

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

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

**NOTICE TO COUNTERPARTIES TO EXECUTORY CONTRACTS AND
UNEXPIRED LEASES BEING ASSUMED UNDER THE PLAN**

PLEASE TAKE NOTICE THAT on January 9, 2017, the United States Bankruptcy Court for the Southern District of Texas (the “Court”) entered the *Order (A) Granting Conditional Approval of the 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* (Dkt. No. 467) (the “Disclosure Statement Order”) that, among other things: (a) conditionally approved the Debtors’ *Disclosure Statement for Joint Plan of Liquidation under Chapter 11 of the Bankruptcy Code* (Dkt. No. 483, and as may be amended, modified, or supplemented from time to time and including all exhibits and supplements thereto, the “Disclosure Statement”) as containing adequate information under section 1125(a) of the Bankruptcy Code; and (b) authorized the Debtors to solicit votes with regard to the acceptance or rejection of the *Joint Plan of Liquidation under Chapter 11 of the Bankruptcy Code* (Dkt. No. 482, and as may be amended, modified, or supplemented from time to time, the “Plan”).²

PLEASE TAKE FURTHER NOTICE THAT the Disclosure Statement, the Disclosure Statement Order, the Plan and the other documents and materials included in the Solicitation Package, except Ballots, may be obtained at no charge from Kurtzman Carson Consultants (“KCC”), the Claims and Solicitation Agent retained by the Debtors in these Chapter 11 Cases, by: (a) accessing the Debtors’ restructuring website at www.kcellc.net/linc; (b) writing to KCC at Linc Ballot Processing Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, CA 90246; or (c) contacting KCC via email at lincenergyinfo@kcellc.com. You may also obtain copies of any pleadings filed in these Chapter 11 Cases for a fee via PACER at www.ecf.txsb.uscourts.gov.

PLEASE TAKE FURTHER NOTICE THAT under the terms of Article VI of the Plan, except as otherwise expressly provided in (a) the Plan, (b) the Plan Supplement (including the Schedule of Assumed Executory Contracts and Unexpired Leases attached hereto), or (c) any

¹ The debtors in possession in these chapter 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).

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan or Disclosure Statement, as applicable.



other filing made before the Confirmation Hearing, including the Asset Purchase Agreements, all Executory Contracts and Unexpired Leases shall be deemed automatically rejected as of the Effective Date in accordance with, and subject to the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code; provided, however, that the foregoing shall not apply to any Executory Contract and Unexpired Lease of a Reorganizing Debtor that expired or terminated pursuant to its own terms prior to the Petition Date.

You are receiving this notice because you or one of your affiliates is a counterparty to an Executory Contract or an Unexpired Lease³ listed on the Schedule of Assumed Executory Contracts and Unexpired Leases attached hereto as **Exhibit 1** with one or more of the Debtors.

The Debtors intend to assume the Executory Contract or Unexpired Leases listed on Exhibit 1 to which you are a counterparty. The Debtors have conducted a review of their books and records and have determined that the amount to cure unpaid obligations under such contract or lease (the “Cure Costs”) listed on the Schedule of Assumed Executory Contracts and Unexpired Leases filed with the Plan Supplement, and on Exhibit 1 attached hereto. **Unless otherwise ordered by the Court, any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assumption and assignment or related Cure Costs must be filed with the Court and served so as to be actually received by the Debtors on or before February 6, 2017.** If you fail to object in a timely manner to the proposed assumption or Cure Costs with respect to any Executory Contract or Unexpired Lease, you will be deemed to have assented to such assumption and Cure Costs.

PLEASE TAKE FURTHER NOTICE THAT in the event of a dispute regarding: (a) any Cure Costs; (b) the ability of the Debtors, or any assignee, as applicable, to provide “adequate assurance of future performance” (within the meaning of section 365 of the Bankruptcy Code) under any of your Executory Contracts or Unexpired Leases; or (c) any other matter pertaining to assumption or assumption and assignment of any of your Executory Contracts or Unexpired Leases, the satisfaction of any Cure Costs will be made following the entry of a Final Order resolving the dispute and approving the assumption and assignment of such Executory Contracts or Unexpired Leases; provided, however, that prior to the Effective Date, the Debtors or any assignee, as applicable, may settle any dispute regarding such Cure Costs without further notice to or action, order or approval of the Court.

PLEASE TAKE FURTHER NOTICE THAT assumption and assignment of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise, shall result in the full release and satisfaction of any Claims or defaults, subject to satisfaction of any Cure Costs, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption and/or assignment or as a result of any transactions effected under the Plan. Anything in the Schedules and any Proofs of Claim filed with respect to an Executory Contract or Unexpired Lease that has been assumed and assigned shall be deemed disallowed, without further notice to or action, order or approval of the Bankruptcy Court or any other Entity.

³ This “**Notice**” is being sent to counterparties to Executory Contracts and Unexpired Leases. This Notice is not an admission by the Debtors that such contract or lease is executory or unexpired.

PLEASE TAKE FURTHER NOTICE THAT if you have any questions about this Notice you should contact KCC in accordance with the instructions provided above.

BRACEWELL LLP

By: /s/ Jason G. Cohen

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

Exhibit 1

**Schedule of Assumed Executory Contracts
and Unexpired Leases**

Number	Entity	Counter-party	Contract Description	Contract Date	Cure Amount
1	Linc USA GP	Endurance American Insurance Company 750 Third Avenue 18th Floor New York, NY 10017 eclaims@enhinsurance.com	Primary Management Liability Insurance Policy	1/4/17	\$0.00
2	Linc Energy Limited, for all Debtors as subsidiaries	AIG Australia Limited Financial Lines Claims Manager Level 19, Citigroup Centre 2 Park Street Sydney NSW 2000 Australia finclaims@aig.com	Policy Number 0000118072		\$0.00
3	Linc Energy Operations, Inc.	Data Foundry, Inc. 1044 Liberty Park Drive Austin, Texas 78746-6943 Attn.: Legal	Master Services Agreement	5/20/2016	\$0.00
4	Linc Energy Operations, Inc.	Level (3) Communications 1025 Eldorado Boulevard Broomfield, CO 80021	Service Agreement	10/26/15	\$42,407.02
5	Linc Energy Operations, Inc.	Proguard Self Storage 3770 Center Street Houston, TX 77007	Rental Space Agreement	3/18/2016	\$0.00