IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
8 North, LLC, ¹) Case No. 20-11550 (CSS)
Reorganized Debtor.	 (Formerly Jointly Administered under Lead Case: Extraction Oil & Gas, Inc., Case No. 20-11548 (CSS))
	Hearing Date: January 18, 2022 at 10:00 a.m. (ET) Response Deadline: December 13, 2021 at 4:00 p.m. (ET)

REORGANIZED DEBTORS' OBJECTION TO PROOF OF CLAIM NO. 2219 FILED BY VIOLA PRODUCTION INC.

THIS IS AN OBJECTION TO YOUR CLAIM. THE OBJECTING PARTY IS ASKING THE COURT TO DISALLOW THE CLAIM THAT YOU FILED IN THESE BANKRUPTCY CASES. YOU SHOULD IMMEDIATELY CONTACT THE OBJECTING PARTY TO RESOLVE THE DISPUTE. IF YOU DO NOT REACH AN AGREEMENT, YOU MUST FILE A RESPONSE TO THIS OBJECTION AND SEND A COPY OF YOUR RESPONSE TO THE OBJECTING PARTY. YOUR RESPONSE MUST STATE WHY THE OBJECTION IS NOT VALID.

A HEARING WILL BE CONDUCTED ON THIS MATTER ON JANUARY 18, 2022 AT 10:00 A.M. (ET). REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

The reorganized debtors (the "Reorganized Debtors") hereby objects to Proof of Claim No. 2219 (the "Proof of Claim"), filed by Viola Production Inc. ("Viola") against Extraction Oil & Gas, Inc. ("Extraction"). A true and correct copy of the Proof of Claim is attached hereto as **Exhibit A.** In support of this objection, the Reorganized Debtors relies upon the declaration of

The last four digits of each Reorganized 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 Reorganized Debtors' principal place of business is 370 17th Street, Suite 5200, Denver, Colorado 80202. On October 25, 2021, the Court entered an order [Docket No. 2070] closing the chapter 11 cases of the Reorganized Debtors other than Case No. 20-11550 (CSS).



Thomas Behnke attached hereto as **Exhibit B**. In further support, the Reorganized Debtors respectfully represent as follows:

PRELIMINARY STATEMENT

1. In the Proof of Claim, Viola asserts a general unsecured claim for "[u]npaid revenue and loss of lease, equipment et. al." The Proof of Claim should be disallowed and expunged. Viola owns a working interest in a certain well that is shut-in. The Reorganized Debtors do not owe Viola any amounts for "[u]npaid revenue and loss of lease, equipment et. al." related to the well. In fact, Viola owes the Reorganized Debtors the amount of approximately \$5,700.00 for joint interest billing related to the well.

JURISDICTION AND VENUE

- 2. The United States Bankruptcy Court for the District of Delaware (the "Court") has jurisdiction over this matter under 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. The Reorganized Debtors confirm their consent, pursuant to Rule 7008 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Local Rules"), to the entry of a final order by the Court in connection with this objection to the extent it is later determined that the Court, absent party consent, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.
 - 3. Venue is proper under 28 U.S.C. §§ 1408 and 1409.

4. The bases for the relief requested herein are sections 105(a) and 502(b) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the "Bankruptcy Code"), Bankruptcy Rules 3003 and 3007, and Bankruptcy Local Rule 3007-1.

FACTUAL BACKGROUND

I. THE PARTIES

- 5. Extraction is one of the Reorganized Debtors.
- 6. Viola owns a working interest in a certain well as described more fully below.

II. THE BANKRUPTCY CASES

- 7. On June 14, 2020 (the "<u>Petition Date</u>"), Extraction and the other above-captioned debtors (the "<u>Debtors</u>") filed voluntary petitions for relief under the Bankruptcy Code. *See* Voluntary Petition [Docket No. 1].
- 8. On December 23, 2020, the Court entered the Findings of Fact, Conclusions of Law, and Order Confirming the Sixth Amended Joint Plan of Reorganization of Extraction Oil & Gas, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code [Docket No. 1509] (the "Confirmation Order"), confirming the Debtors' Sixth Amended Joint Plan of Reorganization of Extraction Oil & Gas, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code [Docket No. 1505] (the "Plan").
- 9. On January 20, 2021, the Debtors substantially consummated the Plan and emerged from chapter 11 in accordance with the terms of the Plan and the Confirmation Order. On January 21, 2021, the Reorganized Debtors filed their *Notice of (A) Entry of Findings of Fact, Conclusions of Law, and Order Confirming the Sixth Joint Plan of Reorganization of Extraction Oil & Gas, Inc. and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code, and (B) Occurrence of Effective Date* [Docket No. 1652].

III. VIOLA'S PROOF OF CLAIM

- 10. On August 24, 2020, Viola filed the Proof of Claim.
- 11. The Proof of Claim asserts a general unsecured claim against that Extraction in the amount of \$12,054.33 for "[u]npaid revenue and loss of lease, equipment et. al." The Proof of Claim does not elaborate with respect to Viola's asserted unsecured claim or attach any documents in support thereof.

RELIEF REQUESTED

12. The Reorganized Debtors request that the Court enter the Proposed Order attached as **Exhibit C**, (i) sustaining this objection to the Proof of Claim, (ii) disallowing and expunging the Proof of Claim for all purposes, and (iii) authorizing the Reorganized Debtors' Court-appointed claims and noticing agent to reflect the disallowance and expungement of the Proof of Claim on the official Claims Register.

BASIS FOR OBJECTION

13. Viola's Proof of Claim should be disallowed and expunged because Extraction does not owe Viola any amounts for "[u]npaid revenue and loss of lease, equipment et. al." as asserted in the Proof of Claim and Extraction does not otherwise owe any prepetition amounts or postpetition amounts to Viola. Indeed, Viola is indebted to Extraction in the amount of at least \$5,700.00 for joint interest billings.

I. LEGAL STANDARD

14. "Not all claims have equal merit; neither will the filing of a proof of claim automatically result in payment of that claim from the estate." *Torres v. Asset Acceptance, LLC*, 96 F. Supp. 3d 541, 544 (E.D. Pa. 2015). Instead, once "a proof of claim has been filed, the court must determine whether the claim is 'allowed' under [section] 502(a) of the Bankruptcy Code." *Id.* (quoting *Travelers Cas. & Sur. Co. of Am. v. Pac. Gas & Elec. Co.*, 549 U.S. 443, 449 (2007)).

"Upon objection, the bankruptcy court decides whether to allow or disallow the claim." *Id.* "One reason for disallowance is that 'such claim is unenforceable against the debtor . . . under any agreement or applicable law." *Id.* (quoting 11 U.S.C. § 502(b)(1)).

II. EXTRACTION DOES NOT OWE VIOLA ANY AMOUNTS FOR "[U]NPAID REVENUE AND LOSS OF LEASE, EQUIPMENT ET. AL.".

- 15. Extraction owns and operates a well known as Stromquist 01 in Boulder, Colorado (the "Well").
 - 16. Viola has a 0.05918 % working interest in the Well.
- 17. A working interest is an ownership interest in an oil or gas well or lease that gives an investor, such as Viola, a right to a share of income from production after royalty income investors are paid. The working interest also obligates an investor, like Viola, to share in the cost of developing and operating the well.
- 18. A working interest investor shares in the risk of increases in operating and drilling costs, commodity price fluctuations, and unsuccessful or underperforming wells.
- 19. The Well is been shut-in, meaning that the well has been taken out of service and is not presently producing hydrocarbons.
- 20. Extraction has the right to shut-in the Well and a working interest investor, like Viola, runs the risk that the Well will be shut-in.
- 21. Extraction does not owe any prepetition amounts or post-petition amounts to Viola related to its working interest in the Well. Moreover, the shutting-in of the Well does not obligate Extraction to pay Viola any amounts for "[u]npaid revenue and loss of lease, equipment et. al." as set forth in the Proof of Claim.
- 22. In fact, Viola owes Extraction at least \$5,700.00 on account of Viola's working interest in the Well and related joint interest billings.

RESERVATION OF RIGHTS

- 23. The Reorganized Debtors expressly reserve the right to amend, modify, or supplement this Objection, and to file additional objections to the Proof of Claim upon response from Viola or any other interested party or at any other time. Should one or more of the grounds for this Objection be dismissed or overruled, the Reorganized Debtors reserve the right to object to the Proof of Claim on any other ground.
- 24. Nothing contained in this Objection or any actions taken by the Reorganized Debtors is intended or should be construed as: (a) an admission as to the validity, priority, or amount of the Proof of Claim; (b) a waiver of the Reorganized Debtors' right to dispute the Proof of Claim on any grounds; (c) a promise or requirement to pay the Proof of Claim; (d) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (e) a waiver or limitation of the Reorganized Debtors' rights under the Confirmation Order or the Plan; (f) a waiver or limitation of the Reorganized Debtors' rights under the Bankruptcy Code or any other applicable law; or (g) a concession by the Reorganized Debtors or any other party-in-interest that any liens (contractual, common law, statutory, or otherwise) are valid and the Reorganized 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.

NOTICE

25. Notice of the hearing on the relief requested in this objection will be provided by the Reorganized Debtors in accordance and compliance with Bankruptcy Rules 4001 and 9014, as well as the Bankruptcy Local Rules, and is sufficient under the circumstances. Without limiting the foregoing, due notice will be afforded, by first class mail to parties-in-interest, including: (a) Viola; (b) the U.S. Trustee for the District of Delaware; (c) the administrative agent under the Reorganized Debtors' prepetition senior credit facility or, in lieu thereof, counsel thereto; (d) the

lenders under the Reorganized Debtors' prepetition senior credit facility or, in lieu thereof, counsel thereto; (e) the indenture trustee for the Reorganized Debtors' prepetition senior notes or, in lieu thereof, counsel thereto; (f) the holders of the Reorganized Debtors' prepetition senior notes or, in lieu thereof, counsel thereto; (g) the ad hoc group of holders of the Reorganized Debtors' preferred equity or, in lieu thereof, counsel thereto; (h) the United States Attorney's Office for the District of Delaware; (i) the Internal Revenue Service; (j) the United States Securities and Exchange Commission; (k) the state attorneys general for states in which the Reorganized Debtors conduct business; and (l) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Reorganized Debtors believe, in light of the relief requested, no other or further notice is needed.

CONCLUSION

26. Viola's Proof of Claim should be disallowed and expunged because Extraction does not owe Viola any amounts asserted in the Proof of Claim or otherwise. For the reasons stated in this Objection, the Reorganized Debtors respectfully request that the Court disallow and expunge the Proof of Claim.

[Remainder of page intentionally left blank.]

Dated: November 24, 2021 Wilmington, Delaware

/s/ Stephen B. Gerald

WHITEFORD, TAYLOR & PRESTON LLC²

Marc R. Abrams (DE No. 955) Richard W. Riley (DE No. 4052) Stephen B. Gerald (DE No. 5857)

The Renaissance Centre

405 North King Street, Suite 500 Wilmington, Delaware 19801

Telephone: (302) 353-4144 Facsimile: (302) 661-7950

Email: mabrams@wtplaw.com

rriley@wtplaw.com sgerald@wtplaw.com

Co-Counsel to Reorganized Debtors

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

IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
8 North, LLC, ¹) Case No. 20-11550 (CSS)
Reorganized Debtor.	 (Formerly Jointly Administered under Lead Case: Extraction Oil & Gas, Inc., Case No. 20-11548 (CSS))
	Hearing Date: January 18, 2022 at 10:00 a.m. (ET) Response Deadline: December 13, 2021 at 4:00 p.m. (ET)

NOTICE OF REORGANIZED DEBTORS' OBJECTION TO PROOF OF CLAIM NO. 2219 VIOLA PRODUCTION INC.

TO: Viola Production Inc P.O. Box 515226 Dallas, TX 75251 bpprodcorp@yahoo.com

PLEASE TAKE NOTICE that the Reorganized Debtors have filed the **Reorganized Debtors' Objection to Proof of Claim No. 2219 Filed By Viola Production Inc.** (the "Objection") with the United States Bankruptcy Court for the District of Delaware (the "Court"). The Objection seeks to alter your rights by disallowing and expunging your claim.

PLEASE TAKE FURTHER NOTICE that you are required to file a response to the Objection on or before **December 13, 2021 at 4:00 p.m. (ET)** with the Clerk of the Bankruptcy Court for the District of Delaware, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801. At the same time, you must also serve a copy of the response upon the undersigned counsel for the Reorganized Debtors.

PLEASE TAKE FURTHER NOTICE THAT IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED BY THE OBJECTION WITHOUT FURTHER NOTICE OR HEARING.

The last four digits of each Reorganized 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 Reorganized Debtors' principal place of business is 370 17th Street, Suite 5200, Denver, Colorado 80202. On October 25, 2021, the Court entered an order [Docket No. 2070] closing the chapter 11 cases of the Reorganized Debtors other than Case No. 20-11550 (CSS).

PLEASE TAKE FURTHER NOTICE, IF A RESPONSE IS FILED, A HEARING (THE "HEARING") ON THE OBJECTION WILL BE HELD ON <u>JANUARY 18, 2022 AT 10:00_A.M. (ET)</u> BEFORE THE HONORABLE CHRISTOPHER S. SONTCHI, UNITED STATES BANKRUPTCY JUDGE, UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 NORTH MARKET STREET, 5TH FLOOR, COURTROOM NO. 6, WILMINGTON, DELAWARE 19801.

PLEASE TAKE FURTHER NOTICE THAT IF YOU FILE A RESPONSE TO THE OBJECTION, YOU SHOULD BE PREPARED TO ARGUE THAT RESPONSE AT THE HEARING. YOU NEED NOT APPEAR AT THE HEARING IF YOU DO NOT OBJECT TO THE RELIEF REQUESTED.

PLEASE TAKE FURTHER NOTICE THAT THE HEARING MAY BE CONTINUED FROM TIME TO TIME UPON WRITTEN NOTICE TO YOU OR AS DECLARED ORALLY AT THE HEARING.

Dated: November 24, 2021 Wilmington, Delaware /s/ Stephen G. Gerald

WHITEFORD, TAYLOR & PRESTON LLC²

Marc R. Abrams (DE No. 955) Richard W. Riley (DE No. 4052) Stephen B. Gerald (DE No. 5857) The Renaissance Centre

405 North King Street, Suite 500 Wilmington, Delaware 19801 Telephone: (302) 353-4144

Telephone: (302) 353-4144 Facsimile: (302) 661-7950

Email: mabrams@wtplaw.com

rriley@wtplaw.com sgerald@wtplaw.com

Co-Counsel to Reorganized Debtors

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

EXHIBIT A

(Proof of Claim)

Fill in this information to identify the case:		
Debtor	Extraction Oil & Gas, Inc.	
United States Bankruptcy Court for the:		District of Delaware (State)
Case number	20-11548	(5.0.0)

Official Form 410

Proof of Claim 04/19

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

P	art 1: Identify the Clai	m	
1.	Who is the current creditor?	VIOLA PRODUCTION INC Name of the current creditor (the person or entity to be paid for this clair Other names the creditor used with the debtor	m)
2.	Has this claim been acquired from someone else?	✓ No Yes. From whom?	
3.	Where should notices and payments to the creditor be sent? Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Where should notices to the creditor be sent? VIOLA PRODUCTION INC PO BOX 515226 DALLAS, TX 75251 Contact phone 9727169111 Contact email bpprodcorp@yahoo.com Uniform claim identifier for electronic payments in chapter 13 (if you use	Where should payments to the creditor be sent? (if different) Contact phone Contact email
4.	Does this claim amend one already filed?	✓ No✓ Yes. Claim number on court claims registry (if known)	Filed on
5.	Do you know if anyone else has filed a proof of claim for this claim?	✓ No Yes. Who made the earlier filing?	

Official Form 410 **Proof of Claim**

P	Give Information Ab	out the Claim as of the Date the Case was Filed	
6.	Do you have any number you use to identify the debtor?	No Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor:	
7.	How much is the claim?	\$ 12,054.33 Does this amount include interest or other charges? No Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).	
8.	What is the basis of the claim?	Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as health care information. Unpaid revenue and loss of lease, equipment et. al.	
9.	Is all or part of the claim secured?	Yes. The claim is secured by a lien on property. Nature or property: Real estate: If the claim is secured by the debtor's principle residence, file a Mortgage Proof of Claim Attachment (Official Form 410-A) with this Proof of Claim. Motor vehicle Other. Describe: Basis for perfection: Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.) Value of property:	
10	Is this claim based on a lease?	No Yes. Amount necessary to cure any default as of the date of the petition. \$12,054.33	
11.	Is this claim subject to a right of setoff?	No Yes. Identify the property:	

Official Form 410

<u></u>			
12. Is all or part of the claim entitled to priority under	☑ No		
11 U.S.C. § 507(a)?	Yes. Check	k all that apply:	Amount entitled to priority
A claim may be partly priority and partly		stic support obligations (including alimony and child support) under S.C. § 507(a)(1)(A) or (a)(1)(B).	\$
nonpriority. For example, in some categories, the law limits the amount	Up to or ser	\$3,025* of deposits toward purchase, lease, or rental of property vices for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$
entitled to priority.	☐ Wage	s, salaries, or commissions (up to \$13,650*) earned within 180	φ
		pefore the bankruptcy petition is filed or the debtor's business ends, ever is earlier. 11 U.S.C. § 507(a)(4).	\$
	Taxes	or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$
	Contri	butions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$
	Other	Specify subsection of 11 U.S.C. § 507(a)() that applies.	\$
	* Amounts	are subject to adjustment on 4/01/22 and every 3 years after that for cases begun	on or after the date of adjustment.
13. Is all or part of the claim	№ No		
pursuant to 11 U.S.C. § 503(b)(9)?	ursuant to 11 U.S.C.		
	\$		
Part 3: Sign Below			
The person completing this proof of claim must sign and date it. FRBP 9011(b). If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is. A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.	I am the trust I am a guaran I understand that a the amount of the I have examined the I declare under per Executed on date ///////////////////////////////////	itor. itor's attorney or authorized agent. ee, or the debtor, or their authorized agent. Bankruptcy Rule 3004. intor, surety, endorser, or other codebtor. Bankruptcy Rule 3005. In authorized signature on this <i>Proof of Claim</i> serves as an acknowled claim, the creditor gave the debtor credit for any payments received to be information in this <i>Proof of Claim</i> and have reasonable belief that the nalty of perjury that the foregoing is true and correct.	ward the debt. e information is true and correct.
	Contact phone	Email	

Official Form 410 Proof of Claim

Case 20-11550-CSS Doc 27-2 Filed 11/24/21 Page 5 of 5 KCC ePOC Electronic Claim Filing Summary

For phone assistance: Domestic (866) 571-1791 | International (781) 575-2049

Debtor:		
20-11548 - Extraction Oil & Gas, Inc.		
District:		
District of Delaware		
Creditor:	Has Supporting Doc	umentation:
VIOLA PRODUCTION INC	No supporting	documentation
PO BOX 515226 Related Document Statement:		tatement:
Documentation can be supplied by Debtor as said		n can be supplied by Debtor as said
DALLAS, TX, 75251	documentation will be Joint Interest Billings	
Phone:	Phone: Has Related Claim:	
9727169111	No	
Phone 2:	Related Claim Filed I	Зу:
Fax:	Filing Party:	
Email:	Creditor	
bpprodcorp@yahoo.com		
Other Names Used with Debtor:	Amends Claim:	
	No	
	Acquired Claim:	
	No	
Basis of Claim:	Last 4 Digits:	Uniform Claim Identifier:
Unpaid revenue and loss of lease, equipment et. al.	No	
Total Amount of Claim:	·	
12,054.33	No	
Has Priority Claim:	Has Priority Claim: Priority Under:	
No		
Has Secured Claim:	Nature of Secured A	mount:
No	Value of Property:	
Amount of 503(b)(9):	Annual Interest Rate	•
No	A	
Based on Lease:	Arrearage Amount:	
Yes, 12,054.33 Basis for Perfection:		
Subject to Right of Setoff: Amount Unsecured:		
No		
Submitted By:		
Louis Leutwyler on 24-Aug-2020 2:16:08 p.m. Eastern Time		
Title:		
President		
Company:		

Viola Production INC.

EXHIBIT B

(Declaration)

IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

)	
In re:)	Chapter 11
)	
8 North, LLC, ¹)	Case No. 20-11550 (CSS)
Reorganized Debtor.))))	(Formerly Jointly Administered under Lead Case: Extraction Oil & Gas, Inc., Case No. 20-11548 (CSS))

DECLARATION OF THOMAS BEHNKE IN SUPPORT OF REORGANIZED DEBTORS' OBJECTION TO PROOF OF CLAIM NO. 2219 FILED BY VIOLA PRODUCTION INC.

- I, Thomas Behnke, pursuant to 28 U.S.C. § 1746, declare:
- 1. I am a Managing Director at Alvarez & Marsal North America, LLC ("<u>A&M</u>"), restructuring advisors to the above-captioned reorganized debtors (the "<u>Reorganized Debtors</u>"). I, along with my colleagues at A&M, have been engaged by the Reorganized Debtors to provide various restructuring and financial services.
- 2. As part of my current position, I am responsible for certain claims management and reconciliation matters. I am generally familiar with the Reorganized Debtors' day-to-day operations, financing arrangements, business affairs, and books and records that reflect, among other things, the Reorganized Debtors' liabilities and the amount thereof owed to their creditors as of the Petition Date.

The last four digits of each Reorganized 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 Reorganized Debtors' principal place of business is 370 17th Street, Suite 5200, Denver, Colorado 80202. On October 25, 2021, the Court entered an order [Docket No. 2070] closing the chapter 11 cases of the Reorganized Debtors other than Case No. 20-11550 (CSS).

- 3. I am authorized to submit this declaration (the "<u>Declaration</u>") in support of the *Reorganized Debtors' Objection to Proof of Claim No. 2219 Filed by Viola Production, Inc.* (the "<u>Objection</u>")². All matters set forth in this Declaration are based on: (a) my personal knowledge; (b) my review of relevant documents or the review by the Reorganized Debtors of such documents; (c) my view, based on my experience and knowledge of the Reorganized Debtors and the Reorganized Debtors' operations, books and records, and personnel; (d) information supplied to me by the Reorganized Debtors and by others at the Reorganized Debtors' request; or (e) as to matters involving United States bankruptcy law or rules or other applicable laws, my reliance on the advice of counsel or other advisors to the Reorganized Debtors. If called upon to testify, I could and would testify competently to the facts set forth herein and in the Objection.
- 4. I have reviewed the Proof of Claim (Claim No. 2219) (the "<u>Proof of Claim</u>") filed by Viola Production Inc. ("Viola").
- 5. I have also reviewed the Objection and am directly, or by personnel or representatives of the Reorganized Debtors, familiar with the information contained therein.
- 6. The information contained in the Objection is true and correct to the best of my knowledge. I have determined that the Reorganized Debtors do not owe any prepetition or postpetition amounts to Viola. I have also determined that Viola owes Extraction at least \$5,700 on account of joint interest billings related to the Well.
- 7. The Proof of Claim attached as <u>Exhibit A</u> to the Objection is a true and correct copy of the Proof of Claim filed in the bankruptcy cases.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge and belief.

2

² All capitalized terms used but otherwise not defined herein shall have the meanings set forth in the Objection.

Executed on November 24, 2021

/s/ Thomas Behnke

Thomas Behnke Managing Director Alvarez and Marsal North America, LLC

EXHIBIT C

(Proposed Order)

IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

) Inc., Case No. 20-11548 (CSS))) Re: Docket No
1100184111200 2 001011) Lead Case: Extraction Oil & Gas,
Reorganized Debtor.) (Formerly Jointly Administered under
8 North, LLC, ¹) Case No. 20-11550 (CSS)
In re:) Chapter 11

ORDER GRANTING REORGANIZED DEBTORS' OBJECTION TO PROOF OF CLAIM NO. 2219 FILED BY VIOLA PRODUCTION INC.

This matter having come before this Court on *Reorganized Debtors' Objection to Proof of Claim No. 2219 Filed By Viola Production Inc.* (the "Objection"); this Court having reviewed the Objection; this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order of Reference, dated February 29, 2012; this Court having found this is a core proceeding under 28 U.S.C. § 157(b)(2); this Court having found it may enter a final order consistent with Article III of the United States Constitution; this Court having found that venue of this proceeding and the Objection in this district is proper under 28 U.S.C. §§ 1408 and 1409; this Court having found that the Reorganized Debtors' notice of the Objection and opportunity for a hearing on the Objection were appropriate under the circumstances and no other notice need be provided; this Court having reviewed the Objection and all other related materials, and having heard any argument in support or in opposition to the relief requested therein at a

The last four digits of each Reorganized 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 Reorganized Debtors' principal place of business is 370 17th Street, Suite 5200, Denver, Colorado 80202. On October 25, 2021, the Court entered an order [Docket No. 2070] closing the chapter 11 cases of the Reorganized Debtors other than Case No. 20-11550 (CSS).

hearing before this Court; this Court having determined that the legal and factual bases set forth in the Objection and at the hearing establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

- 1. The Reorganized Debtors' Objection is SUSTAINED.
- 2. Proof of Claim No. 2219 filed by Viola Production Inc. is disallowed and expunged for all purposes.
- The Reorganized Debtors' Court-appointed claims agent is authorized to, and shall, reflect the disallowance and expungement of the aforesaid Proof of Claim No. 2219 on the Official Claims Register.
- 4. Any claims the Reorganized Debtors have against Viola Production Inc. are reserved and preserved.
- 5. This Court shall retain jurisdiction with respect to all matters arising from or relating to the implementation of this Order.