

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS**

<b>In re:</b>	)	<b>Chapter 11</b>
<b>LINC USA GP, et al.</b> <sup>1</sup>	)	<b>Case No. 16-32689 (DRJ)</b>
<b>Debtors.</b>	)	<b>(Jointly Administered)</b>

**NOTICE OF (A) DEADLINE FOR CASTING VOTES TO ACCEPT OR REJECT JOINT LIQUIDATING PLAN FOR THE DEBTORS, (B) COMBINED HEARING TO CONSIDER APPROVAL OF DISCLOSURE STATEMENT AND CONFIRMATION OF PLAN AND (C) RELATED MATTERS AND PROCEDURES**

1. On December 19, 2016, debtors and debtors in possession Linc USA GP; Linc Energy Finance (USA), Inc.; Linc Energy Operations, Inc.; Linc Energy Resources, Inc.; Linc Gulf Coast Petroleum, Inc.; Linc Energy Petroleum (Wyoming), Inc.; Paen Insula Holdings, LLC; Linc Alaska Resources, LLC; and Linc Energy Petroleum (Louisiana), LLC (the “Debtors”) filed: (a) their joint liquidating chapter 11 plan (as it may be amended or modified, the “Plan”); and (b) the joint disclosure statement pursuant to Bankruptcy Code section 1125 with regard to the Debtors’ joint plan of reorganization (the “Disclosure Statement”) for use by Linc USA GP and its affiliates. On December 21, 2016, the Debtors filed their *Expedited Motion for Entry of an Order (A) Granting Conditional Approval of Adequacy of Disclosure Statement (B) Approving Solicitation Materials and Procedures, (C) Approving Plan Confirmation Schedule, (D) Setting a Consolidated Hearing on Final Approval of Disclosure Statement and Confirmation of Debtors’ Joint Chapter 11 Plan of Liquidation and (E) Granting Related Relief* (the “Motion”).

2. On January 9, 2017, the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”) conditionally approved the Disclosure Statement.

3. In conjunction with conditionally approving the Disclosure Statement, the Bankruptcy Court entered an order (a) granting conditional approval of adequacy of the information contained in the Disclosure Statement, (b) approving the solicitation materials and procedures, (c) approving the plan confirmation schedule, (d) setting a consolidated hearing on final approval of the Disclosure Statement and confirmation of the Debtors’ joint Plan and (e) granting related relief. (the “Solicitation Procedures Order”).<sup>2</sup>

<sup>1</sup> The debtors in possession in these chapter 11 cases, along with the last four digits of each debtor in possession’s federal tax identification number, are: Linc Energy Finance (USA), Inc. (6684); Linc USA GP (5234); Linc Energy Resources, Inc. (9613); Linc Gulf Coast Petroleum, Inc. (6790); Linc Energy Petroleum (Louisiana), LLC (1074); Linc Alaska Resources, LLC (2362); Paen Insula Holdings, LLC (1681); Linc Energy Petroleum (Wyoming), Inc. (9859); Diasu Holdings, LLC (9626); Diasu Oil & Gas Company, Inc. (8926); and Linc Energy Operations, Inc. (5806).

<sup>2</sup> Capitalized terms used herein but not otherwise defined herein shall have the meanings given to such terms in the *Expedited Motion for Entry of an Order (A) Granting Conditional Approval of Adequacy of Disclosure Statement*



4. A combined hearing to consider whether the Disclosure Statement contains adequate information and whether confirmation of the Plan is appropriate will be held on **February 13, 2017 at 3:00 p.m. (prevailing Central Time)**, before the Honorable David R. Jones, United States Bankruptcy Judge, United States Bankruptcy Court for the Southern District of Texas, Houston Division, Courtroom 400, 515 Rusk, Houston, TX 77002. The hearing may be adjourned from time to time without further notice to creditors or other parties in interest, other than by announcement of such adjournment in open court.

5. No later than **February 6, 2017**, all objections to approval of the Disclosure Statement and/or confirmation of the Plan must be (a) filed with the Office of the Clerk, United States Bankruptcy Court for the Southern District of Texas, Houston Division, United States Courthouse 515 Rusk Avenue Houston, TX 77002; (b) served on the following parties so as to be received no later than **February 6, 2017**: (i) the Debtors: Linc USA GP, 23501 Cinco Ranch Blvd, Suite H120-915, Katy TX 77494; (ii) Counsel to the Debtors: Bracewell LLP, 711 Louisiana Street, Suite 2300, Houston, Texas 77002 (Attn: Jason G. Cohen, email: jason.cohen@bracewellllaw.com); (iii) Counsel for the Committee: Pillsbury Winthrop Shaw Pittman LLP, 909 Fannin, Suite 2000 Houston, TX 77010-1018 (Attn: Hugh M. Ray, III, email: hugh.ray@pillsburyllaw.com); (iv) counsel to the Ad Hoc Group of First Lien Noteholders (as that term is defined in the Final DIP Order), Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, NY 10019 (Attn: Kevin O’Neill, email: koneill@paulweiss.com, and Brian S. Hermann, email: bhermann@paulweiss.com) and (v) United States Department of Justice, Office of the United States Trustee for the Southern District of Texas, Houston Division, Office of The United States Trustee 515 Rusk Street, Suite 3516, Houston, TX 77002 (Attn: Hector Duran, email: hector.duran.jr@usdoj.gov).

**6. THE PLAN CONTAINS CERTAIN RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS.<sup>3</sup>**

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*(B) Approving Solicitation Materials and Procedures, (C) Approving Plan Confirmation Schedule, (D) Setting a Consolidated Hearing on Final Approval of Disclosure Statement and Confirmation of Debtors’ Joint Chapter 11 Plan of Liquidation and (E) Granting Related Relief (the “Motion”).*

<sup>3</sup> The Plan defines “Released Parties” as “each of: (a) the Debtors; (b) the Creditor Trustee; (c) the Creditors Committee; (d) the Ad Hoc Noteholder Group and its members; (e) the Prepetition Noteholders; (f) the Indenture Trustees; (g) the DIP Agent; (h) the DIP Lenders; and (j) in each case, their predecessors, successors and assigns, professionals, advisors, accountants, attorneys, investment bankers, and consultants, and in the case of (b) through (h), their current and former affiliates, subsidiaries, funds, portfolio companies, management companies, employees, agents, directors and officers, and other representatives (each solely in their capacity as such). For the avoidance of doubt, the Debtors’ directors and officers are not included in the definition of ‘Released Parties.’” Plan, Art. I ¶ 101. The Plan defines “Exculpated Parties” as “each of: (a) the Debtors; (b) the Creditor Trustee; (c) the Creditors Committee; (d) the Ad Hoc Noteholder Group and its members; (e) the Prepetition Noteholders; (f) the Indenture Trustees; (g) the DIP Agent; (h) the DIP Lenders; and (j) in each case, their predecessors, successors and assigns, current and former affiliates, subsidiaries, funds, portfolio companies, management companies, current and former officers, directors, professionals, advisors, accountants, attorneys, investment bankers, consultants, employees, agents and other representatives (each solely in their capacity as such).” Plan, Art. I ¶ 53. The Plan defines “Releasing Parties” as “each holder of a Claim against the Debtors that (a) is Unimpaired pursuant to this Plan and therefore is deemed to accept this Plan pursuant to section 1126(f) of the Bankruptcy Code, or (b) receives and returns a Ballot indicating an election not to opt out of the releases provided in Section 10.02 herein.” Plan, Art. I ¶ 102.

**SPECIFICALLY, ARTICLE X, SECTION 10.02 PROVIDES:**

**Section 10.02 Certain Voluntary Releases by Holders of Claims**

Except as otherwise expressly provided in this Plan or the Confirmation Order, and to the fullest extent authorized by applicable law, for good and valuable consideration, the adequacy of which is hereby confirmed, the Released Parties are deemed released and discharged by (a) each other Released Party and (b) the Releasing Parties from any and all claims, obligations, suits, judgments, damages, demands, debts, remedies, Causes of Action, rights of setoff, other rights, and liabilities whatsoever, whether for tort, contract, violations of federal or state securities laws, Avoidance Actions, including any derivative claims, asserted or that could possibly have been asserted directly or indirectly on behalf of the Releasing Parties or their Affiliates, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity, or otherwise, and any and all Causes of Action asserted or that could possibly have been asserted on behalf of a Released Party or a Releasing Party or any of its Affiliates (whether individually or collectively) or on behalf of the holder of any Claim or Equity Interest or other Entity, based on or in any way relating to, or in any manner arising from, in whole or in part, the Debtors, their Estates or their Affiliates, the conduct of the Debtors' businesses, the formulation, preparation, solicitation, dissemination, negotiation, or filing of the Disclosure Statement or Plan or any contract, instrument, release, or other agreement or document created or entered into in connection with or pursuant to the Disclosure Statement, or this Plan, the filing and prosecution of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in this Plan, the business or contractual arrangements between the Debtors, their Estates or their Affiliates, on the one hand, and any Released Party, on the other hand, prepetition contracts and agreements with one or both Debtors, or any other act or omission, transaction, agreement, event, or other occurrence taking place before the Effective Date; provided that to the extent that a claim or Cause of Action is determined by a Final Order to have resulted from fraud, gross negligence or willful misconduct of a Released Party, such claim or Cause of Action shall not be so released against such Released Party. Notwithstanding anything to the contrary in the foregoing, the release set forth above does not release (i) any obligations arising on or after the Effective Date of any party under this Plan, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement this Plan; and (ii) the right

**of the Debtors or the Creditor Trustee to object to Claims filed by any Person against any Debtor or an Estate, or to assert counterclaims or defenses in respect of such Claims, including rights of setoff, refund, recoupment or other adjustments as provided for herein. Notwithstanding anything in the above and in this Plan, nothing in the above paragraph or this Plan shall impair the Creditor Trust in bringing any claim or asserting any cause of action against any former officers, directors, managers, agents, employees, or fiduciaries of any of the Debtors.**

**Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the release set forth in this Section 10.02, which includes by reference each of the related provisions and definitions contained herein, and further, shall constitute the Bankruptcy Court's finding that such release is: (a) in exchange for the good and valuable consideration provided by the Released Parties; (b) a good faith settlement and compromise of the claims released by this Section 10.02; (c) in the best interests of the Debtors, their Estates and all holders of Claims and Equity Interests; (d) fair, equitable, and reasonable; (e) given and made after due notice and opportunity for hearing; and (f) a bar to any Entity asserting any claim or Cause of Action released by this Section 10.02.**

7. The Plan may be further modified, if necessary, pursuant to Bankruptcy Code section 1127, prior to, during, or as a result of the Combined Hearing, without further notice to parties in interest.

8. The Court has authorized the Debtors to retain Kurtzman Carson Consultants LLC to serve as the Debtors' solicitation and noticing agent (the "Voting Agent") to assist the Debtors in soliciting votes on and providing notice of the Plan, including mailing solicitation packages and notices, receiving and tabulating ballots cast on the Plan, and certifying to the Court the results of the balloting.

9. Copies of the Solicitation Procedures Order, the Disclosure Statement, and the Plan may be obtained from the Voting Agent at: <http://www.kccllc.net/linc>, or by contacting the Voting Agent (i) electronically at <http://www.kccllc.net/linc/inquiry> or by email: [lincenergyinfo@kccllc.com](mailto:lincenergyinfo@kccllc.com); (ii) telephonically at (877) 634-7166; or (iii) by regular mail: Linc Energy Ballot Processing Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, CA 90245. By **February 6, 2017**, all ballots indicating acceptance or rejection of the Plan must be received by the Voting Agent (the "Voting Deadline"). The period during which Ballots with respect to the Plan will be accepted by the Debtors will terminate on the Voting Deadline. The Debtors may, in their sole discretion, extend the Voting Deadline as facts and circumstances may require without further order from the Court. Except as provided in the Solicitation Procedures Order, ballots that are received after the Voting Deadline shall not be counted.

10. Ballots may be submitted to the Voting Agent by mail sent to Linc Energy Ballot Processing Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, CA 90245, or electronically, either by email to [lincenergyinfo@kccllc.com](mailto:lincenergyinfo@kccllc.com) or by submission to the case website, [www.kccllc.net/linc](http://www.kccllc.net/linc).

11. Master Ballots must be submitted by mail to Linc Energy Ballot Processing Center, c/o Kurtzman Carson Consultants LLC, 1290 Avenue of the Americas, 9th Floor, New York, NY 10104, or electronically by email to [lincenergyinfo@kccllc.com](mailto:lincenergyinfo@kccllc.com).

12. Beneficial Holder Ballots must be submitted as set forth thereon or in the instructions provided by the Nominee.

**BRACEWELL LLP**

By: /s/ Jason G. Cohen

Jason G. Cohen  
Texas Bar No. 24050435  
[Jason.Cohen@bracewelllaw.com](mailto:Jason.Cohen@bracewelllaw.com)  
William A. (Trey) Wood III  
Texas Bar No. 21916050  
[Trey.Wood@bracewelllaw.com](mailto:Trey.Wood@bracewelllaw.com)  
711 Louisiana, Suite 2300  
Houston, Texas 77002  
Telephone: (713) 223-2300  
Facsimile: (713) 221-1212

**COUNSEL FOR THE DEBTORS AND  
DEBTORS IN POSSESSION**