

IN THE UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
SOUTHCROSS ENERGY PARTNERS, L.P.,	)	Case No. 19-10702 (MFW)
<i>et al.</i> ,	)	
	)	Jointly Administered
Debtors. <sup>1</sup>	)	<b>Re: D.I. 556 &amp; 596</b>

**SUPPLEMENTAL PROPOSED ASSUMED CONTRACTS  
SCHEDULE RELATING TO THE CCPN ASSETS**

**PLEASE TAKE NOTICE** that the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”) each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the District of Delaware (the “**Court**”) on April 1, 2019 (the “**Petition Date**”).

**PLEASE TAKE FURTHER NOTICE** that, on May 22, 2019, the Debtors filed a motion [D.I. 225] (the “**Bidding Procedures Motion**”) with the Court seeking entry of orders, among other things, approving (a) procedures for the solicitation of bids in connection with the proposed sale(s) (the “**Sale Transaction(s)**”) of all or substantially all of the Debtors’ assets, subject to an auction process (the “**Auction**”) that contemplated the possible selection of one or more stalking horse bidders (the “**Stalking Horse Bidder(s)**”), (b) the form and manner of notice related to the Sale Transaction(s), and (c) procedures for the assumption and assignment of contracts and leases in connection with the Sale Transaction(s) (the “**Assumption and Assignment Procedures**”).

<sup>1</sup> The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective Employer Identification Numbers, are as follows: Southcross Energy Partners, L.P. (5230); Southcross Energy Partners GP, LLC (5141); Southcross Energy Finance Corp. (2225); Southcross Energy Operating, LLC (9605); Southcross Energy GP LLC (4246); Southcross Energy LP LLC (4304); Southcross Gathering Ltd. (7233); Southcross CCNG Gathering Ltd. (9553); Southcross CCNG Transmission Ltd. (4531); Southcross Marketing Company Ltd. (3313); Southcross NGL Pipeline Ltd. (3214); Southcross Midstream Services, L.P. (5932); Southcross Mississippi Industrial Gas Sales, L.P. (7519); Southcross Mississippi Pipeline, L.P. (7499); Southcross Gulf Coast Transmission Ltd. (0546); Southcross Mississippi Gathering, L.P. (2994); Southcross Delta Pipeline LLC (6804); Southcross Alabama Pipeline LLC (7180); Southcross Nueces Pipelines LLC (7034); Southcross Processing LLC (0672); FL Rich Gas Services GP, LLC (5172); FL Rich Gas Services, LP (0219); FL Rich Gas Utility GP, LLC (3280); FL Rich Gas Utility, LP (3644); Southcross Transmission, LP (6432); T2 EF Cogeneration Holdings LLC (0613); and T2 EF Cogeneration LLC (4976). The debtors’ mailing address is 1717 Main Street, Suite 5300, Dallas, TX 75201.



**PLEASE TAKE FURTHER NOTICE** that, on June 13, 2019, the Court entered an order [D.I. 324] (the “**Bidding Procedures Order**”)<sup>2</sup> approving, among other things, the Bidding Procedures, which established the key dates and times related to the Sale Transaction(s), the Auction, and the Assumption and Assignment Procedures.

**PLEASE TAKE FURTHER NOTICE** that, on June 13, 2019, in accordance with the Bidding Procedures Order, the Debtors filed and served on each Counterparty the *Notice of Potential Assumption and Assignment of Executory Contracts or Unexpired Leases and Cure Amount* [D.I. 327].

**PLEASE TAKE FURTHER NOTICE** that, on August 15, 2019, in accordance with the Bidding Procedures Order, the Debtors filed and served on each Counterparty the *Supplemental Notice of Potential Assumption and Assignment of Executory Contracts or Unexpired Leases and Cure Amount* [D.I. 429] which attached thereto as Exhibit A, an amended, supplemented, and updated schedule identifying the Potential Assumed Contracts, reflecting, among other things, the following: (a) the addition by the Debtors of certain contracts and leases not listed on the Potential Assumed Contracts Schedule as Assumed Contracts and Assumed Leases; (b) the removal by the Debtors of certain contracts and leases listed on the Potential Assumed Contracts Schedule as Assumed Contracts and Assumed Leases; and (c) the Debtors update of the Cure Costs with respect to certain Assumed Contracts and Assumed Leases.

**PLEASE TAKE FURTHER NOTICE**, that on August 24, 2019, in accordance with the Bidding Procedures Order, the Debtors filed a motion [D.I. 440] (the “**CCPN Stalking Horse Motion**”), seeking entry of an order, among other things, approving (a) the designation of Kinder Morgan Tejas Pipeline LLC as the Stalking Horse Bidder with respect to the sale of the CCPN Assets (as defined therein) and (b) the Bid Protections (as defined therein). On August 30, 2019, the Court entered an order [D.I. 455] approving the CCPN Stalking Horse Motion. On September 13, 2019, the Debtors filed a *Notice of Revised Asset Purchase Agreement* with respect to the CCPN Assets [D.I. 471], which attached thereto as Exhibit A the executed asset purchase agreement (including a Proposed Assumed Contracts Schedule) that served as the Stalking Horse Bid for the CCPN Assets (the “**APA**”).

**PLEASE TAKE FURTHER NOTICE** that, on September 19, 2019, the Debtors filed the *Notice of Revised Timeline* [D.I. 493] setting forth, among other things, a revised Auction schedule whereby the Auction with respect to the CCPN Assets was to be conducted at the offices of Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017 on Thursday, October 17, 2019 at 2:00 p.m. (prevailing Eastern Time) (or such later time on such day or such other place as the Debtors were to notify all Participating Parties).

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<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Bidding Procedures Order.

**PLEASE TAKE FURTHER NOTICE** that, on September 23, 2019, in accordance with the Bidding Procedures Order, the Debtors filed and served on each Counterparty the *Second Supplemental Notice of Potential Assumption and Assignment of Executory Contracts or Unexpired Leases and Cure Amount* [D.I. 496] which attached thereto as Exhibit A a schedule reflecting, among other things, the following: (a) the addition by the Debtors of certain contracts and leases not listed on the Potential Assumed Contracts Schedule as Assumed Contracts and Assumed Leases; and (b) the Debtors update of the Cure Costs with respect to certain Assumed Contracts and Assumed Leases.

**PLEASE TAKE FURTHER NOTICE** that, on October 18, 2019, the Debtors filed the *Notice Regarding Auctions* [D.I. 552], providing notice that, among other things, the Auction relating to the CCPN Assets was adjourned to a date no later than Monday, October 21, 2019, and that the Debtors would notify all Participating Parties of the rescheduled time and place (if any).

**PLEASE TAKE FURTHER NOTICE** that, on October 20, 2019, the Debtors filed the *Notice Regarding Auction with Respect to CCPN Assets* [D.I. 556] (the “**CCPN Auction Notice**”), cancelling the Auction for the CCPN Assets and determining that Kinder Morgan was the Successful Bidder for the CCPN Assets. As required by the Bidding Procedures Order, (a) attached thereto as Exhibit A was the Proposed Assumed Contracts Schedule relating to the CCPN Assets (as may be amended in accordance with the terms of the APA, the “**Original Proposed Assumed Contracts Schedule**”) and (b) attached thereto as Exhibit B and Exhibit C, respectively, were clean and redline (marked against the version previously filed with the Court) copies of the Sale Order relating to the CCPN Assets.

**PLEASE TAKE FURTHER NOTICE** that, on October 22, 2019, the Court entered the *Order Approving Sale of Debtors’ Corpus Christi Pipeline Network Assets Free and Clear of Liens, Claims, Interests, and Encumbrances, (B) Authorizing Assumption and Assignment of Executory Contracts and Unexpired Leases, and (C) Granting Related Relief* [D.I. 596] (the “**CCPN Sale Order**”), which, subject to the terms and conditions set forth therein, approved the assumption of the Assigned Contracts (as defined therein) on the Original Proposed Assumed Contracts Schedule, which could be amended in accordance with the terms of the Bidding Procedures Order, the CCPN Sale Order and the APA.

**PLEASE TAKE FURTHER NOTICE** that, in accordance with the Bidding Procedures Order, the CCPN Sale Order, and the APA, the Debtors hereby file this *Supplemental Proposed Assumed Contracts Schedule Relating to the CCPN Assets*, which attaches hereto as Exhibit A a schedule of certain Assigned Contracts (the “**Supplemental Proposed Assumed Contracts Schedule**”), in supplement of the Original Proposed Assumed Contracts Schedule.

**PLEASE TAKE FURTHER NOTICE** that the contracts and leases listed on the Supplemental Proposed Assumed Contracts Schedule are deemed to be part of the

Proposed Assumed Contracts Schedule attached as Exhibit A to the CCPN Auction Notice and are subject to and deemed assumed under the CCPN Sale Order.

**PLEASE TAKE FURTHER NOTICE** that the outstanding “**Cure Costs**” listed on the Supplemental Proposed Assumed Contracts Schedule, if any (whether or not modified from a previously stated amount), are the cure costs calculated as of the Petition Date and necessary for the assumption and assignment of the applicable contract or lease. *Each Cure Cost listed on the Supplemental Proposed Assumed Contracts Schedule represents all liabilities of any nature of the Debtors arising under an Assumed Contract or Assumed Lease as of the Petition Date, whether known or unknown, whether due or to become due, whether accrued, absolute, contingent, or otherwise, so long as such liabilities arise out of or relate to events occurring prior to the Petition Date.* Listing a contract or lease on the Supplemental Proposed Assumed Contracts Schedule does not constitute an admission by the Debtors as to the validity or enforceability of any such contract or lease, that such contract is an executory contract or unexpired lease, or that such contract or lease was in effect on the Petition Date. The Debtors hereby reserve all of their rights to amend or supplement the Supplemental Proposed Assumed Contracts Schedule as necessary, in accordance with the Bidding Procedures Order, the CCPN Sale Order and the APA.

**YOU ARE RECEIVING THIS NOTICE BECAUSE YOU HAVE BEEN IDENTIFIED AS A COUNTERPARTY TO A CONTRACT OR LEASE LISTED ON THE SUPPLEMENTAL PROPOSED ASSUMED CONTRACTS SCHEDULE THAT WAS EITHER NOT LISTED PREVIOUSLY ON THE ORIGINAL PROPOSED ASSUMED CONTRACTS SCHEDULE OR WAS LISTED INCORRECTLY.** Under the terms of the Assumption and Assignment Procedures, among other things, if the Debtors or any Successful Bidder identify during the pendency of the Chapter 11 Cases (before or after the closing of the Sale Transaction(s)) any contract or lease that is not listed on the Proposed Assumed Contracts Schedule (including the Supplemental Proposed Assumed Contracts Schedule, which is deemed to be a part of the Proposed Assumed Contracts Schedule), and such contract or lease has not been rejected by the Debtors, the Successful Bidder may in its sole and absolute discretion elect by written notice to the Debtors to treat such contract or lease as an Assumed Contract or Assumed Lease, as applicable, and the Debtors shall seek to add such Assumed Contract or Assumed Lease to the Proposed Assumed Contracts Schedule in accordance with Paragraph 31 of the Bidding Procedures Order.

### **Obtaining Additional Information**

Copies of the Bidding Procedures Motion, the Bidding Procedures Order (as well as all related exhibits including the Bidding Procedures), the CCPN Sale Order and the APA and all other documents referenced herein or filed with the Court, are available free of charge on the Debtors’ case information website, located at <http://www.kccllc.net/southcrossenergy>, or can be requested by email at [SouthcrossInfo@kccllc.com](mailto:SouthcrossInfo@kccllc.com).

Dated: November 6, 2019  
Wilmington, Delaware

Respectfully submitted,

MORRIS, NICHOLS, ARSHT & TUNNELL  
LLP

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**EXHIBIT A**

**Supplemental Proposed Assumed Contracts Schedule**

1. Surface Lease, dated February 1, 2019, between Hahn Resources, LTD and Southcross CCNG Transmission, Ltd. (file number: 00107-00016-00005F). The Cure Costs associated with the foregoing Surface Lease is \$0.00.