Debtors.<sup>1</sup> § Jointly Administered  
§

**MOTION OF DEBTORS FOR 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 JOINT PLAN OF LIQUIDATION, (III) APPROVING THE FORM OF BALLOTS AND NOTICES IN CONNECTION THEREWITH, (IV) SCHEDULING CERTAIN DATES WITH RESPECT THERETO, AND (V) GRANTING RELATED RELIEF PURSUANT TO SECTIONS 105, 1125, 1126, AND 1128 OF THE BANKRUPTCY CODE, AND BANKRUPTCY RULES 2002, 3016, 3017, 3018, 3020, AND 9006**

**THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.**

**A HEARING WILL BE CONDUCTED ON THIS MATTER ON APRIL 26, 2017 AT 2:30 P.M. (CENTRAL TIME) IN COURTROOM 400, 4TH FLOOR, UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS, 515 RUSK AVENUE, HOUSTON, TEXAS 77002.**

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number are: Azure Midstream Partners, LP (7595), Azure ETG, LLC (3388), Azure Holdings GP, LLC (0537), Azure Midstream Partners GP, LLC (8089), Azure TGG, LLC (6233), Marlin G&P I, LLC (6073), Marlin Logistics, LLC (8460), Marlin Midstream Finance Corp. (0130), Marlin Midstream, LLC (2587), Murvaul Gas Gathering, LLC (0826), Talco Midstream Assets, Ltd. (7004), and Turkey Creek Pipeline, LLC (1161).



Azure Midstream Partners, LP, its subsidiaries, and certain affiliates in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, the “**Debtors**”), respectfully represent as follows in support of this motion (this “**Motion**”):

**Relief Requested**

1. Pursuant to sections 105, 1125, 1126, and 1128 of title 11 of the United States Code (the “**Bankruptcy Code**”), Rules 2002, 3016, 3017, 3018, 3020, and 9006 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Rule 2002-1 of the Bankruptcy Local Rules for the Southern District of Texas (the “**Bankruptcy Local Rules**”), the Debtors respectfully request entry of an order, substantially in the form annexed hereto as

**Exhibit A** (the “**Proposed Order**”):

- (i) approving the *Disclosure Statement for Debtors’ Joint Plan of Liquidation* (as may be amended, modified, or supplemented from time to time, the “**Disclosure Statement**”)<sup>2</sup> as containing adequate information pursuant to section 1125 of the Bankruptcy Code;
- (ii) approving the proposed Solicitation Procedures (as herein defined) and solicitation materials (the “**Solicitation Package**”) with respect to the *Debtors’ Joint Plan of Liquidation* (as may be amended, modified, or supplemented from time to time, the “**Plan**”) for eligible holders of Claims in Class 3 (Lender Claims) and Class 4 (General Unsecured Claims), (each a “**Voting Class**” and collectively, the “**Voting Classes**”), including the form of ballot for each Voting Class;
- (iii) approving a notice of relevant dates and deadlines for holders of Claims in the unimpaired Classes under the Plan: Class 1 (Other Priority Claims) and Class 2 (Other Secured Claims) (the “**Notice of Non-Voting Status – Unimpaired Classes**”);
- (iv) approving a notice of relevant dates and deadlines for holders of Claims and Interests in the fully impaired Classes under the Plan: Class 5 (Intercompany Claims), Class 6 (Existing Azure Interests), and Class 7 (Other Equity Interests) (the “**Notice of Non-Voting Status – Deemed to Reject Classes**”);

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<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Disclosure Statement.

- (v) scheduling a hearing to consider confirmation of the Plan (the “**Confirmation Hearing**”) and set a deadline to object to the Plan (the “**Plan Objection Deadline**”);
- (vi) approving the form and manner of notice of the Confirmation Hearing (the “**Confirmation Hearing Notice**”); and
- (vii) granting related relief.

2. The chart below lists key proposed dates requested, subject to Court approval, in the Motion:

<b>Event</b>	<b>Date/Deadline</b>
Disclosure Statement Objection Deadline	April 21, 2017
Disclosure Statement Hearing	April 26, 2017 at 2:30 p.m. (CT)
Voting Record Date	April 26, 2017
Solicitation Date	No later than four business days after entry of order approving this Motion
Publication Deadline	May 5, 2017
Plan Supplement Deadline	May 8, 2017
Voting Deadline	May 12, 2017
Plan Objection Deadline	Seven days before the Confirmation Hearing
Confirmation Hearing	To be determined, subject to the Court’s availability

3. Below is a list of the various exhibits and documents cited throughout the Motion:

<b>Pleading</b>	<b>Exhibit</b>
Proposed Order Granting the Motion	Exhibit A to this Motion
Proposed Ballots and Notices	
Form of Ballot for Lender Claims	Exhibit 1 to the Proposed Order
Form of Ballot for General Unsecured Claims	Exhibit 2 to the Proposed Order
Notice of Non-Voting Status – Unimpaired Classes	Exhibit 3 to the Proposed Order
Notice of Non-Voting Status – Deemed to Reject Classes	Exhibit 4 to the Proposed Order
Proposed Confirmation Hearing Notice	Exhibit 5 to the Proposed Order

### **Jurisdiction**

4. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

### **Background**

5. On January 30, 2017 (the "**Petition Date**"), each of the Debtors commenced with this Court a voluntary case under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or statutory committee of creditors has been appointed in these chapter 11 cases.

6. The Debtors are a publicly-traded master limited partnership organized for the purpose of acquiring, developing, and operating midstream energy assets relating to (i) the gathering, transport, and processing of liquid natural gas and (ii) crude oil logistics services. The Debtors consist of eight operating entities, including Azure Midstream Partners, LP ("**Azure**") and Azure Midstream Partners GP, LLC ("**Azure General Partner**"), and four non-operating entities (collectively, with the operating entities, the "**Company**"). Azure General Partner owns the general partnership interest in Azure. Approximately 97.7% of all outstanding limited partner interests in Azure are publicly held. Non-Debtor privately-held affiliate Azure Midstream Energy, LLC ("**AME**") owns all the general partnership interests of Azure General Partner. AME also owns midstream energy assets, independent of its interests in Azure General Partner, either directly or through its affiliates (AME and such non-Debtor affiliates, collectively, the "**Non-Debtor Affiliate Company**").

7. Additional information regarding the circumstances leading to the commencement of these chapter 11 cases and information regarding the Debtors' business and

capital structure is set forth in the *Declaration of Ed Mosley in Support of the Debtors' Chapter 11 Petitions and Related Requests for Relief* [Docket No. 15], filed on the Petition Date.

**Basis for Relief Requested**

**A. Approval of the Disclosure Statement**

8. The Debtors submit that the Disclosure Statement contains “adequate information” and should be approved. Under section 1125(a) of the Bankruptcy Code, a plan proponent must provide holders of impaired claims and equity interests with “adequate information” regarding a proposed chapter 11 plan of reorganization, which is defined as:

information of a kind, and in sufficient detail, as far as is reasonably practicable in light of the nature and history of the debtor and the condition of the debtor's books and records, including a discussion of the potential material Federal tax consequences of the plan to the debtor, any successor to the debtor, and a hypothetical investor typical of the holders of claims or interests in the case, that would enable such a hypothetical investor of the relevant class to make an informed judgment about the plan.

11 U.S.C. § 1125(a)(1).

9. Whether a disclosure statement contains adequate information is a flexible fact-specific inquiry left within the discretion of the Court:

Precisely what constitutes adequate information in any particular instance will develop on a case-by-case basis. Courts will take a practical approach as to what is necessary under the circumstances of each case, such as the cost of preparation of the statements, the need for relative speed in solicitation and confirmation, and, of course, the need for investor protection. There will be a balancing of interests in each case. In reorganization cases, there is frequently great uncertainty. Therefore the need for flexibility is greatest.

H.R. Rep. 95-595, at 409 (1977), *reprinted in* 1978 U.S.C.C.A.N. 5963, 6365; *see also* *Tex. Extrusion Corp. v. Lockheed Corp. (In re Tex. Extrusion Corp.)*, 844 F.2d 1142, 1157 (5th Cir. 1988) (opining that what constitutes adequate information is “subjective,” “made on a case-by-case basis,” and “largely in the discretion of the bankruptcy court”).

10. In making a determination as to whether a disclosure statement contains adequate information as required by section 1125 of the Bankruptcy Code, courts typically look for disclosures related to topics such as:

- (i) the events that led to the filing of a bankruptcy petition;
- (ii) the relationship of the debtor with its affiliates;
- (iii) a description of the available assets and their value;
- (iv) the company's anticipated future;
- (v) the source of information stated in the disclosure statement;
- (vi) the debtors' condition while in chapter 11;
- (vii) claims asserted against the debtor;
- (viii) the estimated return to creditors under a chapter 7 liquidation;
- (ix) the future management of the debtor;
- (x) the chapter 11 plan or a summary thereof;
- (xi) financial information, valuations, and projections relevant to a creditor's decision to accept or reject the chapter 11 plan;
- (xii) information relevant to the risks posed to creditors under the plan;
- (xiii) litigation likely to arise in a nonbankruptcy context; and
- (xiv) tax attributes of the debtor.

*See In re U.S. Brass Corp.*, 194 B.R. 420, 424–25 (Bankr. E.D. Tex. 1996); *In re Divine Ripe, L.L.C.*, 554 B.R. 395, 401–02 (Bankr. S.D. Tex. 2016) (adopting a similar list); *In re ReoStar Energy*, 2012 Bankr. LEXIS 2418, at \*4–5 (Bankr. N.D. Tex. May 30, 2012) (noting that “courts have developed checklists for determining whether a disclosure statement meets the requirements of section 1125”). Such a list is not meant to be comprehensive and a debtor is not required to provide all the information on the list. Rather, the bankruptcy court must decide what

is appropriate in each case in light of the particular facts and circumstances present. *See Divine Ripe, L.L.C.*, 554 B.R. at 401–02.

11. The Disclosure Statement is extensive and comprehensive. It contains descriptions of, among other things: (i) the Plan (Section V); (ii) the operation of the Debtors’ businesses (Section II); (iii) key events leading to the commencement of these chapter 11 cases (Section III); (iv) the Debtors’ significant prepetition indebtedness (Section II); (v) financial information and valuations that would be relevant to creditors’ determinations of whether to accept or reject the Plan (Section VIII); (vi) a liquidation analysis setting forth the estimated return that holders of Claims and Interests would receive in a hypothetical chapter 7 liquidation (attached as “**Exhibit C**” to the Disclosure Statement); (vii) risk factors affecting the Plan (Section VI); and (viii) federal tax law consequences of the Plan (Section VII). Accordingly, the Disclosure Statement contains “adequate information” within the meaning of section 1125(a) of the Bankruptcy Code and should be approved.

12. The Disclosure Statement also provides adequate notice of the injunction, release, and exculpation provisions in the Plan. Pursuant to Bankruptcy Rule 3016(c), “[i]f a plan provides for an injunction against conduct not otherwise enjoined under the Code, the plan and disclosure statement [must] describe in specific and conspicuous language (bold, italic, or underlined text) all acts to be enjoined and identify the entities that would be subject to the injunction.” Fed. R. Bankr. P. 3016(c). The Plan includes injunctions, releases, and exculpations in Section 11, including third-party releases in Section 11.7. Part K of section V of the Disclosure Statement describes (i) the injunctions related to the release and exculpation provisions of the Plan; (ii) the releases provided under the Plan, the entities to be providing such releases, the entities to be released, and the claims and causes of action to be released; and

(iii) the proposed exculpation provisions under the Plan. Each of the foregoing sections is set forth in the Disclosure Statement in conspicuous bold print. Accordingly, the Disclosure Statement complies with Bankruptcy Rule 3016(c).

13. Based on the foregoing, the Debtors submit that the Disclosure Statement contains sufficient information for a voting creditor to make an informed judgment regarding whether to vote to accept or reject the Plan. Thus, the Debtors respectfully request that the Court approve the Disclosure Statement as containing adequate information in satisfaction of the requirements of section 1125 of the Bankruptcy Code.

**B. Approval of the Solicitation Procedures and Forms of Solicitation Materials**

14. The Debtors also request that the Court approve the solicitation, balloting, tabulation, and related activities undertaken in connection with the Plan, all of which are described below (collectively, the “**Solicitation Procedures**”). As set forth below, the Solicitation Procedures comply with the applicable provisions of the Bankruptcy Code and Bankruptcy Rules and should be approved.

*Parties Entitled to Vote*

15. Pursuant to the Plan, the Debtors have seven classes of Claims and Interests. There are only two Voting Classes under the Plan—Class 3 (Lender Claims) and Class 4 (General Unsecured Claims). Holders of Claims and Interests in the remaining six classes are either unimpaired and, therefore, presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code, or will not receive a distribution under the Plan and are therefore deemed to reject pursuant to section 1126(g) of the Bankruptcy Code (collectively, the “**Non-Voting Holders**”).



16. Under the Plan, Class 1 (Other Priority Claims) and Class 2 (Other Secured Claims) are unimpaired. Pursuant to section 1126(f) of the Bankruptcy Code, each holder of a claim or equity interest in an unimpaired class is “conclusively presumed to have accepted the plan, and solicitation of acceptances with respect to such class . . . is not required.” 11 U.S.C. § 1126(f). Accordingly, holders of Claims in Class 1 and Class 2 are conclusively presumed to accept the Plan and are not entitled to vote on the Plan.

17. Section 1126(g) of the Bankruptcy Code provides that “a class is deemed not to have accepted a plan if such plan provides that the claims or interests of such class do not entitle the holders of such claims or interests to receive or retain any property under the plan on account of such claims or interests.” 11 U.S.C. § 1126(g). Holders of Claims or Interests in Class 5 (Intercompany Claims), Class 6 (Existing Azure Interests), and Class 7 (Other Equity Interests) are not entitled to distributions or to retain any property under the Plan. *See* 11 U.S.C. §§ 1129(a)(7), (b)(2)(B)(ii). Accordingly, such holders are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code and not entitled to vote.

*Approval of the Solicitation Package and Procedures for Distribution Thereof*

18. Bankruptcy Rule 3017(d) lists the materials that must be provided to holders of Claims or Interests for the purposes of soliciting votes on the Plan and/or providing adequate notice of the Confirmation Hearing:

Upon approval of a disclosure statement, — except to the extent that the court orders otherwise with respect to one or more unimpaired classes of creditors or equity security holders — the debtor in possession, trustee, proponent of the plan, or clerk as the court orders shall mail to all creditors and equity security holders, and in a chapter 11 reorganization case shall transmit to the United States trustee:

- (a) the plan or a court-approved summary of the plan;
- (b) the disclosure statement approved by the court;

(c) notice of the time within which acceptances and rejections of the plan may be filed; and

(d) any other information as the court may direct, including any court opinion approving the disclosure statement or a court-approved summary of the opinion.

Fed. R. Bankr. P. 3017(d). In accordance with the foregoing, the Debtors propose mailing or causing to be mailed solicitation packages (the “**Solicitation Packages**”) containing the information described below as soon as practicable after entry of the Proposed Order, commencing not later than **four (4) business days** after entry of such order (the “**Solicitation Date**”), to the U.S. Trustee and the Voting Classes with:

- (i) the Court’s order approving the Disclosure Statement without attachments;
- (ii) the Confirmation Hearing Notice;
- (iii) the Disclosure Statement, which shall include the Plan as an attachment (except as provided below); and
- (iv) a Ballot (as defined below) customized for each respective Voting Class and conforming to Official Bankruptcy Form B 314, in the form described below, and a postage-prepaid return envelope.<sup>3</sup>

19. To reduce costs and the impact on the environment, the Debtors propose sending the Disclosure Statement and Plan in electronic format (*i.e.*, on a CD-ROM or flash drive). Moreover, the Plan and Disclosure Statement will be available at no charge via the Internet at <http://www.kccllc.net/azuremlp>. However, if service in electronic format imposes a hardship for any creditor entitled to receive a copy of the Plan and the Disclosure Statement, the Debtors propose that such creditor may request a paper copy of the Plan and the Disclosure Statement by contacting the voting agent, Kurtzman Carson Consultants, LLC (the “**Voting**

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<sup>3</sup> The Debtors will make every reasonable effort to ensure that any holder of a Claim who has filed duplicate Claims against the Debtors (whether against the same or multiple Debtors) that are classified under the Plan in the same Voting Class, receives no more than one Solicitation Package (and, therefore, one Ballot) on account of such Claim and with respect to that Class.

**Agent**”), at (888) 733-1434, or sending an electronic mail message to Azureinfo@kccllc.com with “Azure” in the subject line. Upon receipt of such request, the Debtors will provide such creditor with a paper copy of the Plan and the Disclosure Statement at no cost to the creditor within **five (5) business days** thereafter.

20. The Debtors will not mail Solicitation Packages to creditors that have already been paid in full; *provided, however*, that if any such creditor would be entitled to receive a Solicitation Package for any other reason, then the Debtors will send such creditor a Solicitation Package in accordance with the procedures set forth herein.

21. To reduce administrative costs, the Debtors propose that Non-Voting Holders receive only the Confirmation Hearing Notice and the applicable Non-Voting Notices in lieu of Solicitation Packages.

22. The Debtors anticipate that the United States Postal Service may return some Solicitation Packages as undeliverable. It would be costly and wasteful to mail Solicitation Packages to the same addresses from which mail previously was returned as undeliverable. Therefore, the Debtors request the Court waive the strict notice rule and excuse the Debtors from mailing Solicitation Packages to addresses from which the Debtors received mailings returned as undeliverable, unless the Debtors are provided with a new mailing address sufficiently before the Voting Deadline.

23. Although the Debtors have made, and will make, every effort to ensure that the Solicitation Packages as described herein and as approved by the Court are in final form, the Debtors nonetheless request authority to make non-substantive changes to the Disclosure Statement, the Plan, and related documents without further order of the Court, including ministerial changes to correct typographical and grammatical errors, and to make conforming

changes among the Disclosure Statement, the Plan, and any other materials in the Solicitation Packages before mailing.

24. The Solicitation Procedures described herein comply with Bankruptcy Rule 3017, and accordingly, the Debtors request the Court's approval thereof.

*Voting Record Date and Voting Deadline*

25. Bankruptcy Rule 3017(d) provides that for purposes of soliciting votes in connection with the confirmation of a plan, "creditors and equity security holders shall include holders of stock, bonds, debentures, notes, and other securities of record on the date the order approving the disclosure statement is entered or another date fixed by the court, for cause, after notice and a hearing." Fed R. Bankr. P. 3017(d).

26. To identify and establish the universe of creditors entitled to vote on the Plan, the Debtors request that the Court set **April 26, 2017** as the date for determining (i) which creditors in Class 3 (Lender Claims) and Class 4 (General Unsecured Claims) are entitled to vote on the Plan and (ii) which creditors and interest holders constituting Non-Voting Holders are entitled to receive a Non-Voting Notice (the "**Voting Record Date**").

27. The Debtors believe that the Voting Record Date is appropriate because it facilitates determination of which creditors are entitled to vote on the Plan and which holders of Claims and Interests are entitled to receive a Non-Voting Notice. Accordingly, the Debtors request that the Court approve the Voting Record Date.

*Form of Ballots*

28. Bankruptcy Rule 3017(d) requires that the Debtors use a form of ballot substantially conforming to Official Bankruptcy Form B 314. The Ballots, copies of which are annexed as **Exhibit 1** and **Exhibit 2** to the Proposed Order, are based on Official Bankruptcy Form B 314, but were modified to address the particular aspects of these chapter 11 cases and to

be relevant and appropriate for each Voting Class. As set forth above, to be counted as votes to accept or reject the Plan, the Ballots are required to be properly completed, executed, and timely returned to the Voting Agent so that they are received no later than the Voting Deadline. In addition, each Ballot was specifically designed to conform to the Plan.

*Approval of Non-Voting Status*

29. Bankruptcy Rule 3017(d) permits a court to order that the Plan and Disclosure Statement need not be mailed to unimpaired classes. In lieu thereof, a court may order that “notice that the class is designated in the plan as unimpaired and notice of the name and address of the person from whom the plan or summary of the plan and disclosure statement may be obtained upon request and at the plan proponent’s expense . . . and notice of the time fixed for filing objections to and the hearing on confirmation” be mailed to the members of such classes. Fed. R. Bankr. P. 3017(d).

30. As discussed above, the Non-Voting Holders are either unimpaired and presumed to accept pursuant to section 1126(f) of the Bankruptcy Code, or will receive no distributions under the Plan on account of their Claims or Interests and should be deemed to reject pursuant to section 1126(g) of the Bankruptcy Code. Accordingly, the Debtors propose mailing to holders of Claims in Class 1 (Other Priority Claims) and Class 2 (Other Secured Claims) a Notice of Non-Voting Status – Unimpaired Classes (the “**Unimpaired Non-Voting Notice**”), annexed as **Exhibit 3** to the Proposed Order, and the Confirmation Hearing Notice in lieu of a Solicitation Package. Furthermore, as discussed above, Class 5 (Intercompany Claims), Class 6 (Existing Azure Interests), and Class 7 (Other Equity Interests) are expected to receive no distributions on account of their Claims or Interests, deemed to reject the Plan, and not entitled to vote. Accordingly, the Debtors propose mailing to holders in such Classes a Notice of Non-Voting Status – Deemed to Reject Classes (the “**Impaired Non-Voting Notice**”), annexed

as **Exhibit 4** to the Proposed Order, and the Confirmation Hearing Notice in lieu of the Solicitation Package.

31. The Non-Voting Notices provide (i) notice of the Court's approval of the Disclosure Statement; (ii) notice of the filing of the Plan; (iii) notice of the holders' non-voting status; and (iv) information about how to obtain copies of the Disclosure Statement and Plan.

*Voting and Tabulation Procedures*

32. The Debtors request that the tabulation rules set forth on the Ballots be approved. Those tabulation rules provide, among other things, that: (i) a properly completed, executed, and timely Ballot submitted by a holder of Claims in a Voting Class supersede and revoke any prior Ballot(s) submitted by that holder; (ii) Ballots attempting to partially accept and partially reject the Plan will not be counted; (iii) illegible Ballots will not be counted; (iv) Ballots containing insufficient information to identify the claimant will not be counted; (v) any form of ballot other than the official form of Ballot sent by the Voting Agent will not be counted; and (vi) Ballots received after the Voting Deadline (if the Voting Deadline has not been extended) may not, at the Debtors' discretion, be counted. As specified on the Ballot, any Ballot that is otherwise properly completed, executed, and timely returned to the Voting Agent, but does not indicate an acceptance or rejection of the Plan, or that indicates both an acceptance and rejection of the Plan, will not be counted as a vote in determining acceptance or rejection of the Plan.

33. To assist in the solicitation process, the Debtors request that the Court grant the Voting Agent the authority to contact parties that submit incomplete or otherwise deficient Ballots to make a reasonable effort to cure such deficiencies.

34. A creditor who holds a claim in a Voting Class is nonetheless **not** entitled to vote if:

- (i) as of the Voting Record Date, the outstanding amount of such creditor's Claim is zero;
- (ii) as of the Voting Record Date, such creditor's Claim has been disallowed, expunged, disqualified, or suspended;
- (iii) such creditor has not filed a proof of claim as of the Voting Record Date and the Debtors have not scheduled such creditor's Claim; or
- (iv) such creditor's Claim is subject to an objection or request for estimation as of the Voting Record Date.

35. Any Ballot cast by a Holder of a Claim who timely files a Proof of Claim in respect of (i) a contingent Claim or a Claim in a wholly-unliquidated or unknown amount (based on a reasonable review by the Debtors and/or the Voting Agent) that is not the subject of an objection will count toward satisfying the numerosity requirement of section 1126(c) of the Bankruptcy Code and will count as a Ballot for a Claim in the amount of \$1.00 solely for the purposes of satisfying the dollar amount provisions of section 1126(c) of the Bankruptcy Code, and (ii) a partially liquidated and partially unliquidated Claim, such Claim will be Allowed for voting purposes only in the liquidated amount; *provided, however*, that to the extent the Claim amount contained in the Proof of Claim is different from the Claim amount set forth in a document filed with the Court as referenced in subparagraph (a) above, the Claim amount in the document filed with the Court shall supersede the Claim amount set forth on the respective Proof of Claim for voting purposes.

**C. Scheduling a Confirmation Hearing**

36. Section 1128(a) of the Bankruptcy Code provides that “[a]fter notice, the court shall hold a hearing on confirmation of a plan.” Bankruptcy Rules 2002(b) requires 28 days’ notice to be given by mail to all creditors of the time fixed for filing objections to confirmation of a plan of reorganization. In addition, Bankruptcy Rule 3017(c) provides, “[o]n or before approval of the disclosure statement, the court shall fix a time within which the holders

of claims and interests may accept or reject the plan and may fix a date for the hearing on confirmation.”

37. The expeditious administration of these cases will minimize administrative expenses of the estates. Accordingly, scheduling the Confirmation Hearing in these chapter 11 cases would promote judicial economy and would allow the Debtors to administer these cases expeditiously, thereby preserving value for the benefit of all stakeholders.

38. The Debtors intend to consult with the Court on an appropriate Confirmation Hearing date at the hearing to consider this Motion.

**D. Deadline and Procedures for Objections to Confirmation of the Plan**

39. Pursuant to Bankruptcy Rule 3020(b)(1), objections to confirmation of a plan must be filed and served “within a time fixed by the court.” The Debtors request that the Court set a date that is seven days prior to the Confirmation Hearing as the “Plan Objection Deadline.”

40. The Debtors further request that the Court direct that any responses or objections to confirmation of the Plan must: (i) be in writing; (ii) conform to the applicable Bankruptcy Rules and the Bankruptcy Local Rules; (iii) set forth the name of the objecting party, the basis for the objection, and the specific grounds thereof; and (iv) be filed with the Court on or before the Plan Objection Deadline.

41. The Debtors intend to file a “Plan Supplement” consisting of supplemental materials to the Plan and certain documents integral to the Plan. The Debtors request that the Court authorize the Debtors to file the Plan Supplement by **May 8, 2017**.

42. The Debtors believe that the Plan satisfies all of the requirements for confirmation under the Bankruptcy Code.



**E. Approval of Form and Manner of Confirmation Hearing Notice**

43. Pursuant to Bankruptcy Rule 3017(d), notice of a plan confirmation objection deadline and hearing must be provided to all creditors and equity security holders in accordance with Bankruptcy Rule 2002. Bankruptcy Rules 2002 requires 28 days' notice to, among others, the trustee and all creditors and equity security holders of the time set for filing objections to, and the hearing to consider confirmation of, a plan. Bankruptcy Rule 2002(c)(3) provides that if a plan provides for an injunction against conduct not otherwise enjoined under the Bankruptcy Code, the plan confirmation hearing notice must include, in conspicuous language, a statement that the plan proposes an injunction, a brief description of the nature of the injunction, and identification of the entities that would be subject to such injunction. In addition, Bankruptcy Rule 2002(l) permits the Court to "order notice by publication if it finds that notice by mail is impracticable or that it is desirable to supplement the notice."

44. The Debtors propose mailing (or causing to be mailed) within **three (3) business days** of the entry of the Proposed Order or as soon as reasonably possible thereafter, the Confirmation Hearing Notice, substantially in the form annexed as **Exhibit 5** to the Proposed Order, to all known Holders of Claims against and Interests in the Debtors. The Confirmation Hearing Notice sets forth, among other things, (i) the date, time, and place of the Confirmation Hearing; (ii) instructions for obtaining copies of the Disclosure Statement and Plan; (iii) the Plan Objection Deadline and procedures for filing objections to confirmation of the Plan; and (iv) information about the Plan injunctions in compliance with Bankruptcy Rule 2002(c)(3).

45. The Debtors propose sending the Confirmation Hearing Notice to Holders of Lender Claims, Existing Azure Interests, and Other Equity Interests as reflected in the records maintained by any applicable transfer agents or trustees as of the close of business on the Voting

Record Date. The Debtors realize, however, that the records maintained by such transfer agents or trustees reflect the brokers, dealers, commercial banks, trust companies, or other agents, or nominees (collectively, “**Nominees**”) through which the beneficial owners hold the various securities. Accordingly, the Debtors request that the Court authorize (i) the Debtors to provide the Nominees with sufficient copies of the Confirmation Hearing Notice to forward to the beneficial holders and (ii) the Nominees to forward the Confirmation Hearing Notice or copies thereof to the beneficial holders within **five (5) business days** of the receipt by such Nominee of the Confirmation Hearing Notice. If the Nominees incur expenses in connection with distribution of the Confirmation Hearing Notice, the Debtors request authority to reimburse such Nominees for their reasonable, customary, and documented expenses incurred therewith.

46. In addition, the Debtors shall publish the Confirmation Hearing Notice (in a format modified for publication) on or before **May 5, 2017** at least once in one or more of the following publications: the *Houston Chronicle*, *USA Today*, National Edition, *The Panola Watchman*, and the *Longview News-Journal*, and/or local newspapers, trade journals or similar publications, if any, as the Debtors deem appropriate in their discretion.

47. To provide another layer of notice to parties in interest in these cases, the Debtors propose posting in a clearly marked location on the Voting Agent’s website various of the chapter 11 documents relating to solicitation, including the following: (i) the Plan; (ii) the Disclosure Statement; (iii) this Motion and any orders entered in connection with this Motion; and (iv) the Confirmation Hearing Notice. Moreover, the Confirmation Hearing Notice will be filed with the Securities and Exchange Commission on Form 8-K and, thus, will be available to interested parties through the Securities and Exchange Commission’s EDGAR website.

48. The Debtors submit that the above proposed mailings and publications of the Confirmation Hearing Notice will provide sufficient notice to all parties in interest in the Debtors' chapter 11 cases of the date, time, and place of the Confirmation Hearing and confirmation of the Plan. Accordingly, the Debtors respectfully request that this Court approve the form and manner of service of the Confirmation Hearing Notice in the foregoing manner.

**Notice**

49. No trustee, examiner, or statutory committee of creditors has been appointed in these chapter 11 cases. Notice of this Motion will be provided to (i) the Office of the United States Trustee for the Southern District of Texas; (ii) the Debtors' thirty (30) largest unsecured creditors on a consolidated basis; (iii) Baker & McKenzie LLP, 452 Fifth Avenue, New York, NY 10018 (Attn: James Donnell, Esq. and Peter S. Goodman, Esq.), counsel to Wells Fargo Bank, N.A., as administrative agent under the Credit Agreement; (iv) the Securities and Exchange Commission; (v) the Internal Revenue Service; (vi) the United States Attorney's Office for the Southern District of Texas; and (vii) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtors submit that no other or further notice need be provided.

**No Previous Request**

50. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

WHEREFORE the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as it deems just and proper.

Dated: March 20, 2017  
Houston, Texas

/s/ Christopher M. López

Christopher M. López (24041356)  
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-and-

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*Attorneys for the Debtors  
and Debtors in Possession*

**Certificate of Service**

I hereby certify that on March 20, 2017, a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas and will be served as set forth in the Affidavit of Service to be filed by the Debtors' claims, noticing, and solicitation agent.

*/s/ Christopher M. López* \_\_\_\_\_  
Christopher M. López

**EXHIBIT A**

**Proposed Order**

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

<b>In re:</b>	§	<b>Chapter 11</b>
	§	
<b>AZURE MIDSTREAM PARTNERS, LP, et al.,</b>	§	<b>Case No. 17-30461 (DRJ)</b>
	§	
	§	<b>Jointly Administered</b>
	§	
<b>Debtors.<sup>1</sup></b>	§	<b>Re: Docket No. __</b>

**ORDER (I) APPROVING THE ADEQUACY OF THE DISCLOSURE STATEMENT,  
(II) APPROVING THE SOLICITATION AND NOTICE PROCEDURES WITH  
RESPECT TO CONFIRMATION OF THE DEBTORS' PROPOSED JOINT PLAN OF  
LIQUIDATION, (III) APPROVING THE FORM OF BALLOTS AND  
NOTICES IN CONNECTION THEREWITH, (IV) SCHEDULING CERTAIN  
DATES WITH RESPECT THERETO, AND (V) GRANTING RELATED RELIEF  
PURSUANT TO SECTIONS 105, 1125, 1126, AND 1128 OF THE BANKRUPTCY  
CODE AND BANKRUPTCY RULES 2002, 3016, 3017, 3018, 3020, AND 9006**

Upon the motion, dated March 20, 2017 (the "**Motion**"),<sup>2</sup> of Azure Midstream Partners, LP, its subsidiaries, and certain affiliates in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, the "**Debtors**"), pursuant to sections 105, 1125, 1126, and 1128 of title 11 of the Bankruptcy Code, Rules 2002, 3016, 3017, 3018, 3020, and 9006 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") and Rule 2002-1 of the Bankruptcy Local Rules for the Southern District of Texas (the "**Bankruptcy Local Rules**"), all as more fully set forth in the Motion, for entry of an order:

- (i) approving the *Disclosure Statement for Debtors' Joint Plan of Liquidation* (as may be amended, modified, or supplemented from time to time, the "**Disclosure Statement**") as containing adequate information pursuant to section 1125 of the Bankruptcy Code;

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number are: Azure Midstream Partners, LP (7595), Azure ETG, LLC (3388), Azure Holdings GP, LLC (0537), Azure Midstream Partners GP, LLC (8089), Azure TGG, LLC (6233), Marlin G&P I, LLC (6073), Marlin Logistics, LLC (8460), Marlin Midstream Finance Corp. (0130), Marlin Midstream, LLC (2587), Murvaul Gas Gathering, LLC (0826), Talco Midstream Assets, Ltd. (7004), and Turkey Creek Pipeline, LLC (1161).

<sup>2</sup> All capitalized terms used, but not otherwise defined, herein shall have the meanings ascribed to such terms in the Plan.

- (ii) approving the proposed Solicitation Procedures (as herein defined) and solicitation materials (the “**Solicitation Package**”) with respect to the *Debtors’ Joint Plan of Liquidation* (as may be amended, modified, or supplemented from time to time, the “**Plan**”) for eligible holders of Claims in Class 3 (Lender Claims) and Class 4 (General Unsecured Claims), (each a “**Voting Class**” and collectively, the “**Voting Classes**”), including the form of ballot for each Voting Class;
- (iii) approving a notice of relevant dates and deadlines for holders of Claims in the unimpaired Classes under the Plan: Class 1 (Other Priority Claims) and Class 2 (Other Secured Claims) (the “**Notice of Non-Voting Status – Unimpaired Classes**”);
- (iv) approving a notice of relevant dates and deadlines for holders of Claims and Interests in the fully impaired Classes under the Plan: Class 5 (Intercompany Claims), Class 6 (Existing Azure Interests), and Class 7 (Other Equity Interests) (the “**Notice of Non-Voting Status – Deemed to Reject Classes**”);
- (v) scheduling a hearing to consider confirmation of the Plan (the “**Confirmation Hearing**”) and set a deadline to object to the Plan (the “**Plan Objection Deadline**”);
- (vi) approving the form and manner of notice of the Confirmation Hearing (the “**Confirmation Hearing Notice**”); and
- (vii) granting related relief.

as more fully set forth in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that venue is allowed before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and the Court having reviewed the Motion; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Debtors and their respective estates and creditors; and upon



all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY ORDERED THAT:**

1. The Motion is granted as set forth herein.
2. The Disclosure Statement contains adequate information in accordance with section 1125 of the Bankruptcy Code and is approved. The Disclosure Statement provides sufficient notice of the proposed injunction, exculpation, and release provisions contained in Section 11 of the Plan, in accordance with Bankruptcy Rule 3016(c).
3. The form and manner of service of the Disclosure Statement Hearing Notice complies with applicable Bankruptcy Rules and Bankruptcy Local Rules and no further or other notice is necessary.
4. The following dates are hereby established (subject to modification as necessary) with respect to the Disclosure Statement, solicitation of votes, voting on the Plan, and confirmation of the Plan:

<b>Event</b>	<b>Date/Deadline</b>
Disclosure Statement Objection Deadline	April 21, 2017
Disclosure Statement Hearing	April 26, 2017 at 2:30 p.m. (CT)
Voting Record Date	April 26, 2017
Solicitation Date	No later than four business days after entry of this Order
Publication Deadline	May 5, 2017
Plan Supplement Deadline	May 8, 2017
Voting Deadline	May 12, 2017
Plan Objection Deadline	Seven days before the Confirmation Hearing
Confirmation Hearing	To be determined

5. The Debtors are authorized, but not directed, to solicit, receive, and tabulate votes to accept the Plan in accordance with the Solicitation Procedures described in the Motion, which are approved pursuant to this Order.

6. Pursuant to the Plan, holders of Claims in Class 3 (Lender Claims) and Class 4 (General Unsecured Claims) (the “**Voting Classes**”) are impaired and are entitled to receive distributions under the Plan. Accordingly, holders of allowed Claims in such Classes are entitled to vote on account of such Claims to the extent set forth herein.

7. The Ballots, substantially in the forms attached hereto as **Exhibit 1** and **Exhibit 2** are approved.<sup>3</sup>

8. The procedures used for tabulations of votes to accept or reject the Plan as set forth in the Motion and as provided by the Ballots are approved in their entirety.

9. The Debtors are authorized to send the Disclosure Statement and Plan in electronic format (*i.e.*, on a CD-ROM or flash drive). The Plan and Disclosure Statement will be available at no charge via the Internet at <http://www.kccllc.net/azuremlp>. However, if service in electronic format imposes a hardship for any creditor entitled to receive a copy of the Plan and the Disclosure Statement, such creditor may request a paper copy of the Plan and the Disclosure Statement by contacting KCC (the “**Voting Agent**”) at (888) 733-1434, or sending an electronic mail message to [Azureinfo@kccllc.com](mailto:Azureinfo@kccllc.com) with “Azure” in the subject line. Upon receipt of such request, the Debtors will provide such creditor with a paper copy of the Plan and the Disclosure Statement at no cost to the creditor within **five (5) business days** thereafter.

10. With respect to addresses from which Solicitation Packages are returned as undeliverable by the United States Postal Service, the Debtors are excused from mailing Solicitation Packages or any other materials related to voting or confirmation of the Plan to those entities listed at such addresses unless the Debtors are provided with accurate addresses for such

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<sup>3</sup> The Debtors will make every reasonable effort to ensure that any holder of a Claim who has filed duplicate Claims against the Debtors (whether against the same or multiple Debtors) that are classified under the Plan in the same Voting Class, receives no more than one Solicitation Package (and, therefore, one Ballot) on account of such Claim and with respect to that Class.

entities before the Voting Deadline, and failure to mail Solicitation Packages or any other materials related to voting or confirmation of the Plan to such entities will not constitute inadequate notice of the Confirmation Hearing or the Voting Deadline and shall not constitute a violation of Bankruptcy Rule 3017.

11. To assist in the solicitation process, the Voting Agent may, but is not obligated to, contact parties that submit incomplete or otherwise deficient Ballots to make a reasonable effort to cure such deficiencies. Unless waived, any defects or irregularities in connection with deliveries of Ballots must be cured within such time as the Debtors (or this Court) determines. Neither the Debtors nor any other person will be under any duty to provide notification of defects or irregularities with respect to deliveries of Ballots, nor will any of them incur any liabilities for failure to provide such notification. Delivery of such Ballots will not be deemed to have been made until such irregularities have been cured or waived. Ballots previously furnished (and as to which any irregularities have not theretofore been cured or waived) will be invalidated.

12. The Debtors and the Voting Agent, as applicable, are authorized to determine all questions as to the validity, form, eligibility (including time of receipt), acceptance, and revocation or withdrawals of Ballots. The Debtors are authorized to reject any and all Ballots submitted by any of their respective creditors not in proper form, the acceptance of which would, in the opinion of the Debtors or their counsel, as applicable, be unlawful. The Debtors are further authorized to reserve their respective rights to waive any defects or irregularities or conditions of delivery as to any particular Ballot by any of their claim holders.

13. Pursuant to the Plan, holders of Claims and Interests in Class 1 (Other Priority Claims), Class 2 (Other Secured Claims), Class 5 (Intercompany Claims), Class 6

(Existing Azure Interests), and Class 7 (Other Equity Interests) are either unimpaired and, therefore, deemed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code, or not entitled to receive a distribution under the Plan on account of their Claims or Interests and, therefore, deemed to reject pursuant to section 1126(g) of the Bankruptcy Code (collectively, the “**Non-Voting Holders**”).

14. The Non-Voting Notices, substantially in the forms attached hereto as **Exhibit 3** and **Exhibit 4** are approved. The Debtors are authorized to send the applicable Non-Voting Notice and the Confirmation Hearing Notice to the Non-Voting Holders in lieu of a Solicitation Package.

15. The Confirmation Hearing will be held on \_\_\_\_\_, **2017 at \_\_\_\_\_ (Central Time)**. The Confirmation Hearing may be adjourned without further notice to parties in interest other than by an announcement in Court of such adjournment on the date scheduled for the Confirmation Hearing or as indicated in any notice of agenda of matters scheduled for hearing filed by the Debtors with the Court.

16. Any responses or objections to the confirmation of the Plan must: (i) be in writing; (ii) conform to the applicable Bankruptcy Rules and the Local Bankruptcy Rules; (iii) set forth the name of the objecting party, the basis for the objection, and the specific grounds thereof; and (iv) be filed with the Court on or before \_\_\_\_\_, **2017** (the “**Plan Objection Deadline**”).

17. Notice of the Confirmation Hearing as proposed in the Motion and the form of Confirmation Hearing Notice, substantially the form attached hereto as **Exhibit 5**, shall be deemed good and sufficient notice of the Confirmation Hearing and no further notice need be given. The Debtors shall cause the Voting Agent to mail a copy of the Confirmation Hearing

Notice to the parties set forth in the Motion within **three (3) business days** of the entry of this Order or as soon as reasonably possible. The Debtors shall publish the Confirmation Hearing Notice (in a format modified for publication) on or before **May 5, 2017** at least once in one or more of the following publications: the *Houston Chronicle*, *USA Today*, National Edition, *The Panola Watchman*, and the *Longview News-Journal*, and/or local newspapers, trade journals or similar publications, if any, as the Debtors deem appropriate in their discretion. The notice procedures set forth in this paragraph 17 constitute good and sufficient notice of the Confirmation Hearing, the Plan Objection Deadline, and procedures for objecting to confirmation of the Plan.

18. If the Nominees incur expenses in connection with distribution of the Confirmation Hearing Notice, the Debtors are authorized, but not directed, to reimburse such Nominees for their reasonable, customary, and documented expenses incurred thereto.

19. The Debtors shall file the Plan Supplement (as defined in the Plan) on or before **May 8, 2017**.

20. Notwithstanding the possible applicability of Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

21. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rules 4001(d) and 6004(a) are waived.

22. The Debtors are authorized and empowered to take all actions necessary or appropriate to implement the relief granted in this Order.

23. This Court shall retain jurisdiction with respect to all matters arising from or related to the interpretation or implementation of this Order.

Dated: \_\_\_\_\_, 2017  
Houston, Texas

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DAVID R. JONES  
UNITED STATES BANKRUPTCY JUDGE

**Exhibit 1**

**Form of Ballot for Class 3 Lender Claims**

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

<b>In re:</b>	§	<b>Chapter 11</b>
	§	
<b>AZURE MIDSTREAM PARTNERS, LP, et al.,</b>	§	<b>Case No. 17-30461 (DRJ)</b>
	§	
<b>Debtors.<sup>1</sup></b>	§	<b>Jointly Administered</b>
	§	

**BALLOT FOR ACCEPTING OR REJECTING THE JOINT PLAN OF LIQUIDATION OF THE  
DEBTORS UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

**CLASS 3 BALLOT FOR HOLDERS OF LENDER CLAIMS**

**ELIGIBLE HOLDERS OF CLASS 3 LENDER CLAIMS SHOULD READ THIS ENTIRE BALLOT BEFORE COMPLETING. PLEASE COMPLETE, DATE, AND SIGN THIS BALLOT AND RETURN IT IN THE ENCLOSED PREAMBIT, POSTAGE PREPAID ENVELOPE, BY FIRST CLASS MAIL, OVERNIGHT COURIER, OR HAND DELIVERY TO THE VOTING AGENT (AS DEFINED BELOW). YOUR VOTE MUST BE ACTUALLY RECEIVED BY THE VOTING AGENT ON OR BEFORE [\_\_\_\_], 2017 (THE “VOTING DEADLINE”).**

This ballot (the “**Ballot**”) is provided to you to solicit your vote to accept or reject the *Debtors’ Joint Plan of Liquidation* (Docket No. [\_\_\_\_]) (as amended, modified, or supplemented from time to time, the “**Plan**”)² in connection with cases (the “**Chapter 11 Cases**”) commenced by Azure Midstream Partners, LP (“**Azure**”) and its above-captioned debtor affiliates (collectively, the “**Debtors**”) under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”).

Please use this Ballot to cast your vote to accept or reject the Plan if you are, as of [\_\_\_\_], 2017 (the “**Voting Record Date**”), a holder (a “**Holder**”) of a Claim against the Debtors arising under or relating to that certain Credit Agreement, dated as of February 27, 2015 (as amended, restated, or otherwise modified from time to time), between, *inter alia*, Azure, as borrower, each of the other Debtors as guarantors, and Wells Fargo Bank, N.A., as administrative agent.

The Plan is attached as **Exhibit A** to the *Disclosure Statement for Debtors’ Joint Plan of Liquidation* (Docket No. [\_\_\_\_]) (as amended, modified, or supplemented from time to time, the “**Disclosure Statement**”). The Disclosure Statement provides information to assist you in deciding whether to accept or reject the Plan. If you do not have a copy of the Disclosure Statement, you may

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number are: Azure Midstream Partners, LP (7595), Azure ETG, LLC (3388), Azure Holdings GP, LLC (0537), Azure Midstream Partners GP, LLC (8089), Azure TGG, LLC (6233), Marlin G&P I, LLC (6073), Marlin Logistics, LLC (8460), Marlin Midstream Finance Corp. (0130), Marlin Midstream, LLC (2587), Murvaul Gas Gathering, LLC (0826), Talco Midstream Assets, Ltd. (7004), and Turkey Creek Pipeline, LLC (1161).

<sup>2</sup> Capitalized terms used but not otherwise herein defined shall have the meanings ascribed to such terms in the Plan.



**Ballot for Class 3 – Lender Claims**

obtain a copy from the Debtors’ voting agent, Kurtzman Carson Consultants (the “**Voting Agent**”), by calling (888) 733-1434 (toll free), or sending an electronic mail message to Azureinfo@kccllc.com with “Azure” in the subject line and requesting that a copy be provided to you.

The Plan may be confirmed by the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”) and thereby made binding on you if it is accepted by the holders of at least two-thirds of the aggregate principal amount and more than one-half in number of the Claims voted in at least one class of creditors that votes on the Plan and the Plan otherwise satisfies the applicable requirements of section 1129(a) of the Bankruptcy Code. PLEASE CONSULT THE DISCLOSURE STATEMENT FOR MORE INFORMATION. You should review the Disclosure Statement and the Plan in their entirety before you vote.

Your receipt of this Ballot does not signify that your Claim(s) has been or will be allowed. This Ballot is solely for purposes of voting to accept or reject the Plan and not for the purpose of allowance or disallowance of or distribution on account of Class 3 Lender Claims. You must provide all of the information requested by this Ballot. Failure to do so may result in the disqualification of your vote.

You may wish to seek independent legal advice concerning the Plan and your classification and treatment under the Plan.

**Item 1. Principal Amount of Claims.** The undersigned hereby certifies that, as of the Voting Record Date, the undersigned was the Holder of a Lender Claim in the amount inserted into the box below.

- Amount of Lender Claim:

\$
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**Item 2. Votes on the Plan.** The undersigned Holder of the Class 3 Lender Claim votes to (check one box):

<input type="checkbox"/> <b>Accept the Plan</b>	<input type="checkbox"/> <b>Reject the Plan</b>
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**Item 3. Important Information Regarding Third-Party Release.**

**Section 11.7 of the Plan contains the following provision:**

**EFFECTIVE AS OF THE EFFECTIVE DATE, THE RELEASING PARTIES SHALL BE DEEMED TO PROVIDE A FULL RELEASE TO THE RELEASED PARTIES AND THEIR RESPECTIVE PROPERTY FROM ANY AND ALL CAUSES OF ACTION AND ANY OTHER DEBTORS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, ACTIONS, DERIVATIVE CLAIMS, REMEDIES, AND LIABILITIES WHATSOEVER, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING AS OF THE EFFECTIVE DATE, IN LAW, AT EQUITY, OR OTHERWISE, WHETHER FOR TORT, CONTRACT, VIOLATIONS OF FEDERAL OR STATE SECURITIES LAWS,**

**OR OTHERWISE, BASED IN WHOLE OR IN PART UPON ANY ACT OR OMISSION, TRANSACTION, OR OTHER OCCURRENCE OR CIRCUMSTANCES EXISTING OR TAKING PLACE PRIOR TO OR ON THE EFFECTIVE DATE ARISING FROM OR RELATED IN ANY WAY TO THE DEBTORS, THE PLAN, OR THESE CHAPTER 11 CASES, INCLUDING THOSE THAT THE DEBTORS WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT DERIVATIVELY OR ON BEHALF OF THE DEBTORS OR THEIR ESTATES. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THIS RELEASE SHALL NOT (1) OPERATE TO RELEASE ANY CLAIMS OR CAUSES OF ACTION HELD DIRECTLY (BUT NOT DERIVATIVELY) BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION AGAINST ANY NON-DEBTOR OR (2) PRECLUDE THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION FROM ENFORCING ITS REGULATORY OR POLICE POWERS.**

**ENTRY OF THE CONFIRMATION ORDER SHALL CONSTITUTE THE BANKRUPTCY COURT’S APPROVAL, PURSUANT TO BANKRUPTCY RULE 9019, OF THE THIRD PARTY RELEASE, WHICH INCLUDES BY REFERENCE EACH OF THE RELATED PROVISIONS AND DEFINITIONS CONTAINED IN THE PLAN, AND, FURTHER, SHALL CONSTITUTE THE BANKRUPTCY COURT’S FINDING THAT THE THIRD PARTY RELEASE IS: (1) IN EXCHANGE FOR THE GOOD AND VALUABLE CONSIDERATION PROVIDED BY THE RELEASED PARTIES; (2) A GOOD-FAITH SETTLEMENT AND COMPROMISE OF THE CLAIMS RELEASED BY THE THIRD PARTY RELEASE; (3) IN THE BEST INTERESTS OF THE DEBTORS AND ALL HOLDERS OF CLAIMS AND INTERESTS; (4) FAIR, EQUITABLE, AND REASONABLE; (5) GIVEN AND MADE AFTER DUE NOTICE AND OPPORTUNITY FOR HEARING; AND (6) A BAR TO ANY OF THE RELEASING PARTIES ASSERTING ANY CLAIM RELEASED PURSUANT TO THE THIRD PARTY RELEASE.**

UNDER THE PLAN, “RELEASING PARTY” MEANS “COLLECTIVELY AND IN EACH CASE IN THEIR CAPACITY AS SUCH: EACH HOLDER OF A CLAIM OR AN INTEREST, AND WITH RESPECT TO EACH OF THE FOREGOING ENTITIES, SUCH ENTITIES’ PREDECESSORS, SUCCESSORS AND ASSIGNS, SUBSIDIARIES, AFFILIATES, CURRENT AND FORMER OFFICERS, DIRECTORS, PRINCIPALS, SHAREHOLDERS, MEMBERS, PARTNERS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, MANAGEMENT COMPANIES, AND OTHER PROFESSIONALS, AND SUCH PERSONS’ RESPECTIVE HEIRS, EXECUTORS, ESTATES, SERVANTS AND NOMINEES.”

The Holder of the Class 3 Lender Claim set forth in Item 1 elects to:

**OPT OUT** of the releases contained in Section 11.7 of the Plan.

**Ballot for Class 3 – Lender Claims**

**Item 4. Acknowledgments.** By signing this Ballot, the Holder acknowledges receipt of the Plan, the Disclosure Statement, and the other applicable solicitation materials, and certifies that (i) it has the power and authority to vote to accept or reject the Plan; (ii) it was the Holder of the Lender Claim described in Item 1 as of the Voting Record Date; and (iii) all authority conferred or agreed to be conferred pursuant to this Ballot, and every obligation of the undersigned hereunder, shall be binding on the transferees, successors, assigns, heirs, executors, administrators, trustees in bankruptcy, and legal representatives of the undersigned, and shall not be affected by, and shall survive, the death or incapacity of the undersigned.

\_\_\_\_\_  
Name of Holder

\_\_\_\_\_  
Signature

\_\_\_\_\_  
If by Authorized Agent, Name and Title

\_\_\_\_\_  
Name of Institution

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State, Zip Code

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Date Completed

**YOUR COMPLETED BALLOT MUST BE ACTUALLY RECEIVED BY THE VOTING AGENT BY [\_\_\_\_ \_], 2017 AT THE FOLLOWING ADDRESS:**

Azure Ballot Processing Center  
c/o KCC  
2335 Alaska Avenue  
El Segundo, CA 90245

IF YOU HAVE ANY QUESTIONS REGARDING THIS BALLOT OR THE VOTING PROCEDURES, PLEASE CONTACT THE VOTING AGENT BY CALLING +1 (888) 733-1434 (TOLL FREE) OR BY SENDING AN ELECTRONIC MAIL MESSAGE TO AZUREINFO@KCCLLC.COM WITH “AZURE” IN THE SUBJECT LINE.

**VOTING INFORMATION AND INSTRUCTIONS FOR COMPLETING THE BALLOT**

1. Ballots received after the Voting Deadline (if the Voting Deadline has not been extended) may not, at the Debtors' discretion, be counted. **The Voting Agent will tabulate all properly completed Ballots received on or before the Voting Deadline.**
2. Complete the Ballot by providing all the information requested, signing, dating, and returning the Ballot in the envelope provided by the Voting Agent. Any Ballot that is illegible, contains insufficient information to identify the Holder, does not contain an original signature, or is unsigned will not be counted. Ballots may not be submitted to the Voting Agent by facsimile or electronic mail. If neither the "accept" nor "reject" box is checked in Item 2, both boxes are checked in Item 2, or the Ballot is otherwise not properly completed, executed, or timely returned, then the Ballot will not be counted.
3. You must vote all your Claims within a single Class under the Plan either to accept or reject the Plan. Accordingly, if you return more than one Ballot voting different Claims within a single Class under the Plan, the Ballots are not voted in the same manner, and you do not correct this before the Voting Deadline, those Ballots may not be counted. An otherwise properly executed Ballot that attempts to partially accept and partially reject the Plan likewise will not be counted.
4. The Ballot does not constitute, and shall not be deemed to be, a proof of claim or interest or an assertion or admission of Claims.
5. The Ballot is not a letter of transmittal and may not be used for any purpose other than to vote to accept or reject the Plan.
6. If you cast more than one Ballot voting the same Claim before the Voting Deadline, the latest received, properly executed Ballot submitted to the Voting Agent will supersede any prior Ballot.
7. If (i) the Debtors revoke or withdraw the Plan, or (ii) the Confirmation Order is not entered or consummation of the Plan does not occur, this Ballot shall automatically be null and void and deemed withdrawn without any requirement of affirmative action by or notice to you.
8. There may be changes made to the Plan that do not cause material adverse effects on an accepting Class. If such non-material changes are made to the Plan, the Debtors will not resolicit votes for acceptance or rejection of the Plan.
9. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR ADVICE, OR TO MAKE ANY REPRESENTATION, OTHER THAN WHAT IS CONTAINED IN THE MATERIALS MAILED WITH THIS BALLOT, ANY SUPPLEMENTAL INFORMATION PROVIDED BY THE DEBTORS, OR OTHER MATERIALS AUTHORIZED BY THE BANKRUPTCY COURT.
10. PLEASE RETURN YOUR BALLOT PROMPTLY IN THE ENVELOPE PROVIDED.
11. IF YOU HAVE RECEIVED A DAMAGED BALLOT OR HAVE LOST YOUR BALLOT, OR IF YOU HAVE ANY QUESTIONS CONCERNING THIS BALLOT OR THE VOTING PROCEDURES, PLEASE CALL THE VOTING AGENT AT +1 (888) 733-1434 (TOLL FREE) OR BY SENDING AN ELECTRONIC MAIL MESSAGE TO AZUREINFO@KCCLLC.COM WITH "AZURE" IN THE SUBJECT LINE. PLEASE DO NOT DIRECT ANY INQUIRIES TO THE BANKRUPTCY COURT.
12. THE VOTING AGENT IS NOT AUTHORIZED TO AND WILL NOT PROVIDE LEGAL ADVICE.

**Exhibit 2**

**Form of Ballot for Class 4 General Unsecured Claims**

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

<b>In re:</b>	§	<b>Chapter 11</b>
	§	
<b>AZURE MIDSTREAM PARTNERS, LP, et al.,</b>	§	<b>Case No. 17-30461 (DRJ)</b>
	§	
<b>Debtors.<sup>1</sup></b>	§	<b>Jointly Administered</b>
	§	

**BALLOT FOR ACCEPTING OR REJECTING THE JOINT PLAN OF LIQUIDATION  
OF THE DEBTORS UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

**CLASS 4 BALLOT FOR HOLDERS OF GENERAL UNSECURED CLAIMS**

**ELIGIBLE HOLDERS OF CLASS 4 FOR GENERAL UNSECURED CLAIMS SHOULD READ THIS ENTIRE BALLOT BEFORE COMPLETING. PLEASE COMPLETE, DATE, AND SIGN THE BALLOT AND RETURN IT IN THE ENCLOSED PREAMBITTED, POSTAGE PREPAID ENVELOPE, BY FIRST CLASS MAIL, OVERNIGHT COURIER, OR HAND DELIVERY TO THE VOTING AGENT (AS DEFINED BELOW). YOUR VOTE MUST BE ACTUALLY RECEIVED BY THE VOTING AGENT ON OR BEFORE [\_\_\_\_], 2017 (THE “VOTING DEADLINE”).**

This ballot (the “**Ballot**”) is provided to you to solicit your vote to accept or reject the *Debtors’ Joint Plan of Liquidation* (Docket No. [\_\_\_\_]) (as amended, modified, or supplemented from time to time, the “**Plan**”)² in connection with cases (the “**Chapter 11 Cases**”) commenced by Azure Midstream Partners, LP and its above-captioned debtor affiliates (collectively, the “**Debtors**”) under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”).

Please use this Ballot to cast your vote to accept or reject the Plan if you are, as of [\_\_\_\_], 2017 (the “**Voting Record Date**”), a holder (a “**Holder**”) of a general unsecured claim against a Debtor.

The Plan is attached as **Exhibit A** to the *Disclosure Statement for Debtors’ Joint Plan of Liquidation* (Docket No. [\_\_\_\_]) (as amended, modified, or supplemented from time to time, the “**Disclosure Statement**”). The Disclosure Statement provides information to assist you in deciding whether to accept or reject the Plan. If you do not have a copy of the Disclosure Statement, you may obtain a copy from the Debtors’ voting agent, Kurtzman Carson Consultants (the “**Voting Agent**”), by calling (888) 733-1434 (toll free), or sending an electronic mail message to Azureinfo@kccllc.com with “Azure” in the subject line and requesting that a copy be provided to you.

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number are: Azure Midstream Partners, LP (7595), Azure ETG, LLC (3388), Azure Holdings GP, LLC (0537), Azure Midstream Partners GP, LLC (8089), Azure TGG, LLC (6233), Marlin G&P I, LLC (6073), Marlin Logistics, LLC (8460), Marlin Midstream Finance Corp. (0130), Marlin Midstream, LLC (2587), Murvaul Gas Gathering, LLC (0826), Talco Midstream Assets, Ltd. (7004), and Turkey Creek Pipeline, LLC (1161).

<sup>2</sup> Capitalized terms used but not otherwise herein defined shall have the meanings ascribed to such terms in the Plan.

**Ballot for Class 4 – General Unsecured Claims**

The Plan may be confirmed by the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”) and thereby made binding on you if it is accepted by the holders of at least two-thirds of the aggregate principal amount and more than one-half in number of the Claims voted in at least one class of creditors that votes on the Plan and the Plan otherwise satisfies the applicable requirements of section 1129(a) of the Bankruptcy Code. PLEASE CONSULT THE DISCLOSURE STATEMENT FOR MORE INFORMATION. You should review the Disclosure Statement and the Plan in their entirety before you vote.

Your receipt of this Ballot does not signify that your Claim(s) has been or will be allowed. This Ballot is solely for purposes of voting to accept or reject the Plan and not for the purpose of allowance or disallowance of or distribution on account of Class 4 General Unsecured Claims. You must provide all of the information requested by this Ballot. Failure to do so may result in the disqualification of your vote.

You may wish to seek independent legal advice concerning the Plan and your classification and treatment under the Plan.

**Item 1. Principal Amount of Claims.** The undersigned hereby certifies that, as of the Voting Record Date, the undersigned was the Holder of General Unsecured Claims in the aggregate unpaid principal amount inserted into the box below, without regard to any accrued but unpaid interest.

- Amount of General Unsecured Claims:

\$
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**Item 2. Votes on the Plan.** The undersigned Holder of a Class 4 General Unsecured Claim votes to (check one box):

<input type="checkbox"/> <b>Accept the Plan</b>	<input type="checkbox"/> <b>Reject the Plan</b>
---	---

**Item 3. Important Information Regarding Third-Party Release.**

**Section 11.7 of the Plan contains the following provision:**

**EFFECTIVE AS OF THE EFFECTIVE DATE, THE RELEASING PARTIES SHALL BE DEEMED TO PROVIDE A FULL RELEASE TO THE RELEASED PARTIES AND THEIR RESPECTIVE PROPERTY FROM ANY AND ALL CAUSES OF ACTION AND ANY OTHER DEBTORS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, ACTIONS, DERIVATIVE CLAIMS, REMEDIES, AND LIABILITIES WHATSOEVER, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING AS OF THE EFFECTIVE DATE, IN LAW, AT EQUITY, OR OTHERWISE, WHETHER FOR TORT, CONTRACT, VIOLATIONS OF FEDERAL OR STATE SECURITIES LAWS, OR OTHERWISE, BASED IN WHOLE OR IN PART UPON ANY ACT OR OMISSION, TRANSACTION, OR OTHER OCCURRENCE OR CIRCUMSTANCES EXISTING OR TAKING PLACE PRIOR TO OR ON THE EFFECTIVE DATE ARISING FROM OR RELATED IN ANY WAY TO THE DEBTORS, THE PLAN, OR THESE CHAPTER 11**

**CASES, INCLUDING THOSE THAT THE DEBTORS WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT DERIVATIVELY OR ON BEHALF OF THE DEBTORS OR THEIR ESTATES. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THIS RELEASE SHALL NOT (1) OPERATE TO RELEASE ANY CLAIMS OR CAUSES OF ACTION HELD DIRECTLY (BUT NOT DERIVATIVELY) BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION AGAINST ANY NON-DEBTOR OR (2) PRECLUDE THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION FROM ENFORCING ITS REGULATORY OR POLICE POWERS.**

**ENTRY OF THE CONFIRMATION ORDER SHALL CONSTITUTE THE BANKRUPTCY COURT’S APPROVAL, PURSUANT TO BANKRUPTCY RULE 9019, OF THE THIRD PARTY RELEASE, WHICH INCLUDES BY REFERENCE EACH OF THE RELATED PROVISIONS AND DEFINITIONS CONTAINED IN THE PLAN, AND, FURTHER, SHALL CONSTITUTE THE BANKRUPTCY COURT’S FINDING THAT THE THIRD PARTY RELEASE IS: (1) IN EXCHANGE FOR THE GOOD AND VALUABLE CONSIDERATION PROVIDED BY THE RELEASED PARTIES; (2) A GOOD-FAITH SETTLEMENT AND COMPROMISE OF THE CLAIMS RELEASED BY THE THIRD PARTY RELEASE; (3) IN THE BEST INTERESTS OF THE DEBTORS AND ALL HOLDERS OF CLAIMS AND INTERESTS; (4) FAIR, EQUITABLE, AND REASONABLE; (5) GIVEN AND MADE AFTER DUE NOTICE AND OPPORTUNITY FOR HEARING; AND (6) A BAR TO ANY OF THE RELEASING PARTIES ASSERTING ANY CLAIM RELEASED PURSUANT TO THE THIRD PARTY RELEASE.**

UNDER THE PLAN, “RELEASING PARTY” MEANS “COLLECTIVELY AND IN EACH CASE IN THEIR CAPACITY AS SUCH: EACH HOLDER OF A CLAIM OR AN INTEREST, AND WITH RESPECT TO EACH OF THE FOREGOING ENTITIES, SUCH ENTITIES’ PREDECESSORS, SUCCESSORS AND ASSIGNS, SUBSIDIARIES, AFFILIATES, CURRENT AND FORMER OFFICERS, DIRECTORS, PRINCIPALS, SHAREHOLDERS, MEMBERS, PARTNERS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, MANAGEMENT COMPANIES, AND OTHER PROFESSIONALS, AND SUCH PERSONS’ RESPECTIVE HEIRS, EXECUTORS, ESTATES, SERVANTS AND NOMINEES.”

The Holder of the Class 4 General Unsecured Claim set forth in Item 1 elects to:

**OPT OUT** of the releases contained in Section 11.7 of the Plan.



**Ballot for Class 4 – General Unsecured Claims**

**Item 4. Acknowledgments.** By signing this Ballot, the Holder acknowledges receipt of the Plan, the Disclosure Statement, and the other applicable solicitation materials, and certifies that (i) it has the power and authority to vote to accept or reject the Plan; (ii) it was the Holder of the General Unsecured Claim described in Item 1 as of the Voting Record Date; and (iii) all authority conferred or agreed to be conferred pursuant to this Ballot, and every obligation of the undersigned hereunder, shall be binding on the transferees, successors, assigns, heirs, executors, administrators, trustees in bankruptcy, and legal representatives of the undersigned, and shall not be affected by, and shall survive, the death or incapacity of the undersigned.

\_\_\_\_\_  
Name of Holder

\_\_\_\_\_  
Signature

\_\_\_\_\_  
If by Authorized Agent, Name and Title

\_\_\_\_\_  
Name of Institution

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State, Zip Code

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Date Completed

**YOUR COMPLETED BALLOT MUST BE ACTUALLY RECEIVED BY THE VOTING AGENT BY [\_\_\_\_ \_], 2017 AT THE FOLLOWING ADDRESS:**

Azure Ballot Processing Center  
c/o KCC  
2335 Alaska Avenue  
El Segundo, CA 90245

IF YOU HAVE ANY QUESTIONS REGARDING THIS BALLOT OR THE VOTING PROCEDURES, PLEASE CONTACT THE VOTING AGENT BY CALLING +1 (888) 733-1434 (TOLL FREE) OR BY SENDING AN ELECTRONIC MAIL MESSAGE TO AZUREINFO@KCCLLC.COM WITH “AZURE” IN THE SUBJECT LINE.

**VOTING INFORMATION AND INSTRUCTIONS FOR COMPLETING THE BALLOT**

1. Ballots received after the Voting Deadline (if the Voting Deadline has not been extended) may not, at the Debtors' discretion, be counted. **The Voting Agent will tabulate all properly completed Ballots received on or before the Voting Deadline.**
2. Complete the Ballot by providing all the information requested, signing, dating, and returning the Ballot in the envelope provided by the Voting Agent. Any Ballot that is illegible, contains insufficient information to identify the Holder, does not contain an original signature, or is unsigned will not be counted. Ballots may not be submitted to the Voting Agent by facsimile or electronic mail. If neither the "accept" nor "reject" box is checked in Item 2, both boxes are checked in Item 2, or the Ballot is otherwise not properly completed, executed, or timely returned, then the Ballot will not be counted.
3. You must vote all your Claims or Interests within a single Class under the Plan either to accept or reject the Plan. Accordingly, if you return more than one Ballot voting different Claims or Interests within a single Class under the Plan, the Ballots are not voted in the same manner, and you do not correct this before the Voting Deadline, those Ballots may not be counted. An otherwise properly executed Ballot that attempts to partially accept and partially reject the Plan likewise will not be counted.
4. The Ballot does not constitute, and shall not be deemed to be, a proof of claim or interest or an assertion or admission of Claims or Interests.
5. The Ballot is not a letter of transmittal and may not be used for any purpose other than to vote to accept or reject the Plan.
6. If you cast more than one Ballot voting the same Claims or Interests before the Voting Deadline, the latest received, properly executed Ballot submitted to the Voting Agent will supersede any prior Ballot.
7. If (i) the Debtors revoke or withdraw the Plan, or (ii) the Confirmation Order is not entered or consummation of the Plan does not occur, this Ballot shall automatically be null and void and deemed withdrawn without any requirement of affirmative action by or notice to you.
8. There may be changes made to the Plan that do not cause material adverse effects on an accepting Class. If such non-material changes are made to the Plan, the Debtors will not resolicit votes for acceptance or rejection of the Plan.
9. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR ADVICE, OR TO MAKE ANY REPRESENTATION, OTHER THAN WHAT IS CONTAINED IN THE MATERIALS MAILED WITH THIS BALLOT, ANY SUPPLEMENTAL INFORMATION PROVIDED BY THE DEBTORS, OR OTHER MATERIALS AUTHORIZED BY THE BANKRUPTCY COURT.
10. PLEASE RETURN YOUR BALLOT PROMPTLY IN THE ENVELOPE PROVIDED.
11. IF YOU HAVE RECEIVED A DAMAGED BALLOT OR HAVE LOST YOUR BALLOT, OR IF YOU HAVE ANY QUESTIONS CONCERNING THIS BALLOT OR THE VOTING PROCEDURES, PLEASE CALL THE VOTING AGENT AT +1 (888) 733-1434 (TOLL FREE) OR BY SENDING AN ELECTRONIC MAIL MESSAGE TO AZUREINFO@KCCLLC.COM WITH "AZURE" IN THE SUBJECT LINE. PLEASE DO NOT DIRECT ANY INQUIRIES TO THE BANKRUPTCY COURT.
12. THE VOTING AGENT IS NOT AUTHORIZED TO AND WILL NOT PROVIDE LEGAL ADVICE.

**Exhibit 3**

**Form of Notice of Unimpaired Non-Voting Status**

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

<p><b>In re:</b></p> <p><b>AZURE MIDSTREAM PARTNERS, LP, et al.,</b></p> <p style="text-align:center"><b>Debtors.<sup>1</sup></b></p>	<p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p>	<p><b>Chapter 11</b></p> <p><b>Case No. 17-30461 (DRJ)</b></p> <p><b>Jointly Administered</b></p>
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**NOTICE OF NON-VOTING STATUS**

**PLEASE TAKE NOTICE THAT** on \_\_\_\_\_, 2017, the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”) held a hearing (the “**Disclosure Statement Hearing**”) at which it approved the *Disclosure Statement for Debtors’ Joint Plan of Liquidation* dated [\_\_\_\_], 2017 (Docket No. [\_\_\_\_]) (as may be amended, modified, or supplemented from time to time, the “**Disclosure Statement**”) and thereafter entered an order with respect thereto (Docket No. [\_\_\_\_]) (the “**Disclosure Statement Order**”). The Disclosure Statement Order authorizes the Debtors to, among other things, solicit votes to accept the *Debtors’ Joint Plan of Liquidation* (Docket No. [\_\_\_\_]) (as amended, modified, or supplemented from time to time, the “**Plan**”).<sup>2</sup>

**PURSUANT TO THE TERMS OF THE PLAN, YOUR CLAIM AGAINST THE DEBTORS IS UNIMPAIRED AND THEREFORE, PURSUANT TO SECTION 1126(f) OF TITLE 11 OF THE UNITED STATES CODE, YOU ARE (I) DEEMED TO HAVE ACCEPTED THE PLAN AND (II) NOT ENTITLED TO VOTE ON THE PLAN.**

Copies of the Plan and the Disclosure Statement may be obtained free of charge by visiting the website maintained by the Debtors’ voting agent, Kurtzman Carson Consultants LLC (the “**Voting Agent**”), at <http://www.kccllc.net/azuremlp>. Copies of the Plan and Disclosure Statement may also be obtained by calling the Voting Agent at +1 (888) 733-1434, or sending an electronic mail message to [Azureinfo@kccllc.com](mailto:Azureinfo@kccllc.com) with “Azure” in the subject line.

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number are: Azure Midstream Partners, LP (7595), Azure ETG, LLC (3388), Azure Holdings GP, LLC (0537), Azure Midstream Partners GP, LLC (8089), Azure TGG, LLC (6233), Marlin G&P I, LLC (6073), Marlin Logistics, LLC (8460), Marlin Midstream Finance Corp. (0130), Marlin Midstream, LLC (2587), Murvaul Gas Gathering, LLC (0826), Talco Midstream Assets, Ltd. (7004), and Turkey Creek Pipeline, LLC (1161).

<sup>2</sup> Capitalized terms used but not otherwise herein defined shall have the meanings ascribed to such terms in the Plan.

**SECTION 11 OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS, AND SECTION 11.7 CONTAINS A THIRD-PARTY RELEASE. PURSUANT TO THE PLAN YOU ARE DEEMED TO ACCEPT THE PLAN AND THEREFORE ARE DEEMED TO HAVE CONSENTED TO THE RELEASES SET FORTH IN SECTION 11.7. THUS, YOU ARE ADVISED TO REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MIGHT BE AFFECTED THEREUNDER. UNLESS YOU TIMELY AND PROPERLY OBJECT TO THE THIRD-PARTY RELEASE CONTAINED IN THE PLAN AS SET FORTH ABOVE, YOU WILL BE DEEMED TO HAVE CONSENTED TO THE THIRD-PARTY RELEASE AND WILL BE FOREVER BOUND BY THE TERMS THEREOF.**

**Please be advised that the Voting Agent cannot provide legal advice. PLEASE DO NOT DIRECT ANY INQUIRIES TO THE BANKRUPTCY COURT.**

Dated: \_\_\_\_\_, 2017  
Houston, Texas

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Christopher M. López (24041356)  
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Facsimile: (713) 224-9511  
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-and-

Gary T. Holtzer (admitted *pro hac vice*)  
Robert J. Lemons (admitted *pro hac vice*)  
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Email: charles.persons@weil.com

*Attorneys for the Debtors  
and Debtors in Possession*

**Exhibit 4**

**Form of Notice of Impaired Non-Voting Status**

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

<p><b>In re:</b></p> <p><b>AZURE MIDSTREAM PARTNERS, LP, et al.,</b></p> <p style="text-align:center"><b>Debtors.<sup>1</sup></b></p>	<p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p>	<p><b>Chapter 11</b></p> <p><b>Case No. 17-30461 (DRJ)</b></p> <p><b>Jointly Administered</b></p>
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**NOTICE OF NON-VOTING STATUS**

**PLEASE TAKE NOTICE THAT** on \_\_\_\_\_, 2017, the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”) held a hearing (the “**Disclosure Statement Hearing**”) at which it approved the *Disclosure Statement for Debtors’ Joint Plan of Liquidation* dated [\_\_\_\_], 2017 (Docket No. [\_\_\_\_]) (as may be amended, modified, or supplemented from time to time, the “**Disclosure Statement**”) and thereafter entered an order with respect thereto (Docket No. [\_\_\_\_]) (the “**Disclosure Statement Order**”). The Disclosure Statement Order authorizes the Debtors to, among other things, solicit votes to accept the *Debtors’ Joint Plan of Liquidation* (Docket No. [\_\_\_\_]) (as amended, modified, or supplemented from time to time, the “**Plan**”).<sup>2</sup>

**PURSUANT TO THE TERMS OF THE PLAN, YOUR INTEREST IN THE DEBTORS IS IMPAIRED AND WILL RECEIVE NO RECOVERY AND, THEREFORE, PURSUANT TO SECTION 1126(g) OF TITLE 11 OF THE UNITED STATES CODE, YOU ARE (I) DEEMED TO HAVE REJECTED THE PLAN AND (II) NOT ENTITLED TO VOTE ON THE PLAN.**

Copies of the Plan and the Disclosure Statement may be obtained free of charge by visiting the website maintained by the Debtors’ voting agent, Kurtzman Carson Consultants LLC (the “**Voting Agent**”), at <http://www.kccllc.net/azuremlp>. Copies of the Plan and Disclosure Statement may also be obtained by calling the Voting Agent at +1 (888) 733-1434, or sending an electronic mail message to [Azureinfo@kccllc.com](mailto:Azureinfo@kccllc.com) with “Azure” in the subject line.

**SECTION 11 OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS, AND SECTION 11.7 CONTAINS A THIRD-PARTY RELEASE. THUS, YOU ARE ADVISED TO REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MIGHT BE AFFECTED THEREUNDER.**

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number are: Azure Midstream Partners, LP (7595), Azure ETG, LLC (3388), Azure Holdings GP, LLC (0537), Azure Midstream Partners GP, LLC (8089), Azure TGG, LLC (6233), Marlin G&P I, LLC (6073), Marlin Logistics, LLC (8460), Marlin Midstream Finance Corp. (0130), Marlin Midstream, LLC (2587), Murvaul Gas Gathering, LLC (0826), Talco Midstream Assets, Ltd. (7004), and Turkey Creek Pipeline, LLC (1161).

<sup>2</sup> Capitalized terms used but not otherwise herein defined shall have the meanings ascribed to such terms in the Plan.

Notice of Impaired Non-Voting Status

**Please be advised that the Voting Agent cannot provide legal advice. PLEASE DO NOT DIRECT ANY INQUIRIES TO THE BANKRUPTCY COURT.**

Dated: \_\_\_\_\_, 2017  
Houston, Texas

---

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Email: charles.persons@weil.com

*Attorneys for the Debtors  
and Debtors in Possession*



**Exhibit 5**

**Confirmation Hearing Notice**

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

In re: §  
§ Chapter 11  
AZURE MIDSTREAM §  
PARTNERS, LP, *et al.*, § Case No. 17-30461 (DRJ)  
§  
Debtors.<sup>1</sup> § Jointly Administered  
§

NOTICE OF (I) APPROVAL OF DISCLOSURE  
STATEMENT, (II) ESTABLISHMENT OF VOTING RECORD  
DATE, (III) HEARING ON CONFIRMATION OF THE PLAN,  
(IV) PROCEDURES AND DEADLINE FOR OBJECTING TO THE PLAN,  
AND (V) PROCEDURES AND DEADLINE FOR VOTING ON THE PLAN

NOTICE IS HEREBY GIVEN as follows:

1. On January 30, 2017 (the “**Petition Date**”), Azure Midstream Partners, LP, its subsidiaries, and certain affiliates, as debtors and debtors in possession (collectively, the “**Debtors**”), each commenced a case under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”).

2. On \_\_\_\_\_, 2017, the Bankruptcy Court held a hearing (the “**Disclosure Statement Hearing**”) at which it approved the *Disclosure Statement for Debtors’ Joint Plan of Liquidation* filed on March [\_\_\_], 2017 (Docket No. [\_\_\_]) (as may be amended, modified, or supplemented from time to time, the “**Disclosure Statement**”) and thereafter the Bankruptcy Court entered an order with respect thereto (the “**Disclosure Statement Order**”). The Disclosure Statement Order authorizes the Debtors to, among other things, solicit votes to accept the *Debtors’ Joint Plan of Liquidation* (Docket No. [\_\_\_]) (as amended, modified, or supplemented from time to time, the “**Plan**”).<sup>2</sup>

3. **Confirmation Hearing.** A hearing to consider confirmation of the Plan (the “**Confirmation Hearing**”) will be held before the Honorable Judge David R. Jones at the Bankruptcy Court, Courtroom 400, 515 Rusk Street, Houston, Texas 77002, on \_\_\_\_\_, 2017 at \_\_\_\_\_ (Central Time), or as soon thereafter as counsel can be heard.

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number are: Azure Midstream Partners, LP (7595), Azure ETG, LLC (3388), Azure Holdings GP, LLC (0537), Azure Midstream Partners GP, LLC (8089), Azure TGG, LLC (6233), Marlin G&P I, LLC (6073), Marlin Logistics, LLC (8460), Marlin Midstream Finance Corp. (0130), Marlin Midstream, LLC (2587), Murvaul Gas Gathering, LLC (0826), Talco Midstream Assets, Ltd. (7004), and Turkey Creek Pipeline, LLC (1161).

<sup>2</sup> Capitalized terms used but not otherwise herein defined shall have the meanings ascribed to such terms in the Plan.

**PLEASE BE ADVISED:** THE CONFIRMATION HEARING MAY BE CONTINUED FROM TIME TO TIME BY THE BANKRUPTCY COURT OR THE DEBTORS **WITHOUT FURTHER NOTICE** OTHER THAN BY SUCH ADJOURNMENT BEING ANNOUNCED IN OPEN COURT OR BY A NOTICE OF ADJOURNMENT FILED WITH THE BANKRUPTCY COURT AND SERVED ON ALL PARTIES ENTITLED TO NOTICE.

**CRITICAL INFORMATION REGARDING VOTING ON THE PLAN**

4. **Voting Record Date.** Holders of Claims against the Debtors in Class 3 (Lender Claims) and Holders of Claims against the Debtors in Class 4 (General Unsecured Claims) as of \_\_\_\_\_, 2017 (the "**Voting Record Date**") are eligible to vote on the Plan.

5. **Voting Deadline.** All votes to accept or reject the Plan must be actually received by the Debtors' voting agent, Kurtzman Carson Consultants LLC (the "**Voting Agent**") by \_\_\_\_\_, 2017 (the "**Voting Deadline**"). Failure to follow the voting instructions included with the ballot may disqualify both the ballot and the vote.

6. **Parties Not Entitled to Vote.** Holders of unimpaired Claims under the Plan are not entitled to vote and will not receive a Ballot. Holders of Claims and/or Interests that are not entitled to receive a distribution under the Plan on account of their Claims or Interests are also not entitled to vote and will not receive a Ballot.

**CRITICAL INFORMATION REGARDING OBJECTING TO THE PLAN**

7. **Plan Objection Deadline.** The deadline to object to confirmation of the Plan is \_\_\_\_\_, 2017 (the "**Plan Objection Deadline**"). Any objection to the Plan must: (i) be in writing; (ii) conform to the applicable Federal Rules of Bankruptcy Procedure and the Bankruptcy Local Rules for the Southern District of Texas; (iii) set forth the name of the objecting party, the basis for the objection, and the specific grounds thereof; and (iv) be filed with the Bankruptcy Court on or before the Plan Objection Deadline.

**IF AN OBJECTION TO THE PLAN IS NOT FILED AND SERVED STRICTLY AS PRESCRIBED HEREIN, THE OBJECTING PARTY MAY BE BARRED FROM OBJECTING TO THE PLAN OR CONFIRMATION THEREOF AND MAY NOT BE HEARD AT THE CONFIRMATION HEARING.**

**SECTION 11 OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS, AND SECTION 11.7 CONTAINS A THIRD-PARTY RELEASE. YOU ARE ADVISED TO REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MIGHT BE AFFECTED THEREUNDER.**

8. **Additional Documents.** Copies of the Plan and the Disclosure Statement may be obtained free of charge by visiting the website maintained by the Voting Agent at <http://www.kccllc.net/azuremlp>. Copies of the Plan and Disclosure Statement may also be obtained by calling the Voting Agent at (888) 733-1434, or sending an electronic mail message to [Azureinfo@kccllc.com](mailto:Azureinfo@kccllc.com) with "Azure" in the subject line.

9. **Plan Supplement.** The Debtors will file and serve a supplement to the Plan on or before \_\_\_\_\_.

Dated: \_\_\_\_\_, 2017  
Houston, Texas

---

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-and-

Gary T. Holtzer (admitted *pro hac vice*)  
Robert J. Lemons (admitted *pro hac vice*)  
Charles M. Persons (admitted *pro hac vice*)  
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