

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11
ENDURO RESOURCE PARTNERS LLC, <i>et al.</i> ,)	Case No. 18-11174 (KG)
Debtors. ¹)	(Jointly Administered)
)	Objection Deadline: July 2, 2018 at 5:00 p.m. (ET)
)	Hearing Date: July 20, 2018 at 10:00 a.m. (ET)

NOTICE OF SALE, BIDDING PROCEDURES,
AUCTION, SALE HEARING, AND OBJECTION DEADLINE

PLEASE TAKE NOTICE THAT on May 15, 2018, Enduro Resource Partners LLC (“*Enduro*”) and its affiliated debtors and debtors in possession in the above-captioned Chapter 11 Cases (each a “*Debtor*,” and collectively, the “*Debtors*”) filed with the United States Bankruptcy Court for the District of Delaware (the “*Bankruptcy Court*”) their motion (the “*Motion*”)² for entry of (a) an order (i) approving bidding procedures, substantially in the form attached as Annex 1 to the Bidding Procedures Order (the “*Bidding Procedures*”), to govern the marketing and sale of substantially all of the Debtors’ assets (the “*Assets*”), (ii) approving bid protections in connection therewith, (iii) authorizing the Debtors to schedule an auction to sell the Assets (the “*Auction*”), (iv) scheduling the hearing to approve a sale of the Assets (the “*Sale Hearing*”) for a date that is on or before July 20, 2018, (v) approving the form and manner of notice of the proposed sale transactions, the Bidding Procedures, the Auction, the Sale Hearing, and related dates and deadlines, and (vi) authorizing procedures governing the assumption and assignment of certain executory contracts and unexpired leases (the “*Assigned Contracts*”) to the prevailing bidder(s) acquiring the Debtors’ assets (each, a “*Successful Bidder*”); and (b) one or more orders (collectively, the “*Sale Order*”) (i) approving the applicable form(s) of purchase agreement between the Debtors and the Stalking Horse Bidders (as defined below) or any other Successful Bidder(s), and (ii) authorizing the sale(s) (collectively, the “*Sale*”) of the Assets and the assumption and assignment of the Assigned Contracts to the Stalking Horse Bidders or such other Successful Bidder free and clear of all liens, claims, encumbrances, and other interests

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor’s United States federal tax identification number, if applicable, or other applicable identification number, are: Enduro Resource Partners LLC (6288); Enduro Resource Holdings LLC (5571); Enduro Operating LLC (7513); Enduro Management Company LLC (5932); Washakie Midstream Services LLC (7562); and Washakie Pipeline Company LLC (7798). The debtors’ mailing address is 777 Main Street, Suite 800, Fort Worth, Texas 76102.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Bidding Procedures. Any summary of the Bidding Procedures Order or the Bidding Procedures contained herein is qualified in its entirety by the actual terms and conditions thereof. To the extent that there is any conflict between any such summary and such actual terms and conditions, the actual terms and conditions shall control.



(collectively, “**Liens**”), other than any permitted Liens as set forth in the applicable form(s) of purchase agreement.

PLEASE TAKE FURTHER NOTICE THAT on June 11, 2018, the Bankruptcy Court entered the *Order (I) Approving Bidding Procedures in Connection with Sale of Assets of the Debtors, (II) Approving Form and Manner of Notice, (III) Scheduling Auction and Sale Hearing, (IV) Authorizing Procedures Governing Assumption and Assignment of Certain Contracts and Unexpired Leases, and (V) Granting Related Relief* [Docket No. 168] (the “**Bidding Procedures Order**”) and the Bidding Procedures attached thereto. Pursuant to the Bidding Procedures Order, the Auction shall be held at the offices of Latham & Watkins LLP, 811 Main Street, Suite 3700, Houston, Texas 77002, on July 17, 2018 at 9:00 a.m. (prevailing Central Time). Only Qualified Bidders and Stalking Horse Bidders shall be entitled to make any bids.

PLEASE TAKE FURTHER NOTICE THAT to participate in the bidding process or otherwise be considered for any purpose under the Bidding Procedures, a person or entity interested in consummating a Sale (a “**Potential Bidder**”) must deliver or have previously delivered, if determined to be necessary by the Debtors in their sole discretion, among other things:

- a. an executed confidentiality agreement on terms acceptable to the Debtors (a “**Confidentiality Agreement**”), to the extent not already executed; and
- b. the most current audited and latest unaudited financial statements (the “**Financials**”) of the Potential Bidder (or, if the Potential Bidder is an entity formed for the purpose of acquiring the Assets, (x) financial statements of the equity holder(s) of the Potential Bidder or such other form of financial disclosure as is acceptable to the Debtors and their advisors and the Majority First Lien Lenders, and (y) a written commitment acceptable to the Debtors and their advisors of the equity holder(s) of the Potential Bidder to be responsible for the Potential Bidder’s obligations in connection with the applicable Sale).

Each Bid must be transmitted via email (in .pdf or similar format) so as to be **actually received** on or before 5:00 p.m. (prevailing Eastern Time) on July 11, 2018 (the “**Bid Deadline**”).

The Prevailing Bid will be subject to Bankruptcy Court approval. The hearing (the “**Sale Hearing**”) to approve the Sale to the Successful Bidders, free and clear of all liens, claims, interests, charges, and encumbrances (with any such liens, claims, interests, charges, and encumbrances attaching to the net proceeds of the Sale with the same rights and priorities therein as in the sold assets), shall take place at 10:00 a.m. (prevailing Eastern time) on July 20, 2018, or as soon thereafter as the Debtors may be heard, before the Honorable Kevin Gross, at the Court, 824 North Market Street, 6th Floor, Courtroom No. 3, Wilmington, Delaware 19801. The Debtors may, with the consent of Majority First Lien Lenders, designate the Back-Up Bid (and the corresponding Back-Up Bidder) to purchase the given Asset Package, without the need for further order of the Bankruptcy Court and without the need for further notice to any interested parties, in the event that the Successful Bidders do not close the Sale. The Sale Hearing may be

adjourned by the Debtors from time to time without further notice to creditors or other parties in interest other than by announcement of the adjournment in open court on the date scheduled for the Sale Hearing or by filing a notice on the docket of the Debtors' Chapter 11 Cases.

PLEASE TAKE FURTHER NOTICE THAT any objections to the Sale or the relief requested in connection with the Sale (a "***Sale Objection***") must: (a) be in writing; (b) comply with the Bankruptcy Rules; (c) set forth the specific basis for the Sale Objection; and (d) be served upon (such as to be ***actually received*** by) the following parties (the "***Objection Notice Parties***") on or before 5:00 p.m. (prevailing Eastern Time) on July 2, 2018 (the "***Sale Objection Deadline***").

- (a) counsel to the Debtors, (i) Latham & Watkins LLP, 330 North Wabash Avenue, Suite 2800, Chicago, Illinois 60611 (Attn: Caroline A. Reckler, Matthew L. Warren and Jason B. Gott) (caroline.reckler@lw.com, matthew.warren@lw.com, and jason.gott@lw.com), and (ii) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, DE 19801 (Attn: Michael R. Nestor and Kara Hammond Coyle) (mnestor@ycst.com and kcoyle@ycst.com);
- (b) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801 (Attn: Linda Casey) (linda.casey@usdoj.gov);
- (c) counsel to the Prepetition Lender, Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017, Attn: Damian Schaible (damian.schaible@davispolk.com) and Aryeh Falk (aryeh.falk@davispolk.com);
- (d) counsel to the Stalking Horse Bidders, (i) with respect to the North Dakota Asset Package, Sherill & Gibson PLLC, 3711 Maplewood Avenue, Suite 200, Wichita Falls, Texas 76308, Attn: R. Caven Crosnoe (ccrosnoe@sgpllc.law) and D. Todd Davenport (tdavenport@sgpllc.law), (ii) with respect to the Wyoming Asset Package, Conner & Winters, LLP, 4000 One Williams Center, Tulsa, OK 74172, Attn: J. Ryan Sacra (rsacra@cwlaw.com), and (iii) with respect to the North Louisiana Asset Package or the Trust Related Assets Package, Locke Lord LLP, JPMorgan Chase Tower, 600 Travis, Suite 2800 Houston, Texas 77002, Attn: David Patton (dpatton@lockelord.com) and Philip Eisenberg (peisenberg@lockelord.com);
- (e) counsel to the statutory committee appointed in the Chapter 11 Cases, if one is appointed; and
- (f) those parties who have formally filed requests for notice in the Chapter 11 Cases pursuant to Bankruptcy Rule 2002.

If a Sale Objection is not filed and served in accordance with the foregoing requirements, the objecting party shall be barred from objecting to the Sale and shall not be heard at the Sale Hearing, and the Bankruptcy Court may enter the Sale Order without further notice to such party.

**NOTICE TO HOLDERS OF HARD CONSENT RIGHTS
AND PREFERENTIAL PURCHASE RIGHTS OF DEADLINE TO OBJECT**

PLEASE TAKE FURTHER NOTICE THAT this Notice shall serve to commence the period in which the holder of any consent right associated with the Assets may provide, waive, satisfy, or withhold such holders' consent to assignment of the applicable lease. Pursuant to the Bidding Procedures Order, any holder of a consent right that wishes to object to the transfer of the applicable lease must file an objection with the Bankruptcy Court and the Objection Notice Parties, served so as to be *actually received* by 5:00 p.m. (prevailing Eastern Time) on or before July 2, 2018.

Any holder of a consent right that fails to timely file and serve an objection to the transfer of the applicable lease and other transactions contemplated by the Sale may be deemed as having consented to the transfer of the applicable lease. Further, all of the rights of the Debtors and other interested parties to challenge any asserted consent in the context of the contemplated sale of the Debtors' assets by order of the Bankruptcy Court are hereby expressly reserved.

PLEASE TAKE FURTHER NOTICE THAT this Notice shall serve to commence the period in which the holder of any preferential purchase right associated with the Assets may exercise such rights. Pursuant to the Bidding Procedures Order, any holder of a preferential purchase right must indicate its intent to exercise any preferential purchase right by filing a notice with the Bankruptcy Court and the Objection Notice Parties, served so as to be *actually received* by 5:00 p.m. (prevailing Eastern Time) on or before July 2, 2018.

Any holder of a preferential purchase right that fails to timely file and serve a notice of intent to exercise such right may be deemed as having elected not to exercise its preferential purchase right. Further, all of the rights of the Debtors and other interested parties to challenge any asserted preferential purchase right in the context of the contemplated sale of the Debtors' assets by order of the Bankruptcy Court are hereby expressly reserved.

PLEASE TAKE FURTHER NOTICE THAT copies of the Motion, the Bidding Procedures, the Bidding Procedures Order, the PSA, and all pleadings and orders of the Bankruptcy Court are publicly available, for a fee via PACER at: <http://www.deb.uscourts.gov>, or free of charge from the Voting and Claims Agent at <http://www.kccllc.net/enduro>. Such documents and pleadings may also be obtained by: (i) calling the Debtors' restructuring hotline at (866) 967-0493; (ii) visiting the Debtors' restructuring website at: <http://www.kccllc.net/enduro>; and/or (iii) writing to Enduro Resource Partners LLC, c/o KCC, 2335 Alaska Ave., El Segundo, CA 90245.

Dated: June 11, 2018
Wilmington, Delaware

/s/ Kara Hammond Coyle

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