

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

In re:

Canadian Overseas Petroleum Limited, *et al.*,¹

Debtors in a foreign proceeding.

Chapter 15

Case No. 24-10376 (JTD)

(Jointly Administered)

Re: Docket No: 33

**ORDER (I) RECOGNIZING AND ENFORCING
THE SISF ORDER AND (II) GRANTING RELATED RELIEF**

Upon consideration of the motion (the “Motion”)² filed by the Foreign Representative as the “foreign representative” of the Debtors, under sections 105, 363, 1507, 1520, and 1521 of the Bankruptcy Code, for entry of an order (this “Order”): (a) Recognizing and enforcing the SISF Order, attached hereto as **Exhibit 1**, approving, among other things, (i) the Sale Procedures, (ii) the Debtors’ entry into the Stalking Horse Purchase Agreement, and (iii) the Break-Up Fee; and (b) granting such other relief as the Court deems just and proper, all as more fully set forth in the Motion; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 1334 and 11 U.S.C. §§ 109 and 1501; and venue being proper before this Court pursuant to § 1410; and the Motion being a core proceeding pursuant to 28 U.S.C. § 157(b); and that this Court may enter a final order consistent with Article III of the United States Constitution; and adequate and sufficient notice of the filing of the Motion having been given by the Foreign Representative; and it appearing that the relief requested in the Motion is necessary and

¹ The Debtors in these chapter 15 proceedings, together with the last four digits of their business identification numbers are: Canadian Overseas Petroleum Limited (8749); COPL Technical Services Limited (1656); Canadian Overseas Petroleum (Ontario) Limited (8319); Canadian Overseas Petroleum (UK) Limited (7063); Canadian Overseas Petroleum (Bermuda Holdings) Limited (N/A); Canadian Overseas Petroleum (Bermuda) Limited (N/A); COPL America Holding Inc. (1334); COPL America Inc. (9018); Atomic Oil and Gas LLC (8233); Southwestern Production Corporation (8694); and Pipeco LLC (0925). The location of the Debtors’ headquarters and the Debtors’ duly appointed foreign representative is 715 5 Avenue SW, Suite 3200, Calgary, Alberta T2P 2X6, Canada.

² Capitalized terms used but not otherwise defined herein will have the meaning ascribed to them in the Motion.

beneficial to the Debtors; and this Court having held a hearing to consider the relief requested in the Motion; and there being no objections or other responses filed that have not been overruled, withdrawn, or otherwise resolved; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY FOUND AND DETERMINED THAT:

A. On March 19, 2024, the Canadian Court granted the SISP Order, approving among other things, (a) the Sale Procedures, (b) the Debtors' entry into the Stalking Horse Purchase Agreement, and (c) the Break-Up Fee.

B. The relief granted hereby is necessary and appropriate to effectuate the objectives of chapter 15 of the Bankruptcy Code to protect the Debtors and the interests of their creditors and other parties in interest, and is consistent with the laws of the United States, international comity, public policy, and the policies of the Bankruptcy Code, and will not cause any hardship to any party in interest that is not outweighed by the benefits of the relief granted because the parties in interest in these cases are sufficiently protected by the provisions in the SISP Order and this Order.

C. Absent the requested relief, the efforts of the Debtors, the Canadian Court, and the Foreign Representative in conducting the Canadian Proceedings and effectuating the restructuring under Canadian law may be frustrated, a result contrary to the purposes of chapter 15 of the Bankruptcy Code.

D. Good, sufficient, appropriate, and timely notice of the filing of, and the hearing on, the Motion was given, which notice is adequate for all purposes, and no further notice need be given.

E. The Sale Procedures and the Stalking Horse Purchase Agreement were negotiated and entered into in good faith.

F. All creditors and other parties in interest, including the Debtors, are sufficiently protected by the grant of relief ordered hereby.

BASED ON THE FOREGOING FINDINGS OF FACT AND AFTER DUE DELIBERATION AND SUFFICIENT CAUSE APPEARING THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth in this Order.
2. All objections, if any, to the Motion or the relief requested in the Motion that have not been withdrawn, waived, or settled by stipulation filed with the Court, and all reservations of rights included therein, are hereby overruled on the merits.
3. The SISP Order, and all of its respective terms, including any immaterial or administrative amendments thereto, including those necessary to give effect to the substance of such order, either as provided in the SISP Order or as approved by the Canadian Court, are fully recognized and given full force and effect within the territorial jurisdiction of the United States.
4. The Sale Procedures, including all deadlines and requirements therein as set forth in the SISP Order, are hereby fully recognized and given full force and effect in the United States, including the bidding procedures for the sale of assets and/or equity of the Debtors located in the territorial jurisdiction of the United States, and shall apply with respect to parties located in the United States.
5. This Court retains jurisdiction to enforce the terms and provisions of the SISP Order in the territorial jurisdiction of the United States.
6. The portion of the SISP Order that authorized and approved the Debtors' entry into the Stalking Horse Purchase Agreement (including the Break-Up Fee and Expense Reimbursement), each on the terms set forth in the SISP Order is recognized by this Court and is enforceable within the territorial jurisdiction of the United States.

7. The failure specifically to include any particular provision of the SISP Order in this Order shall not diminish or impair the effectiveness of such provision.

8. The Debtors and any party to the RSA or the Stalking Horse Purchase Agreement may exercise the respective rights and remedies available to them under the RSA or the Stalking Horse Purchase Agreement in the territorial jurisdiction of the United States in accordance with the terms thereof and the SISP Order, but only to the extent approved by the SISP Order.

9. All persons and entities subject to the jurisdiction of the United States are permanently enjoined and restrained from taking any actions inconsistent with, or interfering with the enforcement and implementation of, the SISP Order or any documents incorporated by the foregoing.

10. Nothing in this Order ratifies, approves, and/or recognizes the sale and/or vesting of any property pursuant to the Stalking Horse Purchase Agreement, and all rights, claims, objections, and interests of any interested party, at law or in equity, with respect to the proposed sale and vesting of property pursuant to the Stalking Horse Purchase Agreement or Successful Bid (as defined in the Sale Procedures) are not waived and are expressly preserved and may be asserted in the Canadian Proceedings in accordance with the applicable rules and procedures applicable in the Canadian Court.

11. The Foreign Representative is authorized to take all actions it deems necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion and the SISP Order.

12. Notwithstanding any provisions in the Bankruptcy Rules to the contrary, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

13. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and/or enforcement of this Order.

Dated: April 8th, 2024
Wilmington, Delaware

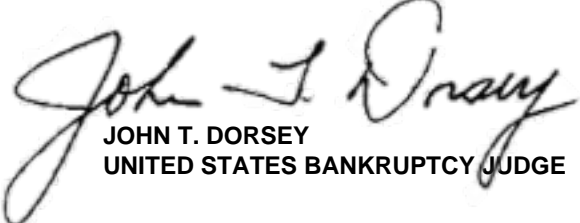
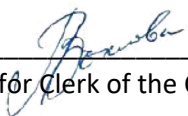

JOHN T. DORSEY
UNITED STATES BANKRUPTCY JUDGE

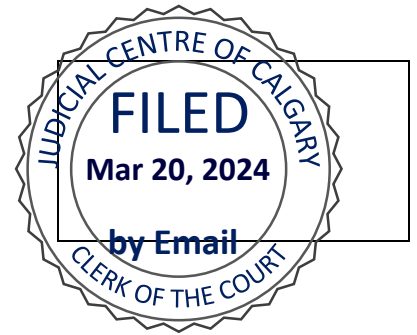
Exhibit 1

SISP Order

I hereby certify this to be a true copy of
the original SISP APPROVAL ORDER
Dated this 20 day of MARCH, 2024


for Clerk of the Court

Clerk's Stamp:



COURT FILE NUMBER
COURT
JUDICIAL CENTRE OF

2401-03404
COURT OF KING'S BENCH OF ALBERTA
CALGARY

APPLICANTS:

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended

AND IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF CANADIAN OVERSEAS
PETROLEUM LIMITED AND THOSE ENTITIES
LISTED IN SCHEDULE "A"

DOCUMENT
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT:

SISP APPROVAL ORDER
OSLER, HOSKIN & HARCOURT LLP
6200 - 1 First Canadian Place
Toronto, Ontario M5X 1B8
Solicitor: Marc Wasserman / Shawn Irving / Dave
Rosenblat
Telephone: 416.862.4908 / 4733 / 5673
Facsimile: 416.862.6666
Email: mwasserman@osler.com / sirving@osler.com /
drosenblat@osler.com
File Number: 1252079

**DATE ON WHICH ORDER
WAS PRONOUNCED:**
**NAME OF JUDGE WHO
MADE THIS ORDER:**
LOCATION OF HEARING:

March 19, 2024
The Honourable Justice Johnston
Calgary, Alberta

UPON THE APPLICATION of CANADIAN OVERSEAS PETROLEUM LIMITED
and those entities listed in Schedule "A" hereto (collectively, the "**Applicants**"); **AND UPON**
having read the Application, the Affidavit of Peter Kravitz, sworn March 7, 2024 (the "**First**

Kravitz Affidavit”), the Affidavit of Peter Kravitz sworn March 14, 2024 (the “**Second Kravitz Affidavit**”); **AND UPON** reading the Pre-Filing Report of KSV Restructuring Inc. (“**KSV**”) dated March 8, 2024, the First Report of KSV in its capacity as monitor of the Applicants (the “**Monitor**”), dated March 15, 2024 (the “**First Report**”); **AND UPON** being advised that the secured creditors who are likely to be affected by the charges created herein have been provided notice of this application and either do not oppose or alternatively consent to the within Order; **AND UPON** hearing counsel for the Applicants, counsel for the Monitor, and counsel for any other party present at the application; **IT IS HEREBY ORDERED AND DECLARED THAT:**

SERVICE

1. The time for service of the notice of application for this order (the “**Order**”) is hereby abridged and deemed good and sufficient and this application is properly returnable today.

DEFINITIONS

2. Capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Sale and Investment Solicitation Process in respect of the business and assets of the Applicants, in the form attached hereto as Schedule “B” (the “**SISP**”), the Amended and Restated Initial Order of this Court dated March 19, 2024 (the “**ARIO**”) or the Second Kravitz Affidavit, as applicable.

SALE AND INVESTMENT SOLICITATION PROCESS

3. The SISP is hereby approved and the Applicants and the Monitor are hereby authorized and directed to implement the SISP pursuant to the terms thereof. The Applicants and the Monitor are hereby authorized and directed to perform their respective obligations and to do all things reasonably necessary to perform their obligations thereunder, subject to prior approval of the Court being obtained before completion of any transaction(s) under the SISP.
4. The Applicants and the Monitor and their respective affiliates, partners, directors, officers, employees, legal advisors, representatives, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature or kind to any person in connection with or as a result of the SISP, except to the extent of

losses, claims, damages or liabilities that arise or result from the gross negligence or wilful misconduct of the Applicants or the Monitor, as applicable, in performing their obligations under the SISP, as determined by this Court.

5. In conducting the SISP, the Monitor shall have all of the benefits and protections granted to it under the CCAA, the ARIO and any other Order of this Court in the within proceeding.

STALKING HORSE PURCHASE AGREEMENT

6. The Applicants are hereby authorized and empowered to enter into an agreement of purchase and sale with Summit Partners Credit Fund III, L.P.; Summit Investors Credit III, LLC; and Summit Investors Credit III (UK), L.P. and Summit Investors Credit Offshore Intermediate Fund III, L.P. (collectively, the “**Stalking Horse Purchaser**”), which shall be substantially on the terms set out in the Restructuring Term Sheet attached as Exhibit “B” to the Restructuring Support Agreement (“**RSA**”), with such minor amendments as may be acceptable to each of the parties thereto, with the approval of the Monitor; provided that, nothing herein approves the sale and the vesting of any Property to the Stalking Horse Purchaser (or any of its designees) pursuant to the Stalking Horse Purchase Agreement and that the approval of any sale and vesting of any such Property shall be considered by this Court on a subsequent application made to this Court if the transaction set out in the Stalking Horse Purchase Agreement is the Successful Bid pursuant to the SISP.
7. As soon as reasonably practicable following the Applicants and the Stalking Horse Purchaser executing the Stalking Horse Purchase Agreement, which shall occur no later than March 23, 2024, or such later date as consented to by the Monitor, the Monitor shall post a copy thereof on its website, and the Applicants shall:
 - (a) serve a copy thereof on the Service List; and
 - (b) provide a copy thereof to each SISP Participant (as hereinafter defined), excluding from the public record any confidential information that the Applicants and the Stalking Horse Purchaser, with the consent of the Monitor, agree should be redacted.

BID PROTECTIONS

8. The Bid Protections are hereby approved and, subject to the entry of the Stalking Horse Purchase Agreement, the Applicants are hereby authorized and directed to pay the Bid Protections to the Stalking Horse Purchaser (or to such other person as it may direct) in the manner and circumstances described in the RSA and the Stalking Horse Purchase Agreement.
9. The Stalking Horse Purchaser shall be entitled to the benefit of and is hereby granted a charge (the “**Bid Protections Charge**”) on the Property, which charge shall not exceed \$500,000 as security for payment of the Bid Protections in the manner and circumstances described in the Stalking Horse Purchase Agreement.
10. The filing, registration or perfection of the Bid Protections Charge shall not be required, and the Bid Protections Charge shall be valid and enforceable for all purposes, including against any right, title or interest filed, registered, recorded or perfected subsequent to the Bid Protections Charge, notwithstanding any such failure to file, register, record or perfect.
11. The Bid Protections Charge shall constitute a charge on the Property and the Bid Protections Charge shall rank in priority to all other Encumbrances in favour of any Person notwithstanding the order of perfection or attachment, other than the Charges.
12. Except for the Charges or as may be approved by this Court on notice to parties in interest, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, the Bid Protections Charge, unless the Applicants also obtain the prior written consent of the Monitor and the Stalking Horse Purchaser.
13. The Bid Protections Charge shall not be rendered invalid or unenforceable and the rights and remedies of the Stalking Horse Purchaser in respect of the Bid Protections Charge shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”), or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any

federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other agreement (collectively, an “Agreement”) which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Bid Protections Charge nor the execution, delivery, perfection, registration or performance of the Stalking Horse Purchase Agreement shall create or be deemed to constitute a breach by any of the Applicants of any Agreement to which any of the Applicants is a party; and
 - (b) the payments made by the Applicants pursuant to this Order, the Stalking Horse Purchase Agreement and the granting of the Bid Protections Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.
14. The Bid Protections Charge created by this Order over leases of real property shall only be a charge in the applicable Applicant 's interest in such real property lease.
15. The Stalking Horse Purchaser, with respect to the Bid Protections Charge only, shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA, or any proposal filed by the Applicants under the BIA.

PIPEDA

16. Pursuant to section 20(e) of the *Personal Information Protection Act* (Alberta), and any similar legislation in any other applicable jurisdictions, the Applicants or the Monitor and their respective advisors are hereby authorized and permitted to disclose and transfer to prospective SISP participants that are party to a non-disclosure agreement with the Applicants (each, a “**SISP Participant**”) and their respective advisors personal information of identifiable individuals, but only to the extent required to negotiate or attempt to complete a transaction pursuant to the SISP (a “**Transaction**”). Each SISP Participant to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to the SISP Participant's

evaluation for the purpose of effecting a Transaction, and, if a SISP Participant does not complete a Transaction, shall return all such information to the Applicants or the Monitor, or, in the alternative, destroy all such information and provide confirmation of its destruction if requested by the Applicants or the Monitor.

GENERAL

17. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States of America, or in any foreign jurisdiction, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants, and the Monitor and their respective agents in carrying out the terms of this Order.

18. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.

BB Johnston

Justice of the Court of King's Bench of Alberta

SCHEDULE "A"

Applicants

Canadian Overseas Petroleum Limited

COPL Technical Services Limited

Canadian Overseas Petroleum (UK) Limited

Canadian Overseas Petroleum (Bermuda) Limited

Canadian Overseas Petroleum (Bermuda Holdings) Limited

Canadian Overseas Petroleum (Ontario) Limited

COPL America Holding Inc.

COPL America Inc.

Atomic Oil & Gas LLC

Southwestern Production Corp.

Pipeco LLC

SCHEDULE "B"

SISP

See attached.

Sale and Investment Solicitation Process

1. On March 19, 2024, the Alberta Court of King's Bench (the "**Court**") granted an order (the "**SISP Order**") that, among other things, (a) authorized the COPL Entities to implement a sale and investment solicitation process ("**SISP**") in accordance with the terms hereof, (b) approved the Support Agreement, (c) authorized and directed the COPL Entities to enter into the Stalking Horse Purchase Agreement, and (d) approved the Break-Up Fee. Capitalized terms that are not defined herein have the meanings ascribed thereto in the Amended & Restated Initial Order granted by the Court in the COPL Entities' proceedings under the *Companies' Creditors Arrangement Act* on March 19, 2024, as amended, restated or supplemented from time to time, or the SISP Order, as applicable.
2. This SISP sets out the manner in which (i) binding bids for executable transaction alternatives that are superior to the sale transaction provided for in the Stalking Horse Purchase Agreement involving the shares and/or the business and assets of the COPL Entities will be solicited from interested parties, (ii) any such bids received will be addressed, (iii) any Successful Bid (as defined below) will be selected, and (iv) Court approval of any Successful Bid will be sought. Such transaction alternatives may include, among other things, a sale of some or all of the COPL Entities' shares, assets and/or business and/or an investment in the COPL Entities, each of which shall be subject to all terms set forth in this SISP.
3. The SISP shall be conducted by the COPL Entities, with the assistance of the Financial Advisor and oversight of KSV Restructuring Inc., in its capacity as court-appointed monitor (the "**Monitor**").
4. Parties who wish to have their bids considered shall participate in the SISP in accordance with the terms herein.
5. The SISP will be conducted such that the COPL Entities will, with the assistance of the Financial Advisor and oversight of the Monitor:
 - a) prepare marketing materials and a process letter;
 - b) prepare and provide applicable parties with access to a data room containing diligence information;
 - c) solicit interest from parties to enter into non-disclosure agreements (parties shall only obtain access to the data room and be permitted to participate in the SISP if they execute a non-disclosure agreement that is in form and substance satisfactory to the COPL Entities); and
 - d) request that such parties (other than the Stalking Horse Bidder or its designee) submit (i) a letter of intent to bid that identifies the potential bidder (which, for the avoidance of doubt, may be a purchaser or an investor) and a general description of the assets and/or business(es) of the COPL Entities that would be the subject of the bid and that reflects a reasonable prospect of culminating in a Qualified Bid (as defined below), as determined by the COPL Entities in consultation with the Monitor and the Consenting Lenders (as defined in the Support Agreement) (a

“**LOI**”) by the LOI Deadline (as defined below) and, if applicable, (ii) a binding offer meeting at least the requirements set forth in Section 7 below, as determined by the COPL Entities in consultation with the Monitor (a “**Qualified Bid**”) by the Qualified Bid Deadline (as defined below).

6. The SISP shall be conducted subject to the terms hereof and the following key milestones:
 - a) Court approval of SISP and authorizing the applicable COPL Entities to enter into the Stalking Horse Purchase Agreement, and commencement by COPL Entities of solicitation process – March 19, 2024;
 - b) Deadline to submit LOI – 11:59 p.m. Mountain Time on April 17, 2024 (the “**LOI Deadline**”);
 - c) Deadline to submit a Qualified Bid – 11:59 p.m. Mountain Time on May 2, 2024 (the “**Qualified Bid Deadline**”);
 - d) Deadline to determine whether a bid is a Qualified Bid and, if applicable, to notify those parties who submitted a Qualified Bid of the Auction (as defined below) – 5:00 p.m. Mountain Time on May 6, 2024;
 - e) The COPL Entities to hold Auction (if applicable) – 10:00 a.m. Mountain Time on May 8, 2024; and
 - f) Implementation Order (as defined below) hearing:
 - o (if no LOI is submitted) – by no later than 9 days after the LOI Deadline subject to Court availability.
 - o (if there is no Auction) – by no later than 9 days after the Qualified Bid Deadline, subject to Court availability.
 - o (if there is an Auction) – by no later than 9 days after completion of the Auction, subject to Court availability.
7. In order to constitute a Qualified Bid, a bid must comply with the following:
 - a. it provides for (i) the payment in full in cash on closing of the DIP Financing (as defined in the Support Agreement), the Expense Reimbursement, and the Break-up Fee, plus cash consideration equal to at least \$250,000; (ii) payment in full in cash of all amounts outstanding under the Credit Agreement, unless otherwise agreed to by the lenders thereunder in their sole discretion; (iii) the payment in full in cash on closing of any claims ranking in priority to the foregoing, including any claims secured by Court-ordered charges, unless otherwise agreed to by the applicable holders thereof in their sole discretion (the proposal set out above, a “**Superior Proposal**”);
 - b. it provides a detailed sources and uses schedule that identifies, with specificity, the amount of cash consideration (the “**Cash Consideration Value**”) and any assumptions that could reduce the net consideration payable;

- c. it is reasonably capable of being consummated within 30 days after completion of the Auction if selected as the Successful Bid;
- d. it contains:
 - i. duly executed binding transaction document(s);
 - ii. the legal name and identity (including jurisdiction of existence) and contact information of the bidder, full disclosure of its direct and indirect principals, and the name(s) of its controlling equityholder(s);
 - iii. a redline to the Stalking Horse Purchase Agreement, unless the bid is in the form of a plan of arrangement, in which case copies of the plan of arrangement and all documentation that is contemplated to be executed in connection therewith shall be provided;
 - iv. evidence of authorization and approval from the bidder's board of directors (or comparable governing body) and, if necessary to complete the transaction, the bidder's equityholder(s);
 - v. disclosure of any connections or agreements with the COPL Entities or any of its affiliates, any known, potential, prospective bidder, or any officer, manager, director, or known equity security holder of the COPL Entities or any of its affiliates; and
 - vi. such other information reasonably requested by the COPL Entities or the Monitor;
- e. it includes a letter stating that the bid is submitted in good faith, is binding and is irrevocable until the selection of the Successful Bid; provided, however, that if such bid is selected as the Successful Bid, it shall remain irrevocable until the closing of the Successful Bid;
- f. it provides written evidence of a bidder's ability to fully fund and consummate the transaction and satisfy its obligations under the transaction documents, including binding equity/debt commitment letters and/or guarantees covering the full value of all cash consideration and the additional items (in scope and amount) covered by the guarantees provided by affiliates of the Purchaser in connection with the Stalking Horse Purchase Agreement;
- g. it does not include any request for or entitlement to any break fee, expense reimbursement or similar type of payment;
- h. it is not conditional upon:
 - i. approval from the bidder's board of directors (or comparable governing body) or equityholder(s);
 - ii. the outcome of any due diligence by the bidder; or
 - iii. the bidder obtaining financing;
- i. it includes an acknowledgment and representation that the bidder has had an opportunity to conduct any and all required due diligence prior to making its bid, and that the transaction that is the subject of the bid shall be on an "as is, where is" basis and without surviving representations, warranties, covenants or indemnities of any kind, nature or description by the COPL Entities, except to the extent set forth in a written agreement as between the Purchaser and the COPL Entities (as applicable).
- j. it specifies any regulatory or other third-party approvals the party anticipates would be required to complete the transaction (including the anticipated timing necessary

- to obtain such approvals and any approvals/authority to hold oil and gas licenses and permits);
- k. it includes full details of the bidder's intended treatment of the COPL Entities' employees under the proposed bid;
 - l. it is accompanied by a cash deposit (the "**Deposit**") by wire transfer of immediately available funds equal to 10% of the Cash Consideration Value, which Deposit shall be retained by the Monitor in a non-interest bearing trust account in accordance with this SISP;
 - m. a statement that the bidder will bear its own costs and expenses (including legal and advisor fees) in connection with the proposed transaction, and by submitting its bid is agreeing to refrain from and waive any assertion or request for reimbursement on any basis; and
 - n. it is received by the Qualified Bid Deadline.
8. The COPL Entities, in consultation with the Monitor, may waive compliance with any one or more of the requirements specified in Section 7 above and deem a non-compliant bid to be a Qualified Bid, provided that the COPL Entities shall not waive compliance with the requirements specified in Subsections 7(a), (b), (d), (e), (f), (g), (i) or (l) without the prior written consent of the Stalking Horse Bidder and Consenting Lenders.
 9. Notwithstanding the requirements specified in Section 7 above, the transaction contemplated by the Stalking Horse Purchase Agreement (the "**Stalking Horse Transaction**"), is deemed to be a Qualified Bid, provided that, for greater certainty, no Deposit shall be required to be submitted in connection with the Stalking Horse Transaction.
 10. If one or more Qualified Bids (other than the Stalking Horse Transaction) has been received by the COPL Entities on or before the Qualified Bid Deadline, the COPL Entities shall proceed with an auction process to determine the successful bid(s) (the "**Auction**"), which Auction shall be administered in accordance with Schedule "A" hereto. The successful bid(s) selected within the Auction shall constitute the "**Successful Bid**". Forthwith upon determining to proceed with an Auction, the COPL Entities shall provide written notice to each party that submitted a Qualified Bid (including the Stalking Horse Transaction), along with copies of all Qualified Bids and a statement by the COPL Entities specifying which Qualified Bid is the leading bid.
 11. If, by the LOI Deadline no LOI has been received, then the SISP shall be deemed to be terminated and the Stalking Horse Transaction shall be the Successful Bid and shall be consummated in accordance with and subject to the terms of the Support Agreement and the Stalking Horse Purchase Agreement. If no Qualified Bid (other than the Stalking Horse Transaction) has been received by the COPL Entities on or before the Qualified Bid Deadline, then the Stalking Horse Transaction shall be the Successful Bid and shall be consummated in accordance with and subject to the terms of the Support Agreement and the Stalking Horse Purchase Agreement.

12. Following selection of a Successful Bid, the COPL Entities, with the assistance of its advisors, shall seek to finalize any remaining necessary definitive agreement(s) with respect to the Successful Bid in accordance with the key milestones set out in Section 6. Once the necessary definitive agreement(s) with respect to a Successful Bid have been finalized, as determined by the COPL Entities, in consultation with the Monitor, the COPL Entities shall apply to the Court for an order or orders approving such Successful Bid and/or the mechanics to authorize the COPL Entities to complete the transactions contemplated thereby, as applicable, and authorizing the COPL Entities to (i) enter into any and all necessary agreements and related documentation with respect to the Successful Bid, (ii) undertake such other actions as may be necessary to give effect to such Successful Bid, and (iii) implement the transaction(s) contemplated in such Successful Bid (each, an **“Implementation Order”**).
13. All Deposits shall be retained by the Monitor in a non-interest bearing trust account. If a Successful Bid is selected and an Implementation Order authorizing the consummation of the transaction contemplated thereunder is granted, any Deposit paid in connection with such Successful Bid will be non-refundable and shall, upon closing of the transaction contemplated by such Successful Bid, be applied to the cash consideration to be paid in connection with such Successful Bid or be dealt with as otherwise set out in the definitive agreement(s) entered into in connection with such Successful Bid. Any Deposit delivered with a Qualified Bid that is not selected as a Successful Bid, will be returned to the applicable bidder as soon as reasonably practicable (but not later than ten (10) business days) after the date upon which the Successful Bid is approved pursuant to an Implementation Order or such earlier date as may be determined by the COPL Entities, in consultation with the Monitor.
14. The COPL Entities shall provide the Consenting Lenders with such information relating to the SISP as is required under the Support Agreement.
15. Any amendments to this SISP may only be made by: (a) the COPL Entities with the written consent of the Monitor and after consultation with the Consenting Lenders, provided that the COPL Entities shall not amend Subsections 7(a), (b), (d), (e), (f), (g), (i) or (l) or Section 13 without the prior written consent of the Stalking Horse Bidder and the Consenting Lenders.

SCHEDULE “A”: AUCTION PROCEDURES

1. **Auction.** If the COPL Entities receive at least one Qualified Bid (other than the Stalking Horse Transaction), the Monitor will conduct and administer the Auction in accordance with the terms of the SISP. Instructions to participate in the Auction, which will take place via video conferencing, will be provided to Qualified Parties (as defined below) not less than 24 hours prior to the Auction.

2. **Participation.** Only parties that provided a Qualified Bid by the Qualified Bid Deadline, including the Stalking Horse Transaction (collectively, the “**Qualified Parties**”), shall be eligible to participate in the Auction. No later than 5:00 p.m. Mountain Time on the day prior to the Auction, each Qualified Party (other than the Stalking Horse Bidder) must inform the Monitor and the COPL Entities whether it intends to participate in the Auction. The Monitor will promptly thereafter inform in writing each Qualified Party who has expressed its intent to participate in the Auction of the identity of all other Qualified Parties that have indicated their intent to participate in the Auction. If no Qualified Party provides such expression of intent, the Stalking Horse Transaction shall be the Successful Bid.

3. **Auction Procedures.** The Auction shall be governed by the following procedures:

- a. **Attendance.** Only the COPL Entities, the Qualified Parties, the Monitor and each of their respective advisors will be entitled to attend the Auction, and only the Qualified Parties will be entitled to make any subsequent Overbids (as defined below) at the Auction;
- b. **Minimum Overbid.** The Auction shall begin with the Qualified Bid that represents the highest or otherwise best Qualified Bid as determined by the COPL Entities, in consultation with the Monitor (the “**Initial Bid**”), and any bid made at the Auction by a Qualified Party subsequent to the COPL Entities’ announcement of the Initial Bid (each, an “**Overbid**”), must proceed in minimum additional cash increments of \$250,000;
- c. **Bidding Disclosure.** The Auction shall be conducted such that all bids will be made and received in one group video-conference, on an open basis, and all Qualified Parties will be entitled to be present for all bidding with the understanding that the true identity of each Qualified Party will be fully disclosed to all other Qualified Parties and that all material terms of each subsequent bid will be fully disclosed to all other Qualified Parties throughout the entire Auction; provided, however, that the Monitor, in its discretion, may establish separate video conference rooms to permit interim discussions between the COPL Entities and individual Qualified Parties with the understanding that all formal bids will be delivered in one group video conference, on an open basis;
- d. **Bidding Conclusion.** The Auction shall continue in one or more rounds and will conclude after each participating Qualified Party has had the

opportunity to submit one or more additional bids with full knowledge and written confirmation of the then-existing highest bid(s); and

- e. **No Post-Auction Bids.** No bids will be considered for any purpose after the Auction has concluded.
- f. **Auction Cancellation/Postponement.** The COPL Entities, in consultation with the Consenting Lenders, and with the approval of with the Monitor, reserve the right to cancel or postpone the Auction.
- g. **Additional Rules.** Except as otherwise set forth herein, the COPL Entities may establish additional rules for conducting the Auction, provided that such rules are: (a) disclosed to each participating Qualified Party; (b) designed, in the COPL Entities' business judgment, to result in the highest and otherwise best offer; (c) approved by the Monitor; and (d) not contrary to any material term set out herein.

4. **Selection.** Before the conclusion of the Auction, the COPL Entities, in consultation with the Monitor, will: (a) review each Qualified Bid, considering the factors set out in Section 7 of the SISF and, among other things, (i) the amount of consideration being offered and, if applicable, the proposed form, composition and allocation of same, (ii) the value of any assumption of liabilities or waiver of liabilities not otherwise accounted for in prong (i) above; (iii) the likelihood of the Qualified Party's ability to close a transaction within thirty (30) days after completion of the Auction and the timing thereof (including factors such as the transaction structure and execution risk, including conditions to, timing of, and certainty of closing; termination provisions; availability of financing and financial wherewithal to meet all commitments; and required governmental or other approvals), (iv) the likelihood of the Court's approval of the Successful Bid, and (v) any other factors the COPL Entities may, consistent with its fiduciary duties, reasonably deem relevant; and (b) identify the highest or otherwise best bid received at the Auction (the "**Successful Bid**" and the Qualified Party making such bid, the "**Successful Party**").

5. **Acknowledgement.** The Successful Party shall complete and execute all agreements, contracts, instruments or other documents evidencing and containing the terms and conditions upon which the Successful Bid was made within one business day of the Successful Bid being selected as such, unless extended by the COPL Entities, after consultation with the Monitor, subject to the milestones set forth in Section 6 of the SISF.