



ENTERED
08/09/2019

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

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| In re: | § | |
| | § | Chapter 11 |
| | § | |
| HALCÓN RESOURCES CORPORATION, <i>et al.</i> , | § | |
| | § | Case No. 19-34446 (DRJ) |
| | § | |
| Debtors. ¹ | § | (Jointly Administered) |
| | § | Re: Docket No. 16 |

ORDER (I) SCHEDULING COMBINED HEARING ON (A) ADEQUACY OF DISCLOSURE STATEMENT AND (B) CONFIRMATION OF PREPACKAGED PLAN; (II) CONDITIONALLY APPROVING DISCLOSURE STATEMENT; (III) APPROVING PREPETITION SOLICITATION PROCEDURES AND FORM AND MANNER OF NOTICE OF COMMENCEMENT, COMBINED HEARING, AND OBJECTION DEADLINE; (IV) FIXING DEADLINE TO OBJECT TO DISCLOSURE STATEMENT AND PREPACKAGED PLAN; (V) APPROVING NOTICE AND OBJECTION PROCEDURES FOR THE ASSUMPTION OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES; (VI) CONDITIONALLY (A) DIRECTING THE UNITED STATES TRUSTEE NOT TO CONVENE SECTION 341 MEETING OF CREDITORS AND (B) WAIVING REQUIREMENT OF FILING STATEMENTS OF FINANCIAL AFFAIRS AND SCHEDULES OF ASSETS AND LIABILITIES; (VII) APPROVING RIGHTS OFFERING PROCEDURES; AND (VIII) GRANTING RELATED RELIEF

Upon the motion, dated August 7, 2019 (the “**Motion**”)² of Halcón Resources Corporation (“**Halcón Parent**”) and certain of its subsidiaries and affiliates, as debtors and debtors in possession (collectively, the “**Debtors**”), pursuant to sections 105(a), 341, 1125, 1126, and 1128 of the Bankruptcy Code, Bankruptcy Rules 1007(b), 2002, 2003, 3016, 3017, 3018, 3020, and 9006, Local Rule 9013-1, and the Complex Chapter 11 Procedures for entry of an order:

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Halcón Resources Corporation (0684), Halcón Resources Operating, Inc. (4856), Halcón Holdings, Inc. (5102), Halcón Energy Properties, Inc. (5292), Halcón Permian, LLC (6153), Halcón Field Services, LLC (0280), and Halcón Operating Co., Inc. (3588). The Debtors’ mailing address is 1000 Louisiana St., Suite 1500, Houston, TX 77002.

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

- i. scheduling a combined hearing (the “**Combined Hearing**”) to (a) approve the Disclosure Statement and (b) consider confirmation of the Prepackaged Plan;
- ii. conditionally approving the Disclosure Statement;³
- iii. approving the Solicitation Procedures (as defined herein) with respect to the Prepackaged Plan, including the forms of Ballots and Notice of Non-Voting Status (each as defined herein) and the Prepetition Solicitation (as defined herein);
- iv. establishing the deadline (the “**Objection Deadline**”) to object to the adequacy of the Disclosure Statement and confirmation of the Prepackaged Plan;
- v. approving the form and manner of the notice of the commencement of the Debtor’ chapter 11 cases, the Combined Hearing, and the Objection Deadline;
- vi. approving the notice and objection procedures in connection with the assumption of executory contracts and unexpired leases pursuant to the Prepackaged Plan;
- vii. so long as the Prepackaged Plan is confirmed on or before October 5, 2019 (the “**SOFA/Schedule Deadline**”), (a) directing the Office of the United States Trustee for the Southern District of Texas (the “**U.S. Trustee**”) not to convene an initial meeting of creditors under section 341(a) of the Bankruptcy Code (the “**341 Meeting**”), and (b) waiving the requirement that the Debtors file statements of financial affairs (“**SOFAs**”) and schedules of assets and liabilities (“**Schedules**”);
- viii. approving the proposed procedures for conducting the Equity Rights Offerings annexed hereto as **Exhibit A** and **Exhibit B** (collectively, the “**Rights Offerings Procedures**”); and
- ix. granting related relief;

all as more fully set forth in the Motion; and upon consideration of the Conly Declaration; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that venue is proper before this

³ A copy of the Disclosure Statement has been filed contemporaneously with the Motion.

Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided; and such notice having been adequate and appropriate under the circumstances, and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and this Court having held a hearing to consider the relief requested in the Motion; and all objections, if any, to the Motion have been withdrawn, resolved, or overruled; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates as contemplated by Bankruptcy Rule 6003 and is in the best interests of the Debtors and their respective estates and creditors; 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 an interim basis to the extent set forth herein.
2. A hearing to consider compliance with disclosure and solicitation requirements and confirmation of the Debtors' Plan (the "**Combined Hearing**") is hereby scheduled to be held before this Court on **September 24, 2019 at 3:00 p.m. (Prevailing Central Time)** or as soon thereafter as counsel may be heard. The Combined Hearing may be continued from time to time by the Court without further notice other than adjournments announced in open court or in the filing of a notice or a hearing agenda in these chapter 11 cases.
3. Any responses or objections to the adequacy of the Disclosure Statement or confirmation of the Prepackaged Plan must: (i) be in writing; (ii) conform to the applicable Bankruptcy Rules and the Local Rules; (iii) set forth the name of the objecting party, the basis for the objection, and the specific grounds thereof; and (iv) be filed with the Court, together with

proof of service. In addition to being filed with the Court, any such responses or objections must be served on the following parties so as to be received by the Objection Deadline—September 12, 2019, at 5:00 p.m. (Prevailing Central Time): (i) the Office of the United States Trustee for the Southern District of Texas; (ii) the holders of the 30 largest unsecured claims against the Debtors on a consolidated basis; (iii) Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019 (Attn: Andrew Rosenberg, Esq., Robert Britton, Esq., and Samuel Lovett, Esq.), counsel to the Ad Hoc Group; (iv) Simpson, Thacher & Bartlett LLP, 425 Lexington Avenue, New York, New York 10017 (Attn: Elisha Graff, Esq. and Nicholas Baker, Esq.), counsel to JPMorgan Chase Bank, N.A., as administrative agent under the RBL Agreement; (v) Ballard Spahr LLP, 2000 IDS Center, 80 S. 8th Street, Minneapolis, Minnesota 55402 (Attn: Mark Dietzen, Esq.), counsel to Wilmington Trust, National Association, as administrative agent under the DIP Agreement; and (vi) the Office of the United States Trustee for the Southern District of Texas, 515 Rusk Street, Suite 3516, Houston, Texas 77002. **Any objections not timely filed and served in the manner set forth in this Order may not be considered and may be overruled.**

4. The deadline to file any brief in support of the Disclosure Statement and confirmation of the Prepackaged Plan and reply to any objections shall be September 19, 2019 at 5:00 p.m. (Prevailing Central Time).

5. The Debtors are authorized to combine the notice of the Combined Hearing and the Objection Deadline (and related procedures) with the notice of commencement of these chapter 11 cases.

6. The Combined Notice of the Combined Hearing as proposed in the Motion and the form of notice annexed hereto as **Exhibit 1** shall be deemed good and sufficient

notice of the Combined Hearing and no further notice need be given; *provided, however*, that any provision of Bankruptcy Rule 3017(d) requiring the Debtors to distribute the Disclosure Statement and the Prepackaged Plan to parties not entitled to vote, whether because they are unimpaired or because they are deemed to reject the Prepackaged Plan, or any parties in interest other than as prescribed in this Order, shall be waived; *provided further, however*, that the Disclosure Statement and Prepackaged Plan shall remain posted in PDF format to the following page at www.kccllc.net/halcon and shall be provided in either electronic or paper form to any parties in interest upon written request to the Debtors. The Debtors shall also serve a copy of the Combined Notice on all known creditors, interest holders, and interested parties.

7. The Debtors are authorized to mail the Combined Notice and the Notice of Non-voting Status to the Non-Voting Holders, in accordance with the terms of this Order, in lieu of sending such Non-Voting Holders copies of the Disclosure Statement and the Prepackaged Plan and, except to the extent necessary to comply with Local Rule 3017-1(c), the requirements under the Bankruptcy Rules or the Local Rules, including Bankruptcy Rule 3017(d), to transmit copies of the Disclosure Statement and Prepackaged Plan to Non-Voting Holders are hereby waived with respect to such Non-Voting Holders.

8. Nominees are required to forward to the beneficial holders of Existing Equity Interests in Class 7 and Senior Notes Claims in Class 4 (as applicable) Solicitation Packages and notices to the respective beneficial holder within five business days of receiving the Solicitation Packages and related notices. To the extent the Nominees incur out-of-pocket expenses in connection with distribution of the Combined Notice, the Debtors are authorized to reimburse such entities for their reasonable and customary expenses.

9. The Debtors are authorized pursuant to Bankruptcy Rule 2002(1), to give supplemental publication notice of the Combined Hearing and Objection Deadline (in a form substantially similar to the Combined Notice or a summary thereof), no later than 28 days prior to the Combined Hearing, in the *Houston Chronicle* and the national edition of *USA Today*.

10. The Solicitation Procedures utilized by the Debtors for distribution of the Solicitation Packages as set forth in the Motion, including the Prepetition Solicitation, in soliciting acceptances and rejections of the Prepackaged Plan satisfy the requirements of the Bankruptcy Code and the Bankruptcy Rules and are conditionally approved.

11. The Ballots, substantially in the forms attached to the Motion as **Exhibits D-1, D-2, D-3, D-4, D-5, D-6, and D-7** are approved.

12. The procedures used for tabulations of votes to accept or reject the Prepackaged Plan as set forth in the Motion and as provided by the Ballots are approved.

13. The 341 Meeting shall be waived unless the Prepackaged Plan is not confirmed on or before the SOFA/Schedule Deadline—October 5, 2019.

14. Cause exists to extend the time by which the Debtors must file SOFAs and Schedules until the SOFA/Schedule Deadline, without prejudice to the Debtors' rights to request further extensions thereof; *provided, however*, that if the Prepackaged Plan is confirmed by this Court on or before SOFA/Schedule Deadline, the requirement to file SOFAs and Schedules in the Debtors' chapter 11 cases shall be waived.

15. The Equity Rights Offerings to be conducted in accordance with, and as described in, the Prepackaged Plan, the Disclosure Statement, and the Rights Offering Procedures is approved.

16. The Debtors are authorized to make non-substantive changes to the Equity Rights Offerings.

17. Nothing contained in the Motion or this Order or any payment made pursuant to the authority granted by this Interim Order is intended to be or shall be deemed as (i) an admission as to the validity of any claim against the Debtors, (ii) a waiver of the Debtors' or any appropriate party in interest's rights to dispute the amount of, basis for, or validity of any claim, (iii) a waiver of the Debtors' rights under the Bankruptcy Code or any other applicable nonbankruptcy law, (iv) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy under section 365 of the Bankruptcy Code, or (v) a grant of third-party beneficiary status or bestowal of any additional rights on any third party.

18. The requirements of Bankruptcy Rule 6003(b) have been satisfied.

19. The requirements of Bankruptcy Rule 6004(a) are waived.

20. Notwithstanding the possible applicability of Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

21. The Debtors are authorized and empowered to take all actions necessary or appropriate to implement the relief granted in this Order.

22. This Court shall retain jurisdiction with respect to all matters arising from or related to the interpretation or implementation of this Order.

Signed: August 09, 2019



DAVID R. JONES
UNITED STATES BANKRUPTCY JUDGE