

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

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 In re: : Chapter 11  
 :  
 CHAPARRAL ENERGY, INC., *et al.*,<sup>1</sup> : Case No. 20-11947 (MFW)  
 :  
 Debtors. : (Jointly Administered)  
 :  
 : **Re: Docket No. 178**  
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**CERTIFICATION OF COUNSEL REGARDING ORDER APPROVING APPLICATION  
OF DEBTORS TO APPROVE EMPLOYMENT AND RETENTION OF ERNST &  
YOUNG LLP AS VALUATION, ACCOUNTING, RESTRUCTURING AND TAX  
SERVICES PROVIDER, NUNC PRO TUNC TO THE PETITION DATE**

The undersigned hereby certifies as follows:

1. On September 10, 2020, Chaparral Energy, Inc. and its subsidiaries that are debtors and debtors in possession (collectively, the “**Debtors**”) filed the *Application of Debtors to Approve Employment and Retention of Ernst & Young LLP as Valuation, Accounting, Restructuring and Tax Services Provider, Nunc Pro Tunc to the Petition Date* [Docket No. 178] (the “**Application**”)<sup>2</sup> with the United States Bankruptcy Court for the District of Delaware (the “**Court**”). Attached to the Application as **Exhibit 1** was a proposed form of order granting the relief requested in the Application (the “**Proposed Order**”).

<sup>1</sup> The Debtors in these cases, along with the last four digits (or five digits, in cases in which multiple Debtors have the same last four digits) of each Debtor’s federal tax identification number, are: CEI Acquisition, L.L.C. (1817); CEI Pipeline, L.L.C. (6877); Chaparral Biofuels, L.L.C. (1066); Chaparral CO2, L.L.C. (1656); Chaparral Energy, Inc. (90941); Chaparral Energy, L.L.C. (20941); Chaparral Exploration, L.L.C. (1968); Chaparral Real Estate, L.L.C. (1655); Chaparral Resources, L.L.C. (1710); Charles Energy, L.L.C. (3750); Chestnut Energy, L.L.C. (9730); Green Country Supply, Inc. (2723); Roadrunner Drilling, L.L.C. (2399); and Trabajo Energy, L.L.C. (9753). The Debtors’ address is 701 Cedar Lake Boulevard, Oklahoma City, OK 73114.

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



2. Pursuant to the *Notice of Application and Hearing* filed with the Application, objections to the Application were to be filed by no later than September 24, 2020 at 4:00 p.m. (prevailing Eastern Time) (the “**Objection Deadline**”).

3. Prior to the Objection Deadline, the Debtors received informal comments to the Application (the “**Responses**”) from the Office of the United States Trustee for the District of Delaware (the “**U.S. Trustee**”). Other than the Responses, the Debtors received no other informal responses to the Application, and no objection or responsive pleading to the Application has appeared on the Court’s docket in these chapter 11 cases.

4. The Debtors have revised the Proposed Order (the “**Revised Order**”), attached hereto as **Exhibit A**, and the Revised Order has fully resolved the Responses. For the convenience of the Court and all parties in interest, a blackline of the Revised Order marked against the Proposed Order is attached hereto as **Exhibit B**. The Revised Order has been circulated to the U.S. Trustee, and the U.S. Trustee does not object to the entry of the Revised Order.

WHEREFORE, the Debtors respectfully request that the Court enter the Revised Order, substantially in the form attached hereto as **Exhibit A**, at its earliest convenience.

Dated: September 25, 2020  
Wilmington, Delaware

/s/ Travis J. Cuomo

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*Counsel for Debtors and  
Debtors in Possession*

**EXHIBIT A**

**Revised Order**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

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In re:	)	
	)	Chapter 11
	)	
CHAPARRAL ENERGY, INC., <i>et al.</i> , <sup>1</sup>	)	Case No. 20-11947 (MFW)
	)	
Debtors.	)	(Jointly Administered)
	)	
	)	<b>Re: Docket No. 178</b>

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**ORDER APPROVING APPLICATION OF DEBTORS TO APPROVE  
EMPLOYMENT AND RETENTION OF ERNST & YOUNG LLP AS  
VALUATION, ACCOUNTING, RESTRUCTURING AND TAX SERVICES  
PROVIDER, *NUNC PRO TUNC* TO THE PETITION DATE**

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Upon the application (the “Application”)<sup>2</sup> of the Debtors for entry of an order (this “Order”) authorizing the retention and employment of Ernst & Young LLP (“EY LLP”) as valuation, accounting, restructuring and tax services provider, effective *nunc pro tunc* to the Petition Date, in accordance with the terms and conditions of the Engagement Letters; and upon consideration of the Costeira Declaration; and the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and this matter being a core proceeding within the meaning of 28 U.S.C. § 157(b)(2); and the Court being able to issue a final order consistent with Article III of the United States Constitution; and venue of this proceeding and the Application in this District being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and appropriate notice of and opportunity for a hearing on the Application having been given; and

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<sup>1</sup> The Debtors in these cases, along with the last four digits (or five digits, in cases in which multiple Debtors have the same last four digits) of each Debtor’s federal tax identification number, are: CEI Acquisition, L.L.C. (1817); CEI Pipeline, L.L.C. (6877); Chaparral Biofuels, L.L.C. (1066); Chaparral CO2, L.L.C. (1656); Chaparral Energy, Inc. (90941); Chaparral Energy, L.L.C. (20941); Chaparral Exploration, L.L.C. (1968); Chaparral Real Estate, L.L.C. (1655); Chaparral Resources, L.L.C. (1710); Charles Energy, L.L.C. (3750); Chestnut Energy, L.L.C. (9730); Green Country Supply, Inc. (2723); Roadrunner Drilling, L.L.C. (2399); and Trabajo Energy, L.L.C. (9753). The Debtors’ address is 701 Cedar Lake Boulevard, Oklahoma City, OK 73114.

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

the Court having found that (i) EY LLP does not hold or represent an interest adverse to the Debtors' estates and (ii) EY LLP is a "disinterested person" as defined in section 101(14) of the Bankruptcy Code and as required by section 327(a) of the Bankruptcy Code; and the Court having determined that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Application is GRANTED as set forth herein.
2. The Debtors are authorized to employ and retain EY LLP as their valuation, accounting, restructuring and tax services provider during these Chapter 11 Cases pursuant to section 327(a) and 328(a) of the Bankruptcy Code, Bankruptcy Rules 2014 and 2016, and Local Rule 2014-1, in accordance with and on the terms and conditions set forth in the Engagement Letters, *nunc pro tunc* to the Petition Date
3. Consistent with, and subject to, the terms of the Engagement Letters and this Order, EY LLP shall be authorized to perform the Services provided for in the Engagement Letters.
4. EY LLP shall file monthly, interim and final fee applications for allowance of its compensation and reimbursement of its expenses with respect to services rendered in these Chapter 11 Cases with this Court, in accordance with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any interim or final compensation procedures established by order of the Court. In the event that EY LLP seeks reimbursement from the Debtors for attorneys' fees and expenses pursuant to the Engagement Letters, the invoices and supporting time records for the attorneys' fees and expenses shall be included in EY LLP's own applications, both interim and final, and these invoices and time records shall

be in compliance with the Local Rules and shall be subject to the US Trustee Guidelines and the approval of the Court pursuant to sections 330 and 331 of the Bankruptcy Code, but without regard to whether such attorneys have been retained under section 327 of the Bankruptcy Code, and without regard to whether such attorneys' services satisfy section 330(a)(3)(C) of the Bankruptcy Code. EY LLP shall not seek reimbursement of any attorneys' fees or costs arising from the prosecution or defense of any of EY LLP's applications for allowance of compensation and reimbursement of expenses.

5. EY LLP shall provide reasonable notice to the Debtors, the U.S. Trustee, and any statutory committee appointed in these Chapter 11 Cases in connection with any increase of the hourly rates listed in the Engagement Letters.

6. The indemnification provisions of the Engagement Letters are approved, subject to the following:

- a. EY LLP shall not be entitled to indemnification, contribution, or reimbursement under the Engagement Letter for services, unless such services, and the indemnification, contribution, or reimbursement is approved by the Court;
- b. the Debtors shall have no obligation to indemnify EY LLP, or provide contribution or reimbursement to EY LLP, for any claim or expense that is either: (i) judicially determined (the determination having become final and no longer subject to appeal) to have arisen from EY LLP's gross negligence, willful misconduct or bad faith; (ii) for a contractual dispute in which the Debtors allege the breach of EY LLP's contractual obligations, unless the Court determines that indemnification, contribution or reimbursement of expenses would be permissible pursuant to *In re United Artists Theatre Company, et al.*, 315 F.3d 217 (3d Cir. 2003); or (iii) settled prior to a judicial determination as to the exclusions set forth in clauses (i) and (ii) above, but determined by this Court, after notice and a hearing, to be a claim or expense for which EY LLP should not receive indemnity, contribution, or reimbursement under the terms of the Engagement Letter, as modified by this Order;
- c. if, before the earlier of: (i) the entry of an order confirming a chapter 11 plan in these cases (that order having become a final order no longer subject to appeal); and (ii) the entry of an order closing these Chapter 11 Cases, EY LLP

believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution, and/or reimbursement obligations under the Engagement Letter (as modified by this Order), including, without limitation, the advancement of defense costs, EY LLP must file an application therefor in this Court, and the Debtors may not pay any such amounts to EY LLP before the entry of an order by this Court approving the payment. This subparagraph (c) is intended only to specify the period of time under which this Court shall have jurisdiction over any request by EY LLP for indemnification, contribution and/or reimbursement, and not a provision limiting the duration of the Debtors' obligation to indemnify, or make contributions or reimbursements to, EY LLP. All parties in interest shall retain the right to object to any demand by EY LLP for indemnification, contribution and/or reimbursement.

7. Sections 16, 17 and 18 of the General Terms and Conditions of the Engagement Letter shall not apply during the Chapter 11 Cases.

8. To the extent the Application is inconsistent with this Order, the terms of this Order shall govern.

9. The terms of this Order shall be immediately effective and enforceable upon its entry.

10. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.

11. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.



**EXHIBIT B**

**Blackline**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

	)	
In re:	)	Chapter 11
	)	
CHAPARRAL ENERGY, INC., <i>et al.</i> , <sup>1</sup>	)	Case No. 20-11947 (MFW)
	)	
Debtors.	)	(Jointly Administered)
	)	
	)	<a href="#">Re: Docket No. 178</a>

**ORDER APPROVING APPLICATION OF DEBTORS TO APPROVE  
EMPLOYMENT AND RETENTION OF ERNST & YOUNG LLP AS  
VALUATION, ACCOUNTING, RESTRUCTURING AND TAX SERVICES  
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Upon the application (the “Application”)<sup>2</sup> of the Debtors for entry of an order (this “Order”) authorizing the retention and employment of Ernst & Young LLP (“EY LLP”) as valuation, accounting, restructuring and tax services provider, effective *nunc pro tunc* to the Petition Date, in accordance with the terms and conditions of the Engagement Letters; and upon consideration of the Costeira Declaration; and the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and this matter being a core proceeding within the meaning of 28 U.S.C. § 157(b)(2); and the Court being able to issue a final order consistent with Article III of the United States Constitution; and venue of this proceeding and the Application in this District being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and appropriate notice of and opportunity for a hearing on the Application having been given; and

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<sup>1</sup> The Debtors in these cases, along with the last four digits (or five digits, in cases in which multiple Debtors have the same last four digits) of each Debtor’s federal tax identification number, are: CEI Acquisition, L.L.C. (1817); CEI Pipeline, L.L.C. (6877); Chaparral Biofuels, L.L.C. (1066); Chaparral CO2, L.L.C. (1656); Chaparral Energy, Inc. (90941); Chaparral Energy, L.L.C. (20941); Chaparral Exploration, L.L.C. (1968); Chaparral Real Estate, L.L.C. (1655); Chaparral Resources, L.L.C. (1710); Charles Energy, L.L.C. (3750); Chestnut Energy, L.L.C. (9730); Green Country Supply, Inc. (2723); Roadrunner Drilling, L.L.C. (2399); and Trabajo Energy, L.L.C. (9753). The Debtors’ address is 701 Cedar Lake Boulevard, Oklahoma City, OK 73114.

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

the Court having found that (i) EY LLP does not hold or represent an interest adverse to the Debtors' estates and (ii) EY LLP is a "disinterested person" as defined in section 101(14) of the Bankruptcy Code and as required by section 327(a) of the Bankruptcy Code; and the Court having determined that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Application is GRANTED as set forth herein.

2. The Debtors are authorized to employ and retain EY LLP as their valuation, accounting, restructuring and tax services provider during these Chapter 11 Cases pursuant to section 327(a) and 328(a) of the Bankruptcy Code, Bankruptcy Rules 2014 and 2016, and Local Rule 2014-1, in accordance with and on the terms and conditions set forth in the Engagement Letters, *nunc pro tunc* to the Petition Date

3. Consistent with, and subject to, the terms of the Engagement Letters and this Order, EY LLP shall be authorized to perform the Services provided for in the Engagement Letters.

4. EY LLP shall file monthly, interim and final fee applications for allowance of its compensation and reimbursement of its expenses with respect to services rendered in these Chapter 11 Cases with this Court, in accordance with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any interim or final compensation procedures established by order of the Court. In the event that EY LLP seeks reimbursement from the Debtors for attorneys' fees and expenses pursuant to the Engagement Letters, the invoices and supporting time records for the attorneys' fees and expenses shall be included in EY LLP's own applications, both interim and final, and these invoices and time records shall

be in compliance with the Local Rules and shall be subject to the US Trustee Guidelines and the approval of the Court pursuant to sections 330 and 331 of the Bankruptcy Code, but without regard to whether such attorneys have been retained under section 327 of the Bankruptcy Code, and without regard to whether such attorneys' services satisfy section 330(a)(3)(C) of the Bankruptcy Code. EY LLP shall not seek reimbursement of any attorneys' fees or costs arising from the prosecution or defense of any of EY LLP's applications for allowance of compensation and reimbursement of expenses.

5. EY LLP shall provide reasonable notice to the Debtors, the U.S. Trustee, and any statutory committee appointed in these Chapter 11 Cases in connection with any increase of the hourly rates listed in the Engagement Letters.

6. The indemnification provisions of the Engagement Letters are approved, subject to the following:

- a. ~~None of the EY Parties (as that term is defined in the Engagement Letters)~~ shall ~~EY LLP shall not~~ be entitled to indemnification, contribution, or reimbursement under the Engagement Letter for services, unless such services, and the indemnification, contribution, or reimbursement is approved by the Court;
- b. the Debtors shall have no obligation to indemnify ~~the EY Parties~~ EY LLP, or provide contribution or reimbursement to ~~the EY Parties~~ EY LLP, for any claim or expense that is either: (i) judicially determined (the determination having become final and no longer subject to appeal) to have arisen from ~~such EY Parties'~~ EY LLP's gross negligence, willful misconduct or bad faith; (ii) for a contractual dispute in which the Debtors allege the breach of ~~the EY Parties'~~ EY LLP's contractual obligations, unless the Court determines that indemnification, contribution or reimbursement of expenses would be permissible pursuant to *In re United Artists Theatre Company, et al.*, 315 F.3d 217 (3d Cir. 2003); or (iii) settled prior to a judicial determination as to the exclusions set forth in clauses (i) and (ii) above, but determined by this Court, after notice and a hearing, to be a claim or expense for which ~~the EY Parties~~ EY LLP should not receive indemnity, contribution, or reimbursement under the terms of the Engagement Letter, as modified by this Order;
- c. if, before the earlier of: (i) the entry of an order confirming a chapter 11 plan in these cases (that order having become a final order no longer subject to

appeal); and (ii) the entry of an order closing these Chapter 11 Cases, ~~the EY Parties believe~~ EY LLP believes that ~~they are~~ it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution, and/or reimbursement obligations under the Engagement Letter (as modified by this Order), including, without limitation, the advancement of defense costs, ~~such EY Parties~~ EY LLP must file an application therefor in this Court, and the Debtors may not pay any such amounts to ~~the EY Parties~~ EY LLP before the entry of an order by this Court approving the payment. This subparagraph (c) is intended only to specify the period of time under which this Court shall have jurisdiction over any request by ~~any EY Parties~~ EY LLP for indemnification, contribution and/or reimbursement, and not a provision limiting the duration of the Debtors' obligation to indemnify, or make contributions or reimbursements to, ~~the EY Parties~~ EY LLP. All parties in interest shall retain the right to object to any demand by ~~any of the EY Parties~~ EY LLP for indemnification, contribution and/or reimbursement.

7. Sections 16, 17 and 18 of the General Terms and Conditions of the Engagement Letter shall not apply during the Chapter 11 Cases.

7.8. To the extent the Application is inconsistent with this Order, the terms of this Order shall govern.

8.9. The terms of this Order shall be immediately effective and enforceable upon its entry.

9.10. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.

10.11. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.