

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

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

**NOTICE OF (I) COMMENCEMENT OF CHAPTER 11
BANKRUPTCY CASES, (II) COMBINED HEARING ON DISCLOSURE
STATEMENT, CONFIRMATION OF JOINT PREPACKAGED CHAPTER 11
PLAN, AND RELATED MATTERS, AND (III) OBJECTION DEADLINES
AND SUMMARY OF DEBTORS' JOINT PREPACKAGED CHAPTER 11 PLAN**

1. On August 7, 2019 (the “**Petition Date**”), Halcón Resources Corporation and its debtor affiliates in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, the “**Debtors**”), each commenced a case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”).

2. On the Petition Date, the Debtors filed the *Joint Prepackaged Chapter 11 Plan of Halcón Resources Corporation and Its Affiliated Debtors*, dated August 2, 2019 (as it may be amended or modified, the “**Plan**”),² which is attached as Exhibit A to the *Disclosure Statement for Joint Prepackaged Chapter 11 Plan of Halcón Resources Corporation and Its Affiliated Debtors*, dated August 2, 2019 [Docket No. 19] (as it may be amended or modified, the “**Disclosure Statement**”). Copies of the Plan and the Disclosure Statement may be obtained free of charge by visiting the website maintained by the Debtors’ voting agent, Kurtzman Carson Consultants LLC (the “**Voting Agent**”), at www.kccllc.net/halcon. Copies of the Plan and Disclosure Statement may also be obtained by calling the Voting Agent at (866) 967-1781 (US & Canada Toll-Free) or (310) 751-2681 (International) or by sending an electronic mail message to HalconQuestions@kccllc.com.

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 defined herein shall have the meanings ascribed to such terms in the Plan.



3. The Debtors are proposing a restructuring that will accomplish substantial deleveraging of their capital structure to reduce the go-forward cost of capital for their otherwise healthy businesses, which will enhance the Debtors' long-term growth prospects and competitive position and allow the Debtors to emerge from the chapter 11 cases as a stronger, reorganized group of entities. The effects of the restructuring can be summarized as follows:

Pre-Restructuring Capital Structure		Post-Restructuring Capital Structure (Estimated)	
Prepetition RBL	~\$225,000,000	Exit RBL	~\$115,000,000
6.75% Senior Notes Due 2025	~\$644,500,000		
Total Funded Debt	~\$869,000,000	Total Funded Debt	~\$115,000,000

Information Regarding Plan

4. On August 3, 2019, the Debtors commenced solicitation of votes to accept the Plan from the holders of record, as of July 30, 2019 (the "**Noteholder Voting Record Date**"), of Claims in Class 4 (Senior Notes Claims) via physical and/or electronic mail. Following the Petition Date, the Debtors intend to continue solicitation of votes to accept the Plan from holders of Claims in Class 4 (Senior Notes Claims), including certain holders of Senior Notes that are not "accredited investors" (as defined in Rule 501(a) of Regulation D under the Securities Act). On or about August 12, 2019, the Debtors will commence solicitation of votes to accept the Plan from the holders of record, as of August 9, 2019 (the "**Equity Interest Voting Record Date**"), of Interests in Class 7 (Existing Equity Interests) via physical and/or electronic mail. Only holders of Claims in Class 4 and Interests in Class 7 are entitled to vote to accept or reject the Plan. All other classes of Claims and Interests are deemed either to accept or reject the Plan and, therefore, are not entitled to vote. **The deadline for the submission of votes to accept or reject the Plan is September 6, 2019 at 5:00 p.m. (Prevailing Central Time).**

5. A combined hearing to consider compliance with the Bankruptcy Code's disclosure requirements and any objections thereto and to consider confirmation of the Plan and any objections thereto will be held before the Honorable David R. Jones, United States Bankruptcy Judge, in Courtroom 400 of the United States Bankruptcy Court, 515 Rusk Avenue, Houston, Texas 77002, on **September 24, 2019 at 3:00 p.m. (Prevailing Central Time)** or as soon thereafter as counsel may be heard (the "**Combined Hearing**"). The Combined Hearing may be adjourned from time to time without further notice other than by filing a notice on the Bankruptcy Court's docket indicating such adjournment and/or an announcement of the adjourned date or dates at the Combined Hearing. The adjourned date or dates will be available on the electronic case filing docket and the Voting Agent's website at www.kccllc.net/halcon.

6. The deadline for filing objections to the adequacy of the Disclosure Statement or confirmation of the Plan is **September 12, 2019, at 5:00 p.m. (Prevailing Central Time)** (the "**Objection Deadline**"). Any objections to the Disclosure Statement and/or the Plan must be (i) in writing, (ii) filed with the Clerk of the Bankruptcy Court together with proof of service thereof, (iii) set forth the name of the objecting party, and the nature and amount of any Claim or Interest asserted by the objecting party against the estate or property of the Debtors, and

state the legal and factual basis for such objection, and (iv) conform to the applicable Bankruptcy Rules and the Local Rules.

7. In addition to being filed with the Clerk of the Bankruptcy Court, any such objections should be served upon the following parties so as to be received by the Objection Deadline:

- i. the Debtors, c/o Halcón Resources Corporation, 1000 Louisiana St., Suite 1500, Houston, Texas 77002 (Attn: David S. Elkouri, Esq. Senior Vice President and Chief Legal Officer);
- ii. Weil, Gotshal & Manges LLP, 700 Louisiana Street, Suite 1700, Houston, Texas 77002 (Attn: Alfredo R. Pérez, Esq.,) and 767 Fifth Avenue, New York, New York 10153 (Attn: Gary T. Holtzer, Esq. and Lauren Tauro, Esq.), proposed counsel to the Debtors;
- 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 Consenting Creditors;
- 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.

UNLESS AN OBJECTION IS TIMELY FILED AND SERVED IN ACCORDANCE WITH THIS NOTICE (THIS “COMBINED NOTICE”), IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT.

**Notice of Assumption of Executory Contracts and
Unexpired Leases of Debtors and Related Procedures**

8. Please take notice that, in accordance with Section 8.1 of the Plan and sections 365 and 1123 of the Bankruptcy Code, all executory contracts and unexpired leases to which any of the Debtors are parties shall be deemed assumed, unless such contract or lease (i) was previously assumed or rejected by the Debtors, pursuant to a Final Order of the Bankruptcy Court, (ii) previously expired or terminated pursuant to its own terms or by agreement of the parties thereto, (iii) is the subject of a motion to reject filed by the Debtors on or before the Confirmation Date, (iv) is specifically designated as a contract or lease to be rejected on the Schedule of Rejected Contracts; *provided, however*, that the Requisite Creditors³ consent to such rejection, or (v) is specifically designated as a contract or lease to be rejected as reasonably requested by the Requisite Creditors in the Plan Supplement; *provided, however*, that such rejection shall be deemed unreasonable if it would give rise to a potential Cure Amount that cannot be satisfied on the Effective Date or otherwise cause the plan to not be feasible pursuant to section 1129 of the Bankruptcy Code.

9. Any monetary amounts by which any executory contract or unexpired lease to be assumed under the Plan is in default (a “**Cure Amount**”) shall be satisfied, under section 365(b)(1) of the Bankruptcy Code, by the Reorganized Debtors, as applicable, upon assumption thereof. If you believe that any Cure Amounts are due by the Debtors in connection with the assumption of your contract or unexpired lease, you should assert such Cure Amounts against the Debtors in the ordinary course of business.

10. To the extent that you object to the assumption of an Assumed Contract on any basis, including (i) any Cure Amount, (ii) the ability of the Debtors to provide adequate assurance of future performance (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed, or (iii) any other matter pertaining to assumption, you must (a) file with the Bankruptcy Court a written objection (the “**Objection**”) that complies with the Bankruptcy Rules and the Local Rules and sets forth (1) the basis for such Objection and specific grounds therefor and (2) the name and contact information of the person authorized to resolve such Objection, and (b) serve the same on the parties listed above, so that such Objection is actually received no later than the Objection Deadline.

11. Notwithstanding the foregoing, to the extent an Objection relates solely to any Cure Amount, the applicable Debtor may assume the executory contract or unexpired lease prior to the resolution of any such Objection; *provided, however*, that the Debtor reserves cash in an amount sufficient to pay the full amount reasonably asserted as the required Cure Amount by the contract counterparty; *provided, further, however*, that following entry of a final order

³ On August 2, 2019, the Debtors executed a restructuring support agreement (the “**RSA**”) (attached as Exhibit B to the Disclosure Statement), with certain beneficial holders of the 6.75% Senior Notes due 2025 (the “**Senior Notes**”) issued by Halcón Resources Corporation that hold approximately 67% of the Senior Notes (and, together with any holder of Senior Notes that subsequently becomes party to the RSA in accordance with the terms thereof, the “**Consenting Creditors**”). As defined in the RSA, “**Requisite Creditors**” means, as of the date of determination, Consenting Creditors holding at least two-thirds of the outstanding Senior Notes held by the Consenting Creditors as of such date.

resolving any such Objection, the Debtor shall have the right to reject any executory contract or unexpired lease within thirty 30 days of such resolution.

12. If no Objection is timely received with respect to an assumed executory contract or unexpired lease (an “**Assumed Contract**”), (a) you shall be deemed to have assented to (i) the assumption of such Assumed Contract, (ii) the date of such assumption, and (iii) the satisfaction of section 365(b)(1)(C) of the Bankruptcy Code requiring the Debtors to provide adequate assurance of future performance under such Assumed Contract, and (b) you shall be forever barred, estopped, and enjoined from challenging the validity of such assumption or the adequate assurance of future performance contemplated herein.

13. The Debtors request that, before filing an Objection, you contact the Debtors prior to the Objection Deadline to attempt to resolve such dispute consensually. The Debtors’ contact for such matters is Weil, Gotshal & Manges LLP, 700 Louisiana Street, Suite 1700, Houston, TX 77002 (Attn: Alfredo R. Pérez, Esq.,) and 767 Fifth Avenue, New York, NY 10153 (Attn: Gary T. Holtzer, Esq. and Lauren Tauro, Esq.). If such dispute cannot be resolved consensually prior to the Objection Deadline (as the same may be extended by agreement of the Debtors), you must file and serve an Objection as set forth herein to preserve your right to object.

14. If a timely Objection is filed and served in accordance with this Combined Notice pertaining to assumption of an Assumed Contract, and cannot be otherwise resolved by the parties pursuant to Section 8.2 of the Plan, the Bankruptcy Court may hear such Objection at a date set by the Bankruptcy Court.

UNLESS AN OBJECTION IS TIMELY SERVED AND FILED IN ACCORDANCE WITH THIS COMBINED NOTICE, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT.

<p>If you have questions about this Combined Notice, please contact KCC LLC Telephone: (866) 967-1781 (US and Canada Toll-Free) or (310) 751-2681 (International) Email: HalconQuestions@kccllc.com Website: www.kccllc.net/halcon</p>

Summary of Plan⁴

15. Solicitation of votes on the Plan commenced prior to the Petition Date. The following chart summarizes the treatment provided by the Plan to each class of Claims and Interests:

Class and Designation	Treatment under the Plan	Impairment and Entitlement to Vote	Approx. Percentage Recovery ⁵
Class 1: Other Priority Claims	The legal, equitable, and contractual rights of the holders of Allowed Other Priority Claims are unaltered by the Plan. Except to the extent that a holder of an Allowed Other Priority Claim agrees to different treatment, on the later of the Effective Date and the date that is ten (10) Business Days after the date such Other Priority Claim becomes an Allowed Claim, or as soon as reasonably practicable thereafter, each holder of an Allowed Other Priority Claim shall receive, on account of such Allowed Claim, at the option of the Reorganized Debtors (i) Cash in an amount equal to the Allowed amount of such Claim or (ii) other treatment consistent with the provisions of section 1129 of the Bankruptcy Code.	Unimpaired (Not entitled to vote – deemed to accept)	100%
Class 2: Other Secured Claims	The legal, equitable, and contractual rights of the holders of Allowed Other Secured Claims are unaltered by the Plan. Except to the extent that a holder of an Allowed Other Secured Claim agrees to different treatment, on the later of the Effective Date and the date that is ten (10) Business Days after the date such Other Secured Claim becomes an Allowed Claim, or as soon as reasonably practicable thereafter, each holder of an Allowed Other Secured Claim shall receive, on account of such Allowed Claim, at the option of the Reorganized Debtors (i) Cash in an amount equal to the Allowed amount of such Claim, (ii) reinstatement or such other treatment sufficient to render such holder's Allowed Other Secured Claim Unimpaired pursuant to section 1124 of the Bankruptcy Code, or (iii) such other recovery necessary to satisfy section 1129 of the Bankruptcy Code.	Unimpaired (Not entitled to vote – deemed to accept)	100%

⁴ The statements contained herein are summaries of the provisions contained in the Disclosure Statement and the Plan and do not purport to be precise or complete statements of all the terms and provisions of the Plan or documents referred to therein. For a more detailed description of the Plan, please refer to the Disclosure Statement.

⁵ The estimated percentage recoveries set out in this table assume an implied equity value of \$335 million. The estimated percentage recoveries do not take into account dilution from any New Common Shares issued pursuant to the Management Incentive Plan, which reserves up to 7.5 - 10% of the New Common Shares for participants under a post-restructuring equity-based management incentive plan to be adopted on the Effective Date.

Class and Designation	Treatment under the Plan	Impairment and Entitlement to Vote	Approx. Percentage Recovery ⁵
Class 3: RBL Claims	The legal, equitable, and contractual rights of the holders of Allowed RBL Claims are unaltered by the Plan. On the Effective Date, each holder of an Allowed RBL Claim shall receive payment in full, in Cash of all Allowed RBL Claims, including by a refinancing, and all outstanding letters of credit shall either be replaced, cash collateralized or otherwise secured to the satisfaction of the Issuing Bank (as defined in the RBL Agreement) in accordance with the terms of the RBL Agreement.	Unimpaired (Not entitled to vote – deemed to accept)	100%
Class 4: Senior Note Claims	On the Effective Date, each holder of an Allowed Senior Notes Claim shall receive, in full and final satisfaction of such Claim, such holder's Pro Rata share of (i) 91% of the total New Common Shares issued pursuant to the Plan on the Effective Date, subject to dilution by the Rights Offering Equity, the Warrant Equity, the MIP Equity, and the New Common Shares issued pursuant to the Backstop Commitment Premium, and (ii) the Senior Noteholder Subscription Rights.	Impaired (Entitled to vote)	Estimated Percentage Recovery: 22.1% ⁶
Class 5: General Unsecured Claims	The legal, equitable, and contractual rights of the holders of Allowed General Unsecured Claims are unaltered by the Plan. Except to the extent that a holder of an Allowed General Unsecured Claim agrees to different treatment, on and after the Effective Date, or as soon as reasonably practicable thereafter, the Debtors shall continue to pay or dispute each General Unsecured Claim in the ordinary course of business as if the Chapter 11 Cases had never been commenced.	Unimpaired (Not entitled to vote – deemed to accept)	100%
Class 6: Intercompany Claims	On or after the Effective Date, all Intercompany Claims shall be paid, adjusted, continued, settled, reinstated, discharged, or eliminated, in each case to the extent determined to be appropriate by the Debtors or Reorganized Debtors, as applicable, in their discretion and in consultation with the Consenting Creditors.	Unimpaired (Not entitled to vote – deemed to accept)	100%

⁶ The estimated percentage recovery for Class 4 assumes that the Existing Equity Interests Subscription Rights are fully subscribed.

Class and Designation	Treatment under the Plan	Impairment and Entitlement to Vote	Approx. Percentage Recovery ⁵
Class 7: Existing Equity Interests	On the Effective Date, Existing Equity Interests shall be cancelled, released, and extinguished and shall be of no further force and effect. Each holder of Existing Equity Interests shall receive on account of such holder's Existing Equity Interests: (1) if a Registered Holder holds fewer than or equal to 2,000 shares of Existing Equity Interests, Cash in an amount equal to the inherent value of such Registered Holder's Pro Rata share of (i) 9% of the total New Common Shares issued pursuant to the Plan on the Effective Date, subject to dilution by the Rights Offering Equity, the Warrant Equity, the MIP Equity, and the New Common Shares issued pursuant to the Backstop Commitment Premium, (ii) the Warrants and (iii) the Existing Equity Interests Subscription Rights; or (2) for any other holder of Existing Equity Interests, such holder's Pro Rata share of (i) 9% of the total New Common Shares issued pursuant to the Plan on the Effective Date, subject to dilution by the Rights Offering Equity, the Warrant Equity, the MIP Equity, and the New Common Shares issued pursuant to the Backstop Commitment Premium; provided, however, that the amount of total New Common Shares available to be issued pursuant to this provision shall be reduced by the amount of New Common Shares that would have been distributed to holders of Existing Equity Interests in the absence of the immediately preceding clause (1), (ii) the Warrants, and (iii) the Existing Equity Interests Subscription Rights.	Impaired (Entitled to vote)	N/A
Class 8: Other Equity Interests	On the Effective Date, Other Equity Interests shall be cancelled, released, and extinguished and shall be of no further force and effect.	Impaired (Not entitled to vote – deemed to reject)	N/A
Class 9: Intercompany Interests	Intercompany Interests are Unimpaired. On the Effective Date, all Intercompany Interests shall be treated as set forth in section 5.13 of the Plan.	Unimpaired (Not entitled to vote – deemed to accept)	100%

Non-Voting Status of Holders of Certain Claims and Interests

16. As set forth above, certain holders of Claims and Interests are **not** entitled to vote on the Plan. As a result, such parties did not receive any ballots or other related solicitation materials to vote on the Plan. The holders of Claims and Interests in Class 1 (Other Priority Claims), Class 2 (Other Secured Claims), Class 3 (Revolving Credit Agreement Claims), Class 5 (General Unsecured Claims), Class 6 (Intercompany Claims), and Class 9 (Intercompany Interests) are unimpaired under the Plan and, therefore, are presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. The holders of Interests in Class 8 (Other Equity Interests) are not entitled to a recovery under the Plan and, therefore, are deemed to reject the Plan

pursuant to section 1126(g) of the Bankruptcy Code. Upon request, the Voting Agent will provide you, free of charge, with copies of the Plan, the Disclosure Statement, and this Combined Notice.

IMPORTANT INFORMATION REGARDING THE INJUNCTIONS, RELEASES, AND EXCULPATIONS IN THE PLAN

If you (i) vote to accept the Plan, (ii) do not vote either to accept or to reject the Plan, or (iii) vote to reject the Plan but do not opt out of granting the releases set forth in the Plan, you shall be deemed to have consented to the releases contained in Section 10 of the Plan.

Section 10.5 Injunction against Interference with Plan.

Upon the entry of the Confirmation Order, all holders of Claims and Interests and all other parties in interest, along with their respective present and former affiliates, employees, agents, officers, directors, and principals, shall be enjoined from taking any action to interfere with the implementation or the occurrence of the Effective Date.

Section 10.6 Plan Injunction.

(a) Except as otherwise provided in the Plan, in the Plan Documents, or in the Confirmation Order, as of the entry of the Confirmation Order but subject to the occurrence of the Effective Date, all Persons who have held, hold, or may hold Claims against or Interests in any or all of the Debtors and other parties in interest, along with their respective present or former employees, agents, officers, directors, principals, and affiliates, are permanently enjoined after the entry of the Confirmation Order from (i) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind (including any proceeding in a judicial, arbitral, administrative, or other forum) against or affecting, directly or indirectly, a Debtor, a Reorganized Debtor, or an Estate or the property of any of the foregoing, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the foregoing Persons mentioned in this subsection (i) or any property of any such transferee or successor, (ii) enforcing, levying, attaching (including any prejudgment attachment), collecting, or otherwise recovering in any manner or by any means, whether directly or indirectly, any judgment, award, decree, or order against a Debtor, a Reorganized Debtor, or an Estate or its property, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the foregoing Persons mentioned in this subsection (ii) or any property of any such transferee or successor, (iii) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against a Debtor, a Reorganized Debtor, or an Estate or any of its property, or any direct or indirect transferee of any property of, or successor in interest to, any of the foregoing Persons mentioned in this subsection (iii) or any property of any such transferee or successor, (iv) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Plan, and the Plan Documents, to the full extent permitted by applicable law, and (v) commencing or continuing, in any manner or in any place, any action that does not comply with or is inconsistent with the provisions of the Plan and the Plan Documents.

(b) By accepting distributions pursuant to the Plan, each holder of an Allowed Claim or Interest shall be deemed to have affirmatively and specifically consented to be bound by the Plan, including the injunctions set forth in section 10.6 of the Plan.

Section 10.7 Releases.

(a) **Releases by Debtors.** As of the Effective Date, except for the rights and remedies that remain in effect from and after the Effective Date to enforce the Plan and the obligations contemplated by the Plan Documents or as otherwise provided in any order of the Bankruptcy Court, for good and valuable consideration, the adequacy of which is hereby confirmed, including the service of the Released Parties to facilitate the reorganization of the Debtors and the implementation of the Restructuring Transactions, on and after the Effective Date, the Released Parties shall be deemed conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged, to the maximum extent permitted by law, by the Debtors, the Reorganized Debtors, and the Estates, in each case on behalf of themselves and their respective successors, assigns, and representatives and any and all other Persons that may purport to assert any Cause of Action derivatively, by or through the foregoing Persons, from any and all claims and Causes of Action (including any derivative claims, asserted or assertable on behalf of the Debtors, the Reorganized Debtors, or the Estates), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, contract, tort, or otherwise, by statute, violations of federal or state securities laws or otherwise that the Debtors, the Reorganized Debtors, the Estates, or their affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Person, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Chapter 11 Cases, the Restructuring Transactions, the purchase, sale, or rescission of the purchase or sale of any Security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims and Interests before or during the Chapter 11 Cases, the negotiation, formulation, preparation, or consummation of the Plan, the RSA, the Plan Documents or related agreements, instruments, or other documents relating thereto, or the solicitation of votes with respect to the Plan, in all cases based upon any act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date; *provided, however*, that nothing herein shall be construed to release any Person from willful misconduct or intentional fraud as determined by a Final Order.

(b) **Releases by Holders of Claims or Interests.** As of the Effective Date, except for the rights that remain in effect from and after the Effective Date to enforce the Plan and the Plan Documents and the obligations contemplated by the Restructuring Transactions, for good and valuable consideration, the adequacy of which is hereby confirmed, including the service and contribution of the Released Parties to facilitate the reorganization of the Debtors and the implementation of the Restructuring Transactions, on and after the Effective Date, the Released Parties shall be deemed conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged, to the maximum extent permitted by law, by the Releasing Parties, in each case from any and all claims and Causes of Action whatsoever (including any derivative claims, asserted or assertable on behalf of the Debtors, the Reorganized Debtors, or their Estates), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted, accrued or unaccrued, existing or hereinafter arising, whether in law or equity, whether sounding in tort or contract, whether arising under federal or state statutory or common law, or any other applicable international, foreign, or domestic law, rule, statute, regulation, treaty, right, duty, requirement or otherwise, that such holders or their estates, affiliates, heirs, executors, administrators, successors, assigns,

managers, accountants, attorneys, representatives, consultants, agents, and any other Persons claiming under or through them would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Person, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Reorganized Debtors, or their Estates, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any Security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements or interactions between any Debtor and any Released Party, the Restructuring Transactions, the restructuring of any Claim or Interest before or during the Chapter 11 Cases, the Plan Documents, and related agreements, instruments, and other documents, and the negotiation, formulation, preparation, or implementation thereof, the solicitation of votes with respect to the Plan, or any other act or omission; *provided, however*, that nothing herein shall be construed to release any Person from willful misconduct or intentional fraud as determined by a Final Order.

Section 10.8 Exculpation.

To the fullest extent permitted by applicable law, no Exculpated Party shall have or incur, and each Exculpated Party shall be released and exculpated from, any claim or Cause of Action in connection with or arising out of the administration of the Chapter 11 Cases; the negotiation and pursuit of the DIP Facility, the Exit RBL Facility, the Equity Rights Offerings, the Management Incentive Plan, the Disclosure Statement, the RSA, the Restructuring Transactions, and the Plan (including the Plan Documents), or the solicitation of votes for, or confirmation of, the Plan; the funding of the Plan; the occurrence of the Effective Date; the administration of the Plan or the property to be distributed under the Plan; the issuance of Securities under or in connection with the Plan; the purchase, sale, or rescission of the purchase or sale of any Security of the Debtors or the Reorganized Debtors; or the transactions in furtherance of any of the foregoing; other than claims or Causes of Action arising out of or related to any act or omission of an Exculpated Party that is a criminal act or constitutes intentional fraud or willful misconduct as determined by a Final Order, but in all respects such Persons shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have acted in compliance with the applicable provisions of the Bankruptcy Code with regard to the solicitation and distribution of Securities pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan, including the issuance of Securities thereunder. This exculpation shall be in addition to, and not in limitation of, all other releases, indemnities, exculpations, and any other applicable law or rules protecting such Exculpated Parties from liability.

Section 10.9 Injunction Related to Releases and Exculpation.

The Confirmation Order shall permanently enjoin the commencement or prosecution by any Person, whether directly, derivatively, or otherwise, of any Claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, losses, or liabilities released pursuant to the Plan, including, without limitation, the claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, and liabilities released or exculpated in the Plan or the Confirmation Order.

Relevant Definitions Related to Release and Exculpation Provisions:

“**Exculpated Parties**” means, collectively, and in each case in their capacities as such during the Chapter 11 Cases, (i) the Debtors, (ii) the Reorganized Debtors, (iii) any statutory committee appointed in the Chapter 11 Cases, and (iv) with respect to each of the foregoing Persons in clauses (i) through (iii), such Persons’ predecessors, successors, assigns, subsidiaries, affiliates, managed accounts and funds, and all of their respective current and former officers and directors, principals, equity holders, members, partners, managers, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, investment managers, investment advisors, management companies, fund advisors, and other professionals, and such Persons’ respective heirs, executors, estates, and nominees, in each case in their capacity as such.

“**Released Parties**” means, collectively, (i) the Debtors, (ii) the Reorganized Debtors, (iii) the Consenting Creditors, (iv) the Ad Hoc Noteholder Group and each of its members, (v) the Senior Notes Trustee, (vi) the Exit RBL Agent, Exit RBL Lenders, and any arranger under the Exit RBL Facility, (vii) the DIP Agent and DIP Lenders, (viii) the RBL Agent and the RBL Lenders, (ix) with respect to each of the foregoing Persons in clauses (i) through (viii), each of their affiliates, and (x) with respect to each of the foregoing Persons in clauses (i) through (ix) such Persons’ predecessors, successors, assigns, subsidiaries, affiliates, managed accounts and funds, and all of their respective current and former officers and directors, principals, equity holders, members, partners, managers, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, investment managers, investment advisors, management companies, fund advisors, and other professionals, and such Persons’ respective heirs, executors, estates, and nominees, in each case in their capacity as such.

“**Releasing Parties**” means, collectively, (i) the holders of all Claims or Interests who vote to accept the Plan, (ii) the holders of all Claims or Interests whose vote to accept or reject the Plan is solicited but who do not vote either to accept or to reject the Plan, (iii) the holders of all Claims or Interests who vote, or are deemed, to reject the Plan but do not opt out of granting the releases set forth herein, (iv) the holders of all Claims and Interests who were given notice of the opportunity to opt out of granting the releases set forth herein but did not opt out, (v) all other holders of Claims and Interests to the maximum extent permitted by law, and (vi) the Released Parties.

YOU ARE ADVISED AND ENCOURAGED TO CAREFULLY REVIEW AND CONSIDER THE PLAN, INCLUDING THE RELEASE, EXCULPATION AND INJUNCTION PROVISIONS, AS YOUR RIGHTS MIGHT BE AFFECTED.

Section 341(a) Meeting

17. A meeting of creditors pursuant to section 341(a) of the Bankruptcy Code (the “**Section 341(a) Meeting**”) has been deferred. **The Section 341(a) Meeting will not be convened if the Plan is confirmed by October 5, 2019.** If the Section 341(a) Meeting will be convened, the Debtors will file, serve on the parties on whom it served this Combined Notice and any other parties entitled to notice pursuant to the Bankruptcy Rules, and post on the website at www.kccllc.net/halcon, not less than 21 days before the date scheduled for such meeting, a notice of, among other things, the date, time, and place of the Section 341(a) Meeting.

UNLESS AN OBJECTION IS TIMELY FILED AND SERVED IN ACCORDANCE WITH THIS COMBINED NOTICE, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT.

Dated: August 10, 2019
Houston, Texas

BY ORDER OF THE COURT

/s/ Alfredo R. Pérez
WEIL, GOTSHAL & MANGES LLP
Alfredo R. Pérez (15776275)
700 Louisiana Street, Suite 1700
Houston, Texas 77002
Telephone: (713) 546-5000
Facsimile: (713) 224-9511
Email: Alfredo.Perez@weil.com

-and-

WEIL, GOTSHAL & MANGES LLP
Gary Holtzer (*pro hac vice* pending)
Lauren Tauro (*pro hac vice* pending)
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007
Email: Gary.Holtzer@weil.com
Lauren.Tauro@weil.com

*Proposed Attorneys for Debtors
and Debtors in Possession*

If you have questions about this Combined Notice, please contact KCC LLC
Telephone: (866) 967-1781 (US and Canada Toll-Free) or (310) 751-2681 (International)
Email: HalconQuestions@kccllc.com
Website: www.kccllc.net/halcon

Certificate of Service

I hereby certify that on August 12, 2019, a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas, and will be served as set forth in the Affidavit of Service to be filed by the Debtors' proposed claims, noticing, and solicitation agent.

/s/ Alfredo R. Pérez
Alfredo R. Pérez