

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

In re:

TEMPLAR ENERGY LLC, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 20-11441 (BLS)

(Jointly Administered)

Sale Hearing Date: July 14, 2020 at 10:30 a.m. (ET)  
Ref. Docket Nos. 101, 103

**LIMITED OBJECTION AND RESERVATION OF RIGHTS OF PRESIDIO  
INVESTMENT HOLDINGS LLC, PRESIDIO MPO LLC AND PRESIDIO  
PETROLEUM LLC TO NOTICE OF POTENTIAL ASSUMPTION AND  
ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS**

Presidio Investment Holdings LLC, Presidio MPO LLC and Presidio Petroleum LLC (collectively, “Presidio”), by and through their undersigned counsel, hereby submit this limited objection and reservation of rights (the “Limited Objection”) to the *Notice of Potential Assumption and Assignment of Certain Executory Contracts* [Docket No. 103] (the “Cure Notice”). In support of this Limited Objection, Presidio respectfully states as follows:

**BACKGROUND**

1. On May 18, 2020, Templar Energy LLC and certain of its affiliates (collectively, the “Debtors”) filed voluntary petitions for relief under title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”) in the United States Bankruptcy Court for the District of Delaware (the “Court”).

<sup>1</sup> 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. On June 23, 2020, the Court entered the *Order (A) Approving Bidding Procedures for the Sale of All or Substantially All Of the Debtors' Assets, (B) Approving Bid Protections, (C) Scheduling a Sale Hearing and Objection Deadlines With Respect to the Sale, (D) Scheduling an Auction, (E) Approving the Form and Manner of Notice of the Sale Hearing, (F) Approving Contract Assumption and Assignment Procedures, and (G) Granting Related Relief* [Docket No. 101] (the "Bidding Procedures Order").

3. Also on June 23, 2020, pursuant to the Bidding Procedures Order, the Debtors filed the *Notice of Designation of Stalking Horse Bidder* [Docket No. 102], designating Tapstone Energy LLC as the "stalking horse bidder" and attaching the Stalking Horse APA with Tapstone Energy LLC.

4. Also on June 23, 2020, pursuant to the Bidding Procedures Order, the Debtors filed their Cure Notice. Exhibit A to the Cure Notice identifies sixty-two (62) contracts with Presidio (collectively, the "Presidio Contracts") and a proposed cure amount for each of \$0.

#### **LIMITED OBJECTION AND RESERVATION OF RIGHTS**

5. Presidio files this Limited Objection to preserve its rights with respect to the proposed cure amounts set forth in the Cure Notice.

6. Since the Petition Date, the Debtors appear to have been paying the joint-interest billings ("JIBs") and revenue payments due to Presidio pursuant to the Presidio Contracts in the ordinary course. However, under the Presidio Contracts, the Debtors pay JIBs and revenue payments to Presidio in arrears and therefore the terms of any assumption of the Presidio Contracts and/or the exact amount of a potential cure at the time of closing the proposed sale are not known at this time.

7. Accordingly, Presidio files this Limited Objection to preserve its rights to contest the terms of any proposed assumption and assignment of the Presidio Contracts and/or the appropriate cure amount, if any.

8. Presidio reserves its rights to supplement this Limited Objection and to further object to any assumption and assignment of the Presidio Contracts at the appropriate time, including the right to contest the nature of the agreement and whether or not the agreement is an executory contract that is subject to assumption and assignment under section 365 of the Bankruptcy Code.

**CONCLUSION**

9. For the reasons stated above, Presidio respectfully requests that any assumption and assignment of the Presidio Contracts be conditioned upon payment of appropriate cure costs, determined as of the date of any assumption of the Presidio Contracts or within a reasonable time thereafter, the cure of any non-monetary defaults under the Presidio Contracts, the provision of adequate assurance of future performance by any assignee of the Presidio Contracts, and in all respects subject to this Limited Objection.

Dated: July 7, 2020  
Wilmington, Delaware

**LANDIS RATH & COBB LLP**

/s/ Kerri K. Mumford

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– and –

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*Counsel to Presidio Investment Holdings LLC,  
Presidio MPO LLC And Presidio Petroleum LLC*

**CERTIFICATE OF SERVICE**

I, Kerri K. Mumford, Esquire hereby certify that on July 7, 2020, a true and correct copy of the *Limited Objection and Reservation of Rights of Presidio Investment Holdings LLC, Presidio MPO LLC and Presidio Petroleum LLC to Notice of Potential Assumption and Assignment of Certain Executory Contracts*, was caused to be served on the attached service lists via Electronic Mail.

Dated: July 7, 2020

/s/ Kerri K. Mumford  
Kerri K. Mumford (No. 4186)

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