

**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. 11536, 1537, 1538, 1540,
)	1541, 1542, 1573 and 1574

**ORDER (I) APPROVING THE
SETTLEMENT BY AND AMONG THE
DEBTORS AND PLATTE RIVER MIDSTREAM, LLC
AND DJ SOUTH GATHERING, LLC, (II) AUTHORIZING
THE DEBTORS TO ENTER INTO NEW TRANSPORTATION
SERVICES AGREEMENTS WITH PLATTE RIVER MIDSTREAM, LLC
AND DJ SOUTH GATHERING, LLC, AND (III) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order (this “Order”) (a) approving the settlement (the “Settlement”) between Debtors, on the one hand, and Platte River Midstream, LLC (“Platte River”) and DJ South Gathering, LLC (“DJ South,” and, together with Platte River, the “PRM Parties,” and, the PRM Parties together with the Debtors, collectively, the “Parties”), on the other hand, attached hereto to the Motion as Exhibit C (the “Term Sheet”), and authorizing the Debtors to perform thereunder; (b) authorizing the Debtors to enter into the New TSAs (as defined below) with Platte River and DJ South and to perform thereunder; and (c) granting related relief, all as

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.

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



more fully set forth in the Motion; and upon the Owens 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 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 as set forth herein.
2. The Term Sheet attached to the Motion as Exhibit C is hereby approved.
3. Entry into the New TSAs is hereby approved and the New TSAs are hereby assumed and shall be deemed assumed and effective as of the date of entry of this Order, subject to the execution of the Definitive Documents.
4. Pursuant to section 365(b)(1)(A) and (B) of the Bankruptcy Code, the Debtors shall pay, in cash, certain cure amounts in accordance with and as set forth in the Term Sheet.
5. The Debtors and the PRM Parties are hereby authorized to enter into, perform under, execute, and deliver the New TSAs and the Term Sheet.

6. The Debtors are authorized to enter into, perform, execute, and deliver all other documents, and take all other actions, necessary to immediately effectuate the settlement between the Debtors and the PRM Parties, in accordance with the terms, conditions, and agreements related thereto, all of which are hereby approved, and to otherwise effectuate the relief granted in this Order in accordance with the Motion.

7. The Debtors and the PRM Parties agree the New TSA shall not be subject to rejection under section 365 of the Bankruptcy Code in the Debtors' chapter 11 cases, jointly administered as *In re Extraction Oil & Gas, Inc., et. al.*, Case No. 20-11548 (CSS).

8. The Settlement Claim is Allowed, without the need to file an amended proof of claim, as a Class 6 General Unsecured Claim (as defined in the Plan) against Extraction and shall not be subject to or deemed subject to any objections, defenses, setoffs, recoupments, disallowance, subordination, impairment or infirmity of any kind, including under sections 502(d), 502(j), and 510(b) of the Bankruptcy Code or any similar provision under the Bankruptcy Code or applicable law.

9. The PRM Parties shall have the right to commit to purchase the PRM Parties' GUC Subscription Rights; *provided, however*, that the PRM Parties shall not be entitled to receive any premium on account of any commitment to participate in the GUC Equity Rights Offering. For the avoidance of doubt, notwithstanding anything herein, in the Plan, or in the Term Sheet to the contrary, except for the Backstop Commitment (as defined in the Term Sheet), the PRM Parties shall not exercise any GUC Subscription Right or GUC Cash Out Election on account of the Settlement Claim.


10. The Debtors are authorized to pay to the PRM Parties, by wire transfer of immediately available funds, those amounts contemplated by the Term Sheet.

11. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014 or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

12. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

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

Dated: January 5, 2021



Brendan Linehan Shannon
United States Bankruptcy Judge