

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

TEMPLAR ENERGY LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 20-11441 (BLS)

(Jointly Administered)

**NOTICE OF PROPOSED BIDDING PROCEDURES,
AUCTION DATE, AND SALE HEARING**

PLEASE TAKE NOTICE that Templar Energy LLC and its affiliated debtors and debtors-in-possession (collectively the “Debtors”) filed petitions for relief under chapter 11 of title 11 of the United States Code (the “Chapter 11 Cases”) in the United States for the District of Delaware (the “Bankruptcy Court”) on **June 1, 2020**.

PLEASE TAKE FURTHER NOTICE that, on **June 1, 2020**, the *Debtors’ Motion for Entry of Orders (A) (I) Approving Bidding Procedures for the Sale of all or Substantially all of the Debtors’ Assets, (II) Approving Bid Protections, (III) Scheduling a Sale Hearing and Objection Deadlines with respect to the Sale, (IV) Scheduling an Auction, (V) Approving the Form and Manner of Notice of the Sale Hearing and Auction, (VI) Approving Contract Assumption and Assignment Procedures, and (VII) Granting Related Relief; and (B) (I) Approving the Sale of the Debtors’ Assets Free and Clear of all Liens, Claims, Interests, and Encumbrances; (II) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (III) Granting Related Relief* was filed with the Bankruptcy Court [Docket No. 47] (the “Sale Motion”).² Through the Sale Motion, the Debtors seek, among other things, approval of certain procedures (the “Bidding Procedures”) to govern the sale (the “Sale”) of all or substantially all of the Debtors’ assets (the “Assets”) pursuant to section 363 of the Bankruptcy Code to a Successful Bidder (as defined in the Bidding Procedures) at an auction, free and clear of all claims, liens and encumbrances. The proposed Bidding Procedures provide that Debtors may, with the consent (such consent not to be unreasonably withheld) of the DIP Agent, the Majority Lenders (as defined in any order approving the DIP Facility) and the RBL Agent, execute one or more asset purchase agreements with one or more Stalking Horse Bidders in connection with a Sale of the Debtors’ Assets. The Debtors propose that, in the event that the Debtors select one or more parties to serve as a Stalking Horse Bidder, the Debtors will promptly file with the Bankruptcy Court and post on the website of the Court-appointed claims and noticing agent for

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Templar Energy LLC (4719), TE Holdcorp, LLC (6730), TE Holdings, LLC (3115), TE Holdings II, LLC (N/A), Templar Operating LLC (0810), Templar Midstream LLC (3275), and TE Holdings Management LLC (7467). The address of the Debtors’ corporate headquarters is 4700 Gaillardia Parkway, Suite 200, Oklahoma City, Oklahoma 73142.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Bidding Procedures Order, as applicable.



the Debtors' Chapter 11 Cases, Kurtzman Carson Consultants LLC, www.kccllc.net/TemplarEnergy (the "Case Website"), a notice (a "Stalking Horse Notice") that includes the following: (a) the identification of the Stalking Horse Bidder(s); (b) a copy of the Stalking Horse APA; (c) the purchase price provided for in the Stalking Horse APA; (d) the deposit paid by the Stalking Horse Bidder; and (e) the amount of any Break-Up Fee or Expense Reimbursement;

PLEASE TAKE FURTHER NOTICE THAT THE BIDDING PROCEDURES HAVE NOT YET BEEN APPROVED BY THE BANKRUPTCY COURT.

PLEASE TAKE FURTHER NOTICE that approval of the Sale of the Assets to the Successful Bidder may result in, among other things, the assumption, assignment, and/or transfer by the Debtors of certain executory contracts and unexpired leases. If you are counterparty to an executory contract or unexpired lease with the Debtors, you will receive a separate notice regarding the Assumption and Assignment Procedures that contains additional relevant dates and other information that may impact you as counterparty to such executory contract or unexpired lease.

PLEASE TAKE FURTHER NOTICE, the Bankruptcy Court has not yet approved the entry of the proposed order (the "Proposed Bidding Procedures Order"), attached as Exhibit A to the Sale Motion, approving, among other things, the Bidding Procedures, which establish the key dates and times related to the Sale and the Auction. A hearing (the "Bidding Procedures Hearing") regarding entry of the Proposed Bidding Procedures Order has been scheduled for **June 30, 2020 at 11:30 a.m. (prevailing Eastern Time)**, which hearing may be adjourned and continued without further notice than announcement in open court or through the filing of a notice or other document on the Bankruptcy Court's docket. To the extent that there are any inconsistencies between the terms of an order entered by the Bankruptcy Court approving the Bidding Procedures (the "Entered Bidding Procedures Order"), the proposed Bidding Procedures, and the summary descriptions of the proposed Bidding Procedures in this notice, the Entered Bidding Procedures Order shall control in all respects. All interested bidders should carefully read the Proposed Bidding Procedures Order and the proposed Bidding Procedures attached to the Sale Motion in their entirety. The proposed deadline by which all Bids must be *actually received* is **5:00 p.m. on July 6, 2020 (prevailing Eastern Time)** (the "Bid Deadline").

CONTACT PERSONS FOR PARTIES INTERESTED IN SUBMITTING A BID

All interested parties are invited to provide materials (as described in the proposed Bidding Procedures) to apply to become a Potential Bidder (as defined in the proposed Bidding Procedures) and submit a Bid in accordance with the proposed Bidding Procedures and the Proposed Bidding Procedures Order. The Bidding Procedures set forth in detail the requirements for submitting a Qualified Bid, and any person interested in making an offer to purchase the Acquired Assets **must** comply strictly with the Bidding Procedures. **Only Qualified Bids will be considered by the Debtors.** Any persons interested in making an offer to purchase the Assets should contact:

Proposed Investment Banker to Debtors	Proposed Lead Counsel to Debtors
Guggenheim Securities, LLC 1301 McKinney St, Suite 3100 Houston, Texas 77010 Attn: Attn: Abe Sameei (Abe.Sameei@guggenheimpartners.com) (713) 300-1330	Paul, Weiss, Rifkind, Wharton & Garrison LLP 1285 Avenue of the Americas, New York, New York 10019 Attn: Robert A. Britton (rbritton@paulweiss.com) Sarah Harnett (sharnett@paulweiss.com) Teresa Lii (tlii@paulweiss.com) (212) 373-3000

OBTAINING ADDITIONAL INFORMATION

Copies of the Sale Motion (including the Proposed Bidding Order and proposed Bidding Procedures) the Entered Bidding Procedures Order, the Stalking Horse Notice, if any, as well as all related exhibits including any Stalking Horse APA, and all other documents filed with the Bankruptcy Court, are available free of charge on the Case Website (ww.kccllc.net/TemplarEnergy).

IMPORTANT PROPOSED DATES AND DEADLINES

The dates and deadlines set forth below have been requested by the Debtors but are subject to Bankruptcy Court-approval at the Bidding Procedures Hearing. **These dates and deadlines will be finalized in the Entered Bidding Procedures Order and remain subject to change.**

1. The proposed deadline for the Debtors to select a Stalking Horse Bidder is **June 26, 2020**.
2. The proposed deadline to submit a Qualified Bid is **5:00 p.m. on July 6, 2020 (prevailing Eastern Time)**.
3. The proposed deadline to file an objection with the Bankruptcy Court to the entry of an order approving the sale (the "Sale Order") and, if applicable, all objections related to the Stalking Horse Bidder (collectively, "Sale Objections") is **4:00 p.m. (prevailing Eastern Time) on July 7, 2020** (the "Sale Objection Deadline").
4. In the event that the Debtors timely receive a Qualified Bid in addition to the Qualified Bid of any Stalking Horse Bidder, the Debtors intend to conduct an Auction for the Assets. The Debtors proposed to hold the Auction, if any, at **10:00 a.m. (prevailing Eastern Time) on July 9, 2020** at the offices of Paul, Weiss, Rifkind, Wharton & Garrison LLP, New York, New York or such other location, including by telephone or video conference, as shall be timely communicated to all entities entitled to attend the Auction. Only Qualified Bidders

(including any Stalking Horse Bidder) and their legal and financial advisors and the Consultation Parties (as defined in the Bidding Procedures) and their legal and financial advisors, shall be entitled to attend the Auction. Creditors of the Debtors and representatives of the Office of the United States Trustee for the District of Delaware may attend the Auction if they send written notice by email to proposed co-counsel for the Debtors (a) Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019 (Attn: Robert A. Britton, Sarah Harnett, and Teresa Lii (emails: rbritton@paulweiss.com, sharnett@paulweiss.com, and tlii@paulweiss.com)) and (b) Young Conaway Stargatt & Taylor, LLP, 1000 N. King Street, Wilmington, Delaware 19801 (Attn: Pauline K. Morgan and Jaime Luton Chapman (emails: pmorgan@ycst.com and jchapman@ycst.com) and in such notice identify the representatives who will attend on behalf of the creditor; *provided, however*, that the Debtors may limit the number of attendees per creditor to a reasonable number. If the Auction is cancelled, the Debtors shall file a notice of cancellation of the Auction.

5. The proposed deadline for objections to the conduct of the Auction and the terms of a Sale to a Successful Bidder other than the Stalking Horse Bidder, if any (collectively, “Auction Objections”) is **one business day prior to the Sale Hearing** (the “Auction Objection Deadline”).
6. The Debtors propose that the hearing (the “Sale Hearing”) to consider the proposed Sale be held on **July 14, 2020**, or such other date as determined by the Court, at 824 North Market Street, Wilmington, Delaware 19801.
7. Upon approval of the Bidding Procedures, the Entered Bidding Procedures Order setting forth the finalized dates and deadlines shall be made available online at www.kccllc.net/TemplarEnergy.

FILING SALE OBJECTIONS

Sale Objections, if any, must be in writing, shall conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of Practice and Procedure for the United States Bankruptcy Court for the District of Delaware, shall set forth the name of the objecting party, the nature and amount of any claims or interests held or asserted against the Debtors’ estate or properties, the basis for the objection, and the specific grounds therefore and shall be filed and served upon the following so that such objections are **actually received** by the Sale Objection Deadline: (a) proposed co-counsel for the Debtors (i) Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019 (Attn: Paul M. Basta; Robert A. Britton; Sarah Harnett; and Teresa Lii (emails: pbasta@paulweiss.com; rbritton@paulweiss.com; sharnett@paulweiss.com; and tlii@paulweiss.com)) and (ii) Young Conaway Stargatt & Taylor, LLP, 1000 N. King Street, Wilmington, Delaware 19801 (Attn: Pauline K. Morgan and Jaime Luton Chapman (emails: pmorgan@ycst.com and jchapman@ycst.com)); (b) the Office of the

United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Wilmington, Delaware, 19801 (Attn: Jane M. Leamy (email: jane.m.leafy@usdoj.gov)); (c) counsel to the DIP Agent and RBL Agent (i) Morgan, Lewis & Bockius LLP, One Federal Street, Boston, MA 02110 (Attn: Amy L. Kyle and Andrew J. Gallo (emails: amy.kyle@morganlewis.com and andrew.gallo@morganlewis.com)) and (ii) Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, DE 19801 (Attn: Mark D. Collins (email: collins@rlf.com)); and (d) counsel to any statutory committee appointed in these Chapter 11 Cases.

Any failure of any entity to file a Sale Objection on or before the Sale Objection Deadline shall be deemed to constitute consent to the sale of the Assets to the Successful Bidder or the Backup Bidder (as defined in the Bidding Procedures) and the other relief requested in the Sale Motion, and be a bar to the assertion, at the Sale Hearing or thereafter, of any objection to the Sale Motion, the Auction, the Sale, or the Debtors' consummation and performance of the terms of the Stalking Horse APA or the purchase agreement entered into with the Successful Bidder or the Backup Bidder.

**CONSEQUENCES OF FAILING TO
TIMELY FILE AND SERVE A SALE OBJECTION**

ANY PARTY OR ENTITY THAT FAILS TO TIMELY FILE AND SERVE A SALE OBJECTION ON OR BEFORE THE SALE OBJECTION DEADLINE IN ACCORDANCE WITH THE BIDDING PROCEDURES ORDER SHALL BE FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE SALE, INCLUDING WITH RESPECT TO THE TRANSFER OF THE ASSETS OF THE DEBTORS FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES AND OTHER INTERESTS AFFECTED THEREUNDER.

Dated: June 4, 2020
Wilmington, Delaware

/s/ Jaime Luton Chapman

PAUL, WEISS, RIFKIND, WHARTON &
GARRISON LLP
Paul M. Basta
Robert A. Britton
Sarah Harnett
Teresa Lii
1285 Avenue of the Americas
New York, New York 10019
Telephone: (212) 373-3000
Facsimile: (212) 757-3990

YOUNG CONAWAY STARGATT &
TAYLOR, LLP
Pauline K. Morgan (No. 3650)
Jamie Luton Chapman (No. 4936)
Tara C. Pakrouh (No. 6192)
Rodney Square
1000 North King Street
Wilmington, Delaware 19801
Telephone: (302) 571-6600
Facsimile: (302) 571-1253

*Proposed Co-Counsel to the Debtors and
Debtors-in-Possession*

*Proposed Co-Counsel to the Debtors and
Debtors-in-Possession*