Case 20-11548-CSS Doc 10/6 Filed 11/10/20

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

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In re:

EXTRACTION OIL & GAS, INC. et al.,

Debtors.

Chapter 11

Case No. 20-11548 (CSS)

(Jointly Administered)

Objection Deadline: 11/30/2020 at 2:00 pm Hearing Date: 12/3/2020 at 2:00 pm

#### BISON OIL & GAS, LLC'S MOTION FOR ORDER AUTHORIZING WRITTEN EXAMINATION AND PRODUCTION OF DOCUMENTS

Bison Oil and Gas, LLC ("Bison") submits this motion for entry of an order authorizing examination by interrogatory of Extraction Oil & Gas, Inc. ("Extraction") and Extraction's wholly owned subsidiary, Axis Exploration, LLC ("Axis") f/k/a Bison Exploration and production of documents under Bankruptcy Rule 2004. In support of its motion, Bison submits the following:

1. On June 14, 2020, Extraction filed a voluntary Chapter 11 bankruptcy petition in this Court.

2. On August 12, 2020, Bison filed two unsecured, unliquidated claims in these proceedings, asserting Bison's rights under a contract between Bison and Axis. *See* Proof of Claim #931; Proof of Claim #986.

3. Bison seeks information and documents concerning operations and transactions that Extraction and Axis may have undertaken that implicate Bison's rights under the contract. Bison has previously requested that Extraction provide the pertinent information. *See* Exhibit A at 5-8 (August 6, 2020 Letter from Mark S. Barron to Eric J. Christ). Extraction has not responded to Bison's request.



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4. To minimize the burden of a Rule 2004 examination on the parties, Bison seeks to examine Extraction through interrogatories and requests for production. *See In re Discovery Zone, Inc.*, No. 99-941 (PJW), 2001 WL 1819994, at \*1 (Bankr. Del. Sept. 14, 2001) (endorsing Rule 2004 examination conducted via interrogatories). Bison seeks information about Extraction's development, operation, ownership, and acquisition of midstream infrastructure and facilities in which Bison has a participation right under a contract between Bison and Axis. *See* Exhibit B (Bison Oil & Gas, LLC's Written Examination of Extraction Oil & Gas, Inc. & Axis Expl., LLC at 8-9).

5. On October 27, 2020, Bison contacted Extraction's counsel by e-mail to confer concerning Extraction's position on the relief requested in this motion and to discuss a reasonable amount of time for Extraction to respond to Bison's interrogatories and requests for production. Extraction's counsel acknowledged receipt of Bison's inquiry but have not otherwise responded to Bison's attempt to confer.

WHEREFORE Bison requests respectfully that the Court enter an Order authorizing Bison to conduct the written examination proposed – as described in Exhibit B to this motion – and directing Extraction to answer the examination inquiry within thirty days from service or some other reasonable time to which the parties may agree.

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Dated: November 10, 2020

BAKER & HOSTETLER LLP

/s/ Jeffrey J. Lyons

Jeffrey J. Lyons (#6437) 1201 North Market Street, 14th Floor Wilmington, DE 19801-1147 (302) 468-7088 jjlyons@bakerlaw.com

Mark S. Barron Lars H. Fuller 1801 California Street, Suite 4400 Denver, Colorado 80202 (303) 764-4114 mbarron@bakerlaw.com Ifuller@bakerlaw.com

Counsel to Bison Oil & Gas LLC

#### **CERTIFICATION OF DELAWARE COUNSEL**

Pursuant to Del. Bankr. L.R. 2004-1, I hereby certify that a conference was not held between counsel for Bison and Extraction. On October 26, 2020, Counsel for Bison requested to meet and confer with counsel for Extraction and counsel for Extraction has not to date responded other than to acknowledge receipt of Bison's counsel's request for a conference.

> <u>/s/ Jeffrey J. Lyons</u> Jeffrey J. Lyons (#6437)

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

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EXTRACTION OIL & GAS, INC. et al.,

Debtors.

Chapter 11

Case No. 20-11548 (CSS)

(Jointly Administered)

Objection Deadline: 11/30/2020 at 2:00 pm Hearing Date: 12/3/2020 at 2:00 pm

#### NOTICE OF BISON OIL & GAS, LLC'S MOTION FOR ORDER AUTHORIZING WRITTEN EXAMINATION AND PRODUCTION OF DOCUMENTS

**PLEASE TAKE NOTICE** that on November 9, 2020, Bison Oil & Gas, LLC filed in the above-captioned action a Motion for Order Authorizing Written Examination and Production of Documents with the United States Bankruptcy Court for the District of Delaware. A copy of the motion is attached hereto.

**PLEASE TAKE FURTHER NOTICE** that any objections or responses to the motion must be in writing and filed with the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801, and served upon and received by the undersigned counsel on or before **November 30, 2020 at 2:00 pm ET**.

#### PLEASE TAKE FURTHER NOTICE that is any objections to the Motion are received,

the Motion and such objections shall be considered at a hearing before The Honorable Christopher S. Sontchi, Chief United States Bankruptcy Judge for the District of Delaware, 824 North Market Street, 5th Floor, Courtroom No. 6, Wilmington, Delaware 19801 on **December 3, 2020 at 2:00 pm ET**.

### PLEASE TAKE FURTHER NOTICE THAT IF NO OBJECTIONS TO THE MOTION ARE TIMELY FILED, SERVED, AND RECEIVED IN ACCORDANCE WITH

### THIS NOTICE, THE BANKRUPTCY COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

Dated: November 10, 2020

BAKER & HOSTETLER LLP

/s/ Jeffrey J. Lyons

Jeffrey J. Lyons (#6437) 1201 North Market Street, 14th Floor Wilmington, DE 19801-1147 (302) 468-7088 jjlyons@bakerlaw.com

Mark S. Barron Lars H. Fuller 1801 California Street, Suite 4400 Denver, Colorado 80202 (303) 764-4114 mbarron@bakerlaw.com Ifuller@bakerlaw.com

Counsel to Bison Oil & Gas LLC

# **EXHIBIT** A

## **BakerHostetler**

#### Baker&Hostetler LLP

1801 California Street Suite 4400 Denver, Colorado 80202-2662

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Mark S. Barron direct dial: 303.764.4023 mbarron@bakerlaw.com

August 6, 2020

#### CONFIDENTIAL

#### VIA E-MAIL & U.S. MAIL

Mr. Eric J. Christ Vice President, General Counsel and Corporate Secretary Extraction Oil & Gas, Inc. 370 17th Street, Suite 5300 Denver, Colorado 80202 echrist@extractionog.com

*Re:* Purchase & Sale Agreement (Nov. 22, 2016) Request for Information Under Section 7.02

Dear Mr. Christ,

This correspondence is sent on behalf of Bison Oil & Gas, LLC ("Bison"). On November 22, 2016, Bison executed a Purchase and Sale Agreement (the "PSA") pursuant to which Bison assigned oil and gas assets in Adams and Arapahoe Counties, Colorado to Axis Exploration, LLC f/k/a Bison Exploration, LLC, a wholly owned subsidiary of Extraction Oil & Gas.<sup>1</sup> This correspondence constitutes a formal request that Extraction provide certain financial and operational information to which Bison is entitled under Article 7 of the PSA.

Section 7.02(a) of the PSA grants Bison's midstream affiliate, Arapahoe Midstream Partners, LLC ("Arapahoe"), a right to participate in or acquire up to an undivided twenty-five percent of Extraction's ownership interest in midstream facilities or infrastructure that Extraction (or any of Extraction's affiliates) might construct or acquire to transport natural gas to or from the Acquisition Area (as defined in the PSA),<sup>2</sup> including to or from assets transferred under the PSA. In the event that Extraction elects to construct or acquire such facilities, Section 7.02(a) requires that Extraction deliver "written notice thereof to [Bison] and [Arapahoe], which notice shall

<sup>&</sup>lt;sup>1</sup> Unless otherwise noted, for purposes of this correspondence, Bison refers to Extraction and Axis collectively as "Extraction."

<sup>&</sup>lt;sup>2</sup> A map of the Acquisition Area – which includes parts of Arapahoe, Elbert, and Adams Counties, Colorado – is Exhibit F to the PSA.

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include the anticipated costs to construct or acquire the Extraction Midstream Facilities and any information reasonably necessary to assist Seller and Arapahoe in the evaluation of such Extraction Midstream Facilities."

Extraction appears to have undertaken several efforts that implicate Bison's rights under Section 7.02 without providing Bison the information that Section 7.02 requires. Based on Bison's previous communications with Extraction and other publicly available information, these efforts include at least the following:

- Extraction has prepared operational and financial analyses to build out midstream assets necessary to service Extraction's "Hawkeye" prospect which includes, among other lands, the assets Extraction acquired in the PSA.<sup>3</sup> These analyses include capital budgeting for infield gas gathering and compression.
- No later than July 2018, Extraction through Extraction's wholly-owned subsidiary, Elevation Midstream, LLC ("Elevation") secured financing for the build out of its midstream systems in the DJ Basin through GSO Capital Partners LP ("GSO").
- No later than August 2018, Extraction received \$83.6 million in cash upon the sale of DJ Holdings, LLC ("DJH"), a subsidiary of Discovery Midstream Partners, LP ("Discovery"). Elevation held a ten percent membership interest in DJH at the time. Elevation received this ten percent interest in exchange for a midstream-related transaction involving the "Hawkeye" area; Bison had a contractual right to participate in that transaction. Upon information and belief, at least some aspect of this transaction involves utilization of Discovery's infrastructure and services to transport natural gas from the assets Extraction acquired in the PSA and/or the Acquisition Area.

Extraction has not been responsive to Bison's previous requests for information about these and other projects that concern Bison's rights under Section 7.02 of the PSA, notwithstanding several e-mail exchanges and conversations between Bison and Extraction officers throughout 2017 and 2018 concerning Bison's request for updates on Extraction's midstream plans. Bison appreciates that Bison's gas-specific rights are only one component of Extraction's broader need to implement a multi-phase midstream solution servicing Extraction's development in the broader DJ Basin. But Bison has no way to properly understand, or even evaluate, the scope of Bison's rights under the PSA or the extent of Bison's role in Extraction's planning because Bison has not received any information about Extraction's efforts.

Extraction's failure to provide information regarding Extraction's completed, anticipated, and considered midstream gas transactions constitutes a breach of Extraction's obligations under

<sup>&</sup>lt;sup>3</sup> Although Extraction is yet to share these analyses with Bison, as early as February 2018, Bison advised Extraction that Bison is likely to exercise its right to participate in Extraction's ownership of the construction and development of any project that is constructed to serve the Acquisition Area and assets subject to Section 7.02 of the PSA.

August 6, 2020 Page - 3 -

the PSA. To remedy this breach, Bison requests Extraction immediately provide full and detailed information – including copies of all contracts – that might be or might have been relevant to Bison's decision whether to participate in any midstream development meant to serve the assets assigned under the PSA. This information should include, but not necessarily be limited to:

- Any and all gas gathering contracts between Extraction and any Extraction-affiliated or third-party midstream provider – including Elevation and XTR Midstream, LLC ("XTR")
  – that contemplates in any way natural gas transportation services for the Acquisition Area and assets subject to Section 7.02 of the PSA.
- Any and all compression services contracts between Extraction and any affiliated or thirdparty midstream provider – including Elevation and XTR – that contemplates in any way compression services for the Acquisition Area and assets subject to Section 7.02 of the PSA.
- Capital expenditure forecasts and/or data documenting historic costs for compression services that Elevation, XTR, or any other Extraction-affiliated entity or third-party has or will provide Extraction.
- Any and all contracts, notes, or other agreements between Extraction (including any Extraction affiliate or subsidiary) and GSO (including any GSO affiliate or subsidiary) concerning funding for development of midstream facilities and midstream services and/or any ancillary agreements that include pertinent information concerning well commitments, minimum volume commitments, or any other similarly structured arrangements.
- Any and all contracts, notes, or other agreements between Extraction (including any Extraction affiliate or subsidiary) and Discovery (including any Discovery affiliate or subsidiary) concerning funding for, acquisition of, or provision of services for midstream facilities and midstream services and/or ancillary agreements between such parties that include pertinent information concerning well commitments, minimum volume commitments, or any other similarly structured arrangements.
- Microsoft Excel back-up or other financial modeling supporting the "Hawkeye Gas Detail" hand-out provided to Bison at a meeting between Extraction and Bison on October 16, 2018, including support for all assumptions concerning development pace and number of wells drilled.
- Any and all additional information required to be provided under Section 7.02 of the PSA.

Bison recognizes the amicable and mutually beneficial business relationship that Bison and Extraction have enjoyed over the years and remains committed to exercising Bison's rights under the PSA in a manner consistent with that relationship. Bison appreciates Extraction's immediate attention to this matter and requests that Extraction provide the responsive material as soon as reasonably possible, and in no case later than August 28, 2020.

August 6, 2020 Page - 4 -

Please contact this office directly should you have questions or wish to discuss the matters referenced in this correspondence.

Sincerely,

Mark S. Barron

## **EXHIBIT B**

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

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In re:

EXTRACTION OIL & GAS, INC. et al.,

Debtors.

Chapter 11

Case No. 20-11548 (CSS)

(Jointly Administered)

#### BISON OIL & GAS, LLC'S WRITTEN EXAMINATION OF EXTRACTION OIL & GAS, INC. AND AXIS EXPLORATION, LLC

Pursuant to Rule 2004 of the Federal Rules of Bankruptcy Procedure, Creditor Bison Oil and Gas, LLC ("Bison") submits this written examination of Extraction Oil & Gas, Inc. and Extraction's wholly owned subsidiary, Axis Exploration, LLC ("Axis") f/k/a Bison Exploration, LLC. Bison requests that Extraction and Axis answer fully, in writing, under oath, and verified by each person answering them, each of the following interrogatories and requests and timely serve such answers and production within thirty days on Bison's undersigned counsel.

#### **DEFINITIONS**

1. "Agreement" means any contract, arrangement, or understanding, formal or informal, oral or written, between two or more persons or entities.

2. "Communication" means any contact between two or more persons or companies and shall include, without limitation, written contact by such means as letters, memoranda, telegrams, telexes, facsimile transmissions, e-mail, internet transmissions, or by any document, and oral contact by such means as face-to-face meetings and telephone conversations.

3. "Concerning" means relating to, referring to, describing, evidencing or constituting.

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4. "Document" means all writings of any kind, including, without limitation, the originals and all non-identical copies, whether different from the originals by reason of any notation made on such copies or otherwise, including, without limitation, correspondence, electronic mail, memoranda, notes, diaries, statistics, letters, telegrams, minutes, contracts, reports, studies, checks, statements, receipts, returns, summaries, pamphlets, books, inter-office and intra-office communications, notations of any conversations (including, without limitation, telephone calls, meetings, and other communications), bulletins, printed matter, computer printouts, teletypes, telefax, invoices, worksheets, graphic or oral records or representations of any kind (including, without limitation, photographs, charts, graphs, microfiche, microfilm, videotapes, recordings and motion pictures), electronic, mechanical or electric records or representations of any kind (including, without limitation, tapes, cassettes, discs, recordings and computer memories), and all drafts, alterations, modifications, changes and amendments of any of the foregoing.

5. "Describe," as used herein, means to detail in full and with specificity the events, activities, scene, situation, object, understanding, circumstances, or relationships at issue, including dates, times and durations, the specific persons involved, and other similar factual details.

6. As used herein, the term "identify" means:

(a) In the case of a natural person, to set forth: (i) the person's name; (ii) present or last known business address and business telephone number; (iii) present or last known home address and home telephone number; and (iv) present or last known job title, position, or business.

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(b) In the case of a firm, partnership, corporation, bank, insurance company, proprietorship, association, governmental body, or any other organization or entity, to state: (i) its full name; (ii) present or last known address; (iii) telephone number; (iv) nature of business; (v) legal form; (vi) trade name; and (vii) any parent, subsidiary, or sister corporations, or related entities.

(c) In the case of a document, to state: (i) the identity of the author and recipient; (ii) the title or description of the general nature of its subject matter; (iii) the date of its preparation; (iv) the date and manner of its distribution or publication; (v) its present location; (iv) the identity of all persons who have possession custody, or control of it; (vii) the identity of the person who can identify it; (viii) the contents of the document verbatim; (ix) if privilege is claimed, the specific facts supporting such a privilege; (x) the type of document (*e.g.*, letter, memorandum, notation, book, email, chart, etc.); and (xi) in the case of a document that was, but no longer is, in your possession, the name of the person who currently has or is last known to have had the document.

(d) In the case of a communication, to state: (i) the identity of the individuals who participated in such communication(s); (ii) the medium of communication (e.g., telephone, letter, facsimile, e-mail, etc.); (iii) if oral, the identity of all documents evidencing or relating to such communication(s); (iv) if written, the author and recipient of such communication(s); (v) if written, the author and recipient of all documents evidencing, or in any manner concerning such communication(s); and (vi) the substance of the communication(s).

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(e) In the case of a meeting or conference, to state: (i) the date of such meeting or conference; (ii) the location of said meeting or conference; (iii) the identity of the individuals who participated in such meeting or conference; (iv) the exact substance of such meeting or conference; and (v) the identity of all documents evidencing or in any manner concerning such meeting or conference.

(f) In the case of an agreement, to state: (i) the parties to the agreement; (ii) whether the agreement is written or oral; (iii) the material terms of the agreement; and (iv) the period of time during which the agreement was, is, or will be effective.

7. "Include(s)" or "Including" means include(s) or including, but not limited to.

8. "Person" means any natural person or any entity, including, but not limited to, sole proprietorships, partnership, corporations, associations, joint ventures, and any other legally recognized entity of any description whatsoever.

9. "Related entity" means that two entities have: (i) significant common purposes and substantial common membership; or (ii) directly or indirectly substantial common direction or control. Entities are related if either entity owns (directly or through one or more entities) a fifty percent or greater interest in the capital or profits of the other. Notwithstanding percentage of ownership interest, related entities always include parent organizations, subsidiaries, and sister organizations. A parent/subsidiary relationship exists if: (i) one entity has the power to remove and replace (or appoint or elect) a majority of the other entity's directors, officers, or trustees; or (ii) a management or board overlap exists between the two entities directors, officers, managers, trustees, employees or agents. A sister relationship exists if the same persons constitute a majority of the members of the governing body in both organizations.

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10. The terms "and," "any," "all," and "each" shall be construed either conjunctively or disjunctively as is necessary to bring within the scope of the request all information that might otherwise be construed to be outside its scope.

11. The term "or" shall be construed to mean "and/or."

12. The use of the singular form of a word shall be construed to include the plural form of that same word and vice versa.

13. The use of the verb in any tense shall be construed as the use of the verb in all other tenses.

14. "Arapahoe" means Bison's midstream affiliate, Arapahoe Midstream Partners, LLC.

15. The "Acquisition Area" means those lands depicted on the map included as Exhibit F to the PSA.

16. "Axis" means Axis Exploration, LLC f/k/a Bison Exploration, LLC and its predecessors, successors, parents, subsidiaries, affiliates, assigns, joint venturers, partners, directors, officers, accountants, employees, attorneys, representatives, and agents of said entities.

17. "Bison" means Bison Oil & Gas, LLC and its predecessors, successors, parents, subsidiaries, affiliates, assigns, joint venturers, partners, directors, officers, accountants, employees, attorneys, representatives, and agents of said entities.

18. "Debtor" means Extraction and/or Axis, as defined herein.

19. "Discovery" means Discovery Midstream Partners, LP and its predecessors, successors, parents, subsidiaries, affiliates, assigns, joint venturers, partners, directors, officers, accountants, employees, attorneys, representatives, and agents of said entities.

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20. "DJH" means DJ Holdings, LLC and its predecessors, successors, parents, subsidiaries, affiliates, assigns, joint venturers, partners, directors, officers, accountants, employees, attorneys, representatives, and agents of said entities.

21. "Elevation" means Extraction's former subsidiary, Elevation Midstream, LLC, and Elevation's predecessors, successors, parents, subsidiaries, affiliates, assigns, joint venturers, partners, directors, officers, accountants, employees, attorneys, representatives, and agents of said entities.

22. "Extraction" means Extraction Oil & Gas, Inc. and its predecessors, successors, parents, subsidiaries, affiliates, assigns, joint venturers, partners, directors, officers, accountants, employees, attorneys, representatives, and agents of said entities.

23. "GSO" means GSO Capital Partners LP and its predecessors, successors, parents, subsidiaries, affiliates, assigns, joint venturers, partners, directors, officers, accountants, employees, attorneys, representatives, and agents of said entities.

24. "Midstream Facilities" means equipment and facilities used to provide Midstream Services, as defined herein. Midstream Facilities include any gathering and transmission lines, compressor stations, dehydration units, processing facilities, fractionation facilities, treatment facilities, storage facilities, and any other related facilities necessary to safely prepare and transport natural gas and natural gas liquids to market.

25. "Midstream Services" means processing, transportation, and storage of natural gas and natural gas liquids, covering activities occurring after natural gas comes out of the wellhead and before it is sold to an end-user.

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26. The "PSA" means that certain Purchase and Sale Agreement executed on November 22, 2016 pursuant to which Bison assigned oil and gas assets in Adams and Arapahoe Counties, Colorado to Axis.

27. "XTR" means XTR Midstream, LLC and its predecessors, successors, parents, subsidiaries, affiliates, assigns, joint venturers, partners, directors, officers, accountants, employees, attorneys, representatives, and agents of said entities.

28. "You," "Your," "Extraction" and "Axis" refer to Extraction and Axis and Extraction's and Axis' predecessors, successors, parents, subsidiaries, affiliates, assigns, joint venturers, partners, directors, officers, accountants, employees, attorneys, representatives, and agents of said entities.

#### **GENERAL INSTRUCTIONS**

1. In answering these discovery requests, you are required to furnish all information that is available to you or subject to your reasonable inquiry, including information in the possession, custody, or control of any of your representatives, including without limitation your attorneys, accountants, advisors, agents, or other persons directly or indirectly employed by or connected with You and anyone else otherwise subject to your control.

2. For each interrogatory, identify each person that contributed to answering that interrogatory.

3. Each request herein is continuing in nature to the fullest extent permitted under the Federal Rules of Civil Procedure, and any requested information obtained or discovered after initial responses shall be produced forthwith, no later than thirty days after being discovered or obtained.

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4. Interrogatories calling for numerical or chronological information shall be deemed, to the extent that precise figures or dates are not known, to call for estimates. In each instance that an estimate is given, it should be identified as such together with the source of information underlying the estimate.

5. If any interrogatory or production request cannot be answered fully, as full an answer as possible should be provided. State the reason for the inability to answer fully, and give any information, knowledge, or belief which the defendant has regarding the unanswered portion.

6. All electronically stored information shall be produced with all original metadata intact. Any electronically stored information that is not ordinarily maintained in a usable form shall be translated into a form, or forms, which is reasonably usable, including, if necessary, provision of a reasonable amount of technical support, information regarding application software, or other reasonable assistance necessary to access and use such information.

7. If any document requested is no longer in your possession, custody, or control, state: (i) what was done with the document; (ii) the identity and address of the current custodian of the document or the last known custodian of the document; (iii) the person who made the decision to transfer or dispose of the document; and (iv) the reasons for the transfer or disposition.

8. The foregoing General Instructions shall be deemed applicable in full to each of the Interrogatories and Request for Production set forth below and are intended to supplement and be in addition to any specific Instruction included as part of any individual Interrogatory or Request for Production.

#### **INTERROGATORIES**

**INTERROGATORY NO. 1**: Identify by name and API number all oil and gas wells that Extraction has constructed, completed, operated, permitted, or planned in the Acquisition Area since November 22, 2016.

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**INTERROGATORY NO. 2**: For each of the wells identified in Your response to Interrogatory No. 1, provide a detailed history, by month, of all production of oil, gas, natural gas liquids, and other associated hydrocarbons since the date of each Well's first production through the present.

**INTERROGATORY NO. 3**: For each of the wells identified in Your response to Interrogatory No. 1, identify and describe all Midstream Facilities, existing or planned, that have or are capable of transporting, processing, or storage of natural gas and natural gas liquid produced from the wells.

**INTERROGATORY NO. 4**: Identify and describe all Midstream Facilities that You have constructed or acquired to service the wells identified in Your response to Interrogatory No. 1. For each midstream facility, your description should include: (i) the date the facility was constructed or acquired; (ii) the cost of construction or acquisition; (iii) whether You are or were the exclusive owner of the facility; (iv) if You were not the exclusive owner, the extent of Your ownership interest in the facility; (v) the identity of all other persons or entities that held or hold an ownership interest in the facility; (v) if You divested Your interest in the facility, the date You divested that interest; and (vi) if You divested Your interest in the facility, the amount of consideration You received for conveying the interest.

**INTERROGATORY NO. 5**: Identify all Agreements You executed since November 22, 2016 concerning: (i) financing for construction, acquisition, or operation of any Midstream Facilities that do service, are intended to service, or are capable of servicing wells located in the Acquisition Area; or (ii) the provision of Midstream Services to wells located within the Acquisition Area.

#### **REQUESTS FOR PRODUCTION**

**REQUEST FOR PRODUCTION NO. 1**: All documents described, identified, referenced, consulted, or relied upon in formulating your responses to the above interrogatories.

**REQUEST FOR PRODUCTION NO. 2**: All documents and communications constituting or related to operational and financial analyses concerning build out of Midstream Facilities necessary to service, in whole or part, Your oil and gas assets located in the Acquisition Area, including capital budgeting for infield gas gathering and compression.

**REQUEST FOR PRODUCTION NO. 3**: All gas gathering contracts between You and any affiliated or third-party midstream provider – including Elevation and XTR – that contemplates in any way natural gas transportation services for the Acquisition Area.

**REQUEST FOR PRODUCTION NO. 4**: All compression services contracts between Extraction and any affiliated or third-party midstream provider – including Elevation and XTR – that contemplates in any way compression services for the Acquisition Area.

**REQUEST FOR PRODUCTION NO. 5**: All capital expenditure forecasts and/or data documenting historic costs for compression services that Elevation, XTR, or any other affiliated entity or third-party has provided or will provide You.

**REQUEST FOR PRODUCTION NO. 6**: All contracts, notes, or other Agreements between You and GSO concerning funding for development of Midstream Facilities or Midstream Services and/or any ancillary Agreements between such parties that include pertinent information concerning well commitments, minimum volume commitments, or any other similarly structured arrangements.

**REQUEST FOR PRODUCTION NO. 7**: Any and all contracts, notes, or other Agreements between You and Discovery concerning funding for, acquisition of, or provision of services for Midstream Facilities or Midstream Services and/or ancillary Agreements between such parties that include pertinent information concerning well commitments, minimum volume commitments, or any other similarly structured arrangements. **REQUEST FOR PRODUCTION NO. 8**: All Microsoft Excel back-up or other financial modeling supporting the "Hawkeye Gas Detail" hand-out provided to Bison at a meeting between Extraction and Bison on October 16, 2018, including support for all assumptions concerning development pace and number of wells drilled.

**REQUEST FOR PRODUCTION NO. 9**: All additional information not otherwise specified herein but required to be provided to Bison or Arapahoe under Section 7.02 of the PSA.

Dated: November 10, 2020

#### BAKER & HOSTETLER LLP

/s/ Jeffrey J. Lyons

Jeffrey J. Lyons (#6437) 1201 North Market Street, 14th Floor Wilmington, DE 19801-1147 (302) 468-7088 jjlyons@bakerlaw.com

Mark S. Barron Lars H. Fuller 1801 California Street, Suite 4400 Denver, Colorado 80202 (303) 764-4114 mbarron@bakerlaw.com Ifuller@bakerlaw.com

Counsel to Bison Oil & Gas LLC

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

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EXTRACTION OIL & GAS, INC. et al.,

Debtors.

Chapter 11

) Case No. 20-11548 (CSS)

(Jointly Administered)

Objection Deadline: 11/30/2020 at 2:00 pm Hearing Date: 12/3/2020 at 2:00 pm

#### [PROPOSED] ORDER GRANTING BISON OIL & GAS, LLC'S MOTION FOR RULE 2004 EXAMINATION

This matter comes before the Court on *Bison Oil & Gas, LLC's Motion for Order Authorizing Written Examination & Production of Documents*, filed November 9, 2020. Having considered the motion and for good cause shown, the Court GRANTS the motion.

Extraction Oil & Gas, Inc. ("Extraction") and Extraction's wholly owned subsidiary, Axis Exploration, LLC f/k/a Bison Exploration, are directed to answer Bison's interrogatories and requests for production of documents as more fully described in Attachment C to Bison's motion. Extraction shall provide its answers within thirty days from service or some other reasonable time to which the parties may agree.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

BY THE COURT:

Chief Judge Christopher S. Sontchi

#### **CERTIFICATE OF SERVICE**

I hereby certify that on November 10, 2020, a copy of the foregoing *Bison Oil & Gas, LLC's Motion for Order Authorizing Written Examination & Production of Documents* was electronically filed with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to all counsel of record.

I further certify that on November 10, 2020, a copy of the foregoing was served upon the

following in the manner indicated:

VIA ELECTRONIC MAIL

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