

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

)	
In re:	)	Chapter 11
)	
EXTRACTION OIL & GAS, INC. <i>et al.</i> , ¹	)	Case No. 20-11548 (CSS)
)	
Debtors.	)	(Jointly Administered)
)	
	)	Re: Docket Nos. 10, 88 and 106

CERTIFICATION OF COUNSEL REGARDING DEBTORS’ MOTION FOR ENTRY OF INTERIM AND FINAL ORDERS (I) APPROVING NOTIFICATION AND HEARING PROCEDURES FOR CERTAIN TRANSFERS OF AND DECLARATIONS OF WORTHLESSNESS WITH RESPECT TO COMMON SHARES OR PREFERRED SHARES, AND (II) GRANTING RELATED RELIEF

The undersigned hereby certifies as follows:

1. On June 15, 2020, the above-captioned debtors and debtors in possession (the collectively, “Debtors”) filed the *Debtors’ Motion for Entry of Interim and Final Orders (I) Approving Notification and Hearing Procedures for Certain Transfers of and Declarations of Worthlessness with Respect to Common Shares or Preferred Shares, and (II) Granting Related Relief* [Docket No. 10] (the “Motion”) with the United States Bankruptcy Court for the District of Delaware (the “Court”). A proposed form order granting the relief requested in the Motion on a final basis was filed with the Motion (the “Proposed Final Order”).

2. On June 16, 2020 (the “First Day Hearing”), the Court entered the *Interim Order (I) Approving Notification and Hearing Procedures for Certain Transfers of and Declarations of*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Extraction Oil & Gas, Inc. (3923); 7N, LLC (4912); 8 North, LLC (0904); Axis Exploration, LLC (8170); Extraction Finance Corp. (7117); Mountaintop Minerals, LLC (7256); Northwest Corridor Holdings, LLC (9353); Table Mountain Resources, LLC (5070); XOG Services, LLC (6915); and XTR Midstream, LLC (5624). The location of the Debtors’ principal place of business is 370 17th Street, Suite 5300, Denver, Colorado 80202.



Worthlessness with Respect to Common Shares or Preferred Shares and (II) Granting Related Relief and (B) Final Hearing Thereon [Docket No. 88] (the “Interim Order”).

3. Pursuant to the Interim Order and the *Notice of (A) Entry of Interim Order (I) Approving Notification and Hearing Procedures for Certain Transfers of and Declarations of Worthlessness with Respect to Common Shares or Preferred Shares and (II) Granting Related Relief; and (B) Final Hearing Thereon* [Docket No. 106], objections to the Motion and the Proposed Final Order were to be filed by no later than June 30, 2020 at 4:00 p.m. (prevailing Eastern Time) (the “Objection Deadline”). The Objection Deadline was extended to July 12, 2020 at 5:00 p.m. (prevailing Eastern Time) for the Official Committee of Unsecured Creditors (the “Committee”).

4. Prior to the First Day Hearing, the Debtors received informal comments to the proposed form of Interim Order from the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”).

5. The Debtors have not received any informal responses to the Proposed Final Order, and no objection or responsive pleading to the Proposed Final Order has appeared on the Court’s docket in these Chapter 11 cases.

6. The Debtors have revised the Proposed Final Order (the “Revised Proposed Final Order”) to carry over changes made to the Interim Order requested by the U.S. Trustee before the First Day Hearing. The Revised Proposed Final Order is attached hereto as **Exhibit 1**.

7. The Revised Proposed Final Order has been circulated to the U.S. Trustee and the Committee, and the aforementioned parties do not object to the entry of the Revised Proposed Final Order. For the convenience of the Court and all parties in interest, a redline of the Revised Proposed Final Order marked against the Proposed Final Order is attached hereto as **Exhibit 2**.

WHEREFORE, the Debtors respectfully request that the Revised Proposed Final Order, substantially in the form attached hereto as **Exhibit 1**, be entered at the earliest convenience of the Court.

Dated: July 13, 2020
Wilmington, Delaware

/s/ Stephen B. Gerald

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Proposed Co-Counsel to the Debtors and Debtors in Possession

² Whiteford, Taylor & Preston LLC operates as Whiteford Taylor & Preston L.L.P. in jurisdictions outside of Delaware.

EXHIBIT 1

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

)))	
In re:	)		)	Chapter 11)	
EXTRACTION OIL & GAS, INC. <i>et al.</i> , ¹	)		)	Case No. 20-11548 (CSS))	
Debtors.	)		)	(Jointly Administered))	
	)		)	Re: Docket Nos. 10, 88, 106 & ____)	

**FINAL ORDER (I) APPROVING NOTIFICATION
AND HEARING PROCEDURES FOR CERTAIN TRANSFERS OF AND
DECLARATIONS OF WORTHLESSNESS WITH RESPECT TO COMMON
SHARES OR PREFERRED SHARES AND (II) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of a final order (this “Final Order”), (a) approving the Procedures related to transfers of, and declarations of worthlessness with respect to, Beneficial Ownership of Common Shares or Preferred Shares and (b) directing that any purchase, sale, other transfer of, or declaration of worthlessness with respect to, Beneficial Ownership of Common Shares or Preferred Shares in violation of the Procedures shall be null and void *ab initio*, all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order; and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the

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² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted on a final basis as set forth in this Final Order.
2. The Procedures, as set forth in Exhibit 1 attached to the Interim Order [Docket No. 88], are hereby approved on a final basis.
3. Any transfer or declaration of worthlessness with respect to Beneficial Ownership of Common Shares or Preferred Shares in violation of the Procedures, including but not limited to the notice requirements, shall be null and void *ab initio*.
4. In the case of any such transfer of Beneficial Ownership of Common Shares or Preferred Shares in violation of the Procedures, including but not limited to the notice requirements, the person or entity making such transfer shall be required to take remedial actions specified by the Debtors, which may include the actions specified in Private Letter Ruling 201010009 (Dec. 4, 2009), to appropriately reflect that such transfer is null and void *ab initio*.
5. In the case of any such declaration of worthlessness with respect to Beneficial Ownership of Common Shares or Preferred Shares in violation of the Procedures, including the notice requirements, the person or entity making such declaration shall be required to file an

amended tax return revoking such declaration and any related deduction to appropriately reflect that such declaration is void *ab initio*.

6. The Debtors may retroactively or prospectively waive any and all restrictions, stays, and notification procedures set forth in the Procedures.

7. To the extent that this Final Order is inconsistent with any prior order or pleading with respect to the Motion in these chapter 11 cases, the terms of this Final Order shall govern upon proper notice given.

8. The requirements set forth in this Final Order are in addition to the requirements of applicable law.

9. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Final Order are immediately effective and enforceable upon its entry.

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

11. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Final Order.

EXHIBIT 2

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

In re:	)	Chapter 11
EXTRACTION OIL & GAS, INC. <i>et al.</i> , ¹	)	Case No. 20-11548 (== CSS)
Debtors.	)	(Jointly Administrat <u>er</u> ation <u>ed</u> Requested)
	)	Re: Docket Nos. == 10, 88

**FINAL ORDER (I) APPROVING NOTIFICATION
AND HEARING PROCEDURES FOR CERTAIN TRANSFERS OF AND
DECLARATIONS OF WORTHLESSNESS WITH RESPECT TO COMMON
SHARES OR PREFERRED SHARES AND (II) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of a final order (this “Final Order”), (a) approving the Procedures related to transfers of, and declarations of worthlessness with respect to, Beneficial Ownership of Common Shares or Preferred Shares and (b) directing that any purchase, sale, other transfer of, or declaration of worthlessness with respect to, Beneficial Ownership of Common Shares or Preferred Shares in violation of the Procedures shall be null and void *ab initio*, all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order; and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding

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² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted on a final basis as set forth in this Final Order.

2. The Procedures, as set forth in Exhibit 1 attached to the Interim Order [Docket No. ~~88~~], are hereby approved on a final basis.

3. Any transfer or declaration of worthlessness with respect to Beneficial Ownership of Common Shares or Preferred Shares in violation of the Procedures, including but not limited to the notice requirements, shall be null and void *ab initio*.

4. In the case of any such transfer of Beneficial Ownership of Common Shares or Preferred Shares in violation of the Procedures, including but not limited to the notice requirements, the person or entity making such transfer shall be required to take remedial actions specified by the Debtors, which may include the actions specified in Private Letter Ruling 201010009 (Dec. 4, 2009), to appropriately reflect that such transfer is null and void *ab initio*.

5. In the case of any such declaration of worthlessness with respect to Beneficial Ownership of Common Shares or Preferred Shares in violation of the Procedures, including the

notice requirements, the person or entity making such declaration shall be required to file an amended tax return revoking such declaration and any related deduction to appropriately reflect that such declaration is void *ab initio*.

6. The Debtors may retroactively or prospectively waive any and all restrictions, stays, and notification procedures set forth in the Procedures.

7. To the extent that this Final Order is inconsistent with any prior order or pleading with respect to the Motion in these chapter 11 cases, the terms of this Final Order shall govern upon proper notice given.

8. The requirements set forth in this Final Order are in addition to the requirements of applicable law.

~~9. Notwithstanding the relief granted herein and any actions taken pursuant to such relief, nothing contained in the Motion or this Final Order shall constitute, nor is it intended to constitute: (a) an admission as to the validity, priority, or amount of any particular claim against a Debtor entity; (b) a waiver of the Debtors', or any other party in interest's, right to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Final Order or the Motion; (e) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) a waiver or limitation of the Debtors', or any other party in interest's, rights under the Bankruptcy Code or any other applicable law; or (g) a concession by the Debtors or any other party in interest that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to this Final Order are valid and the Debtors and all other parties in interest expressly reserve their rights to contest the extent, validity, or perfection, or to seek avoidance of all such liens. Any payment made pursuant to this Final Order should not~~

~~be construed as an admission as to the validity, priority, or amount of any particular claim or a waiver of the Debtors' or any other party-in-interest's rights to subsequently dispute such claim.~~

9. ~~10.~~ Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Final Order are immediately effective and enforceable upon its entry.

10. ~~11.~~ The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Final Order in accordance with the Motion.

11. ~~12.~~ This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Final Order.

Summary report:	
Litera® Change-Pro for Word 10.8.2.11 Document comparison done on 7/13/2020 1:39:38 PM	
Style name: Color (Kirkland Default)	
Intelligent Table Comparison: Active	
Original DMS: iw://DMS.KIRKLAND.COM/LEGAL/69370593/1	
Modified DMS: iw://DMS.KIRKLAND.COM/LEGAL/69370593/3	
Changes:	
Add	8
Delete	9
Move From	0
Move To	0
Table Insert	4
Table Delete	1
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	22