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

IN RE:	§	
	§	
RAAM GLOBAL ENERGY COMPANY, ***et al.***	§	**CASE NO. 15-35615**
	§	
	§	**(Chapter 11)**
	§	**(Joint Administration Requested)**
DEBTORS.	§	**(Emergency Hearing Requested)**

EMERGENCY MOTION FOR INTERIM AND FINAL ORDERS PROVIDING ADEQUATE ASSURANCE OF UTILITY PAYMENTS

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.

EMERGENCY RELIEF HAS BEEN REQUESTED. IF THE COURT CONSIDERS THE MOTION ON AN EMERGENCY BASIS, THEN YOU WILL HAVE LESS THAN 21 DAYS TO ANSWER. IF YOU OBJECT TO THE REQUESTED RELIEF OR IF YOU BELIEVE THAT THE EMERGENCY CONSIDERATION IS NOT WARRANTED, YOU SHOULD FILE AN IMMEDIATE RESPONSE.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

The above-captioned debtors and debtors in possession (collectively, the "Debtors")[1] file this *Emergency Motion for Interim and Final Orders Providing Adequate Assurance of Utility Payments* (the "Motion") and in support thereof respectfully state as follows:

JURISDICTION AND PROCEDURAL BACKGROUND

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This Motion is a core proceeding pursuant to 28 U.S.C. § 157(b).

2. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

3. On October 26, 2015 (the "Petition Date"), the Debtors each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"), thereby commencing the above-captioned bankruptcy cases (the "Cases").

4. Since the Petition Date, the Debtors have continued to operate and manage their businesses as debtors in possession pursuant to Bankruptcy Code §§ 1107(a) and 1108.

5. As of the date hereof, an official committee of unsecured creditors has not been appointed in the Cases.

EMERGENCY CONSIDERATION

6. The Debtors request emergency consideration of this Motion. The Debtors believe an immediate and orderly transition into chapter 11 is critical to the viability of their operations. As discussed in detail below, any delay in granting the relief requested could hinder the Debtors' operations and cause irreparable harm. As such, the Debtors believe that emergency consideration is necessary and request that this Motion be heard at the Debtors' First Day Hearings.

[1] The Debtors are RAAM Global Energy Company [2973], Century Exploration New Orleans, LLC [4948], Century Exploration Houston, LLC [9624], and Century Exploration Resources, LLC [7252].

STATEMENT OF FACTS

A. Business Overview

7. RAAM Global Energy Company ("RAAM") is an independent oil and natural gas exploration and production company engaged in the exploration, development, production, exploitation, and acquisition of oil and natural gas properties. The other Debtors are wholly-owned subsidiaries of RAAM, and RAAM provides administrative, technical, financial, and strategic planning support to their subsidiaries.

8. The Debtors' producing assets are located offshore in the Gulf of Mexico and onshore in Louisiana, Texas, Oklahoma, and California, and the Debtors maintain offices in Lexington, Kentucky and New Orleans, Louisiana. The Debtors own an office building in Houston, Texas. As of September 30, 2015, the Debtors had estimated total proved oil and natural gas reserves of 8,570 MMBoe (26% oil). For the six months ended June 30, 2015, the Debtors' net daily production averaged 7,116 barrels of oil equivalent per day (BOEPD), which generated revenue of approximately $33.4 million.

9. The Debtors have traditionally focused on acquiring assets in and around the United States Gulf Coast. Over the last decade the Debtors have worked to diversify their asset base through the acquisition and development of both conventional onshore assets and long-lived unconventional resource plays that are capable of supporting sustainable growth. The Debtors' projects during 2014 and the first half of 2015 were focused on three main areas: shallow waters offshore, onshore conventional assets in Texas, and conventional and unconventional assets in California and the Mid-Continent area. In recent years, the Debtors have invested close to $100 million on large 3-D seismic surveys in the Gulf of Mexico and onshore in Louisiana and Texas

in order to enhance their prospect generation capabilities, and the Debtors have invested over $1.5 billion in developing oil and gas assets since their inception.

10. The Debtors' current drilling program focuses on their core area in Breton Sound located offshore in State of Louisiana waters. This has historically been a very successful field for the Debtors, and the Debtors recently completed a successful well that is currently in production. The Debtors presently have an ongoing development portfolio of prospects that it desires to drill.

11. Additional information concerning the Debtors and their financial condition and results of operations, on a consolidated basis, can be found in RAAM's annual, quarterly, and current reports filed with the Securities and Exchange Commission ("SEC") through May 5, 2015, which can be accessed at www.sec.gov and at RAAM's website, http://www.raamglobal.com/.[2]

B. Common Stock

12. RAAM is a privately held company, and as of September 30, 2015, RAAM had 61,433 outstanding shares of common stock. Howard Settle, RAAM's Chairman, and former Chief Executive Officer and President, holds approximately 48% of RAAM's outstanding common stock. As of that date, RAAM's directors and executive officers as a group (eight persons that include Mr. Settle) held approximately 66% of RAAM's common stock.

C. Secured Debt

13. On September 12, 2014, Century Exploration New Orleans, LLC, Century Exploration Houston, LLC, and Century Exploration Resources, LLC entered into a Fifth Amended and Restated Credit Agreement with Wilmington Trust, National Association, as

[2] On May 5, 2015, RAAM filed Form 15 with the SEC to notify the Commission of its desire to terminate the filing of registration statements and related reports required under the Securities Exchange Act of 1934. Prior to that time, RAAM was a voluntary filer with the SEC.

administrative agent and the lenders party thereto (the "Fifth Amended and Restated Credit Agreement"), and RAAM entered into the Fourth Amended and Restated Guaranty in connection therewith. The Fifth Amended and Restated Credit Agreement provides the Debtors with an $85.0 million term loan facility (the "Term Loan Facility") that is secured by a first lien on substantially all of the Debtors' real and personal property (with certain exceptions). As of September 30, 2015, approximately $63.8 million was outstanding under the Term Loan Facility.

14. On September 24, 2010, RAAM completed an offering of $150.0 million senior secured notes at a coupon rate of 12.5% (the "Original Notes"). On July 15, 2011, RAAM completed the issuance and sale of $50.0 million aggregate principal amount of additional 12.5% Senior Notes (the "Additional Notes"). The Additional Notes have identical terms, other than the issue date and issue price, and constitute part of the same series as the Original Notes.

15. On April 11, 2013, RAAM successfully completed the issuance and sale of $50.0 million aggregate principal amount of additional 12.5% senior secured notes due 2015 (the "New Additional Notes," and together with the Original and Additional Notes, the "Notes"). The New Additional Notes are additional notes issued pursuant to the indenture dated as of September 24, 2010 (the "Base Indenture"), pursuant to which RAAM issued the Original and Additional Notes, as supplemented by the First Supplemental Indenture dated as of July 15, 2011 (the "First Supplemental Indenture"), the Second Supplemental Indenture dated as of April 11, 2013 (the "Second Supplemental Indenture"), and the Third Supplemental Indenture dated as of April 11, 2013 (the "Third Supplemental Indenture," and together with the Base Indenture, First Supplemental Indenture and the Second Supplemental Indenture, the "Indenture"). The New Additional Notes have identical terms, other than the issue date and issue price, and constitute

part of the same series as the Original and Additional Notes. As of September 30, 2015, a total of $238.0 million notional amount of the Notes was outstanding.

16. The Notes are guaranteed on a senior secured basis by Century Exploration New Orleans, LLC, Century Exploration Houston, LLC, and Century Exploration Resources, LLC. The Notes and the guarantees are secured by a security interest in substantially all of the Debtors' assets to the extent they constitute collateral under the Term Loan Facility, subject to certain exceptions. Pursuant to an Intercreditor Agreement, the lien securing the Notes is subordinated and junior to liens securing the Term Loan Facility.

17. The Debtors did not make the scheduled interest payment to the holders of the Notes that was due on April 1, 2015 which was a default under the Indenture. This non-payment also constituted a default under the Fifth Amended and Restated Credit Agreement. Total unpaid and accrued interest at July 31, 2015 was $25.4 million.

18. On April 30, 2015, the Debtors entered into the *Forbearance Agreement to 12.50% Senior Secured Notes Indenture* with holders of approximately 94% of the face value of the Notes and the *Forbearance Agreement and Second Amendment to the Fifth Amended and Restated Credit Agreement* with Wilmington Trust, National Association, as administrative agent, and the lenders under the Term Loan Facility (collectively, and as amended, the "Forbearance Agreements"). The Forbearance Agreements expired on September 14, 2015.

D. Other Significant Obligations

19. The Debtors have a promissory note dated August 8, 2005 with GE Commercial Finance Business Property Corporation ("GECF") related to the construction of their Houston office building. On October 1, 2012, EverBank purchased GECF and is now known as Business Property Lending, Inc. The balance owed to EverBank was $2.3 million at September 30, 2015.

The note requires monthly installments of principal and interest in the amount of approximately $27,000 until September 1, 2025.

20. Century Exploration New Orleans, LLC and the Bureau of Ocean Energy Management ("BOEM") entered into various leasing agreements for specific exploration and production activity. Century Exploration New Orleans, LLC is required to obtain one or more surety bonds in order to secure Century Exploration New Orleans, LLC's performance under the obligations relating to such leasing agreements. Ace American Insurance Company ("ACE") agreed to issue certain of such bonds in the estimated aggregate amount of $39,630,000 in favor of BOEM and as required by BOEM under the leasing agreements. In connection with its issuance of such bonds, ACE and Century Exploration New Orleans, LLC entered into the Funds Disbursing Agreement dated October 23, 2014, and a related Escrow Agreement with Bank of America as escrow agent (collectively, the "ACE Bonding Agreement"), that requires Century Exploration New Orleans, LLC to provide funds for the escrow as security for ACE. The ACE Bonding Agreement contemplates the Debtors funding $750,000 per month until March 31, 2017 into an escrow account for the benefit of ACE, and the balance of such escrow account is approximately $9.9 million as of September 30, 2015. As of the Petition Date, the Debtors believe they are fully in compliance with the applicable regulatory requirements.

21. In the ordinary course of business, the Debtors utilize an assortment of vendors, including drilling contractors, labor and repair contractors, parts and equipment suppliers, pipeline companies, heavy machinery and equipment lessors, hydrocarbon transporters, laborers, professionals, and employee benefits providers. As of the Petition Date, unsecured trade and vendor claims aggregate approximately $3.3 million for all of the Debtors, which amount excludes deficiency claims for any secured creditors, if any.

E. Events Leading to Chapter 11

22. A confluence of factors in 2014 and 2015 led to the Debtors' need to pursue a financial restructuring.

23. First, there has been a historic decline in the prices of crude oil and natural gas since the summer of 2014. These declines have adversely affected the Debtors' revenues and cash flows from operations. The Debtors' realized pricing is primarily driven by market prices for crude oil and natural gas. The Debtors historically engaged in derivative activities that primarily included the use of floors, costless collars, and futures transactions in order to minimize the downside risk from adverse price movements but allow for the realization of upside profits if available. The Debtors' derivative counterparties were limited to their secured lenders, which helped to minimize any potential non-performance risk. On April 20, 2015, the Company liquidated its hedge positions for $10.8 million and used those funds to reduce the outstanding amount owed under the Term Loan Facility.

24. Second, although the Debtors have actively worked with investment banking advisors to refinance the Notes, due to the current economic environment the Debtors have been unable to raise cash or identify capital resources from other sources such as bank funding, private investment, or the public debt and equity markets.

25. Third, during September 2013, the Debtors determined that they could not meet the financial certifications required to obtain permits to develop its offshore Ewing Banks 920 (EB 920) Project in the Gulf of Mexico, due in large part to the substantially increased Worst Case Discharge assumptions imposed by BOEM. As a result, the proved undeveloped reserves associated with the EB 920 Project no longer met the requirements of reasonable certainty to remain booked as proved reserves at the end of the third quarter of 2013 which adversely

impacted the Debtors' reserves and impacted the Debtors' ability to refinance the Notes. This resulted in a write-off of 8.4 million barrels of oil and largely contributed to a ceiling test write-down of $277 million and an after-tax loss of $186 million for the nine months ended September 30, 2013.

26. Fourth, in May of 2013, the Flipper Field in Texas suffered a catastrophic collapse. In December 2012, this field was producing 1,960 BOEPD and in May 2013, after all four wells were severely damaged, the Field was producing 166 BOEPD – a loss of 1,794 BOEPD. Furthermore, the Company was forced to direct much of its technical efforts and drilling capital in 2013 and 2014 to drilling new wells to reestablish production, hold the leases, and maintain the reserves.

27. The combination of these factors has impaired the Debtors' liquidity and compelled the Debtors to seek a restructuring of their liabilities in order to maximize the value of their assets for the benefit of their creditors and other constituencies.

28. The Debtors previously sought to restructure their liabilities pursuant to an exchange offer and consent solicitation that was initiated on June 4, 2015 (the "Exchange Offer"). The Exchange Offer contemplated, among other terms, that if holders of all Notes tendered their Notes in the Exchange Offer, such holders of Notes would receive their pro rata share of $50,000,000 in the aggregate principal amount of new notes maturing on June 30, 2019 and an aggregate amount of 1.17 million shares of RAAM's common stock, which would represent 95% of the outstanding shares of RAAM's common stock following the Exchange Offer, subject to dilution pursuant to the exercise of certain warrants. The closing of the Exchange Offer was conditioned, among other things, on at least 99% of the aggregate principal

amount of outstanding Notes having been validly tendered and not validly withdrawn in the Exchange Offer (the "Minimum Tender Condition").

29. The Exchange Offer terminated on August 20, 2015. Holders of approximately 94.77% of the principal amount of outstanding Notes tendered their Notes to be exchanged; however, this was insufficient to meet the Minimum Tender Condition.

30. The combination of the factors noted above and the failure of a sufficient number of holders of Notes to tender their Notes in the Exchange Offer to meet the Minimum Tender Condition compelled the Debtors to negotiate with their creditors regarding chapter 11 proceedings in order to address liquidity concerns and maximize the value of their assets for the benefit of their creditors and other constituencies.

31. For the last several months, the Debtors and their investment bankers have undertaken a thorough marketing process seeking third party stalking horse bidders. The Debtors were at one point close to finalizing a purchase agreement with a stalking horse bidder for a portion of its assets, but the potential agreement fell through due to market conditions. While there remains interest in the Debtors' assets by third parties, the Debtors have been unable to secure an acceptable third party stalking horse bid at this time after a significant marketing process.

32. The Debtors are presently negotiating a credit bid stalking horse purchase agreement with the holders of approximately 99% of the outstanding debt under the Term Loan Facility, and the Debtors are seeking to present a credit bid stalking horse purchase agreement and bid procedures to the Court before November 6, 2015. Such credit bid stalking horse purchase agreement and bid procedures will create a defined sale process, and the Debtors hope that interested parties will bid on its assets in such process to maximize the value of their estates.

RELIEF REQUESTED[3]

33. By this Motion, the Debtors seek entry of an interim order (the "Interim Order") and a final order: (a) prohibiting utility companies (each, a "Utility" and collectively, the "Utilities") from altering, refusing, or discontinuing services to the Debtors on account of pre-petition invoices pending entry of a final order granting the relief requested herein or the Interim Order becoming a final order (the "Final Order"); (b) authorizing and approving the amount and method by which the Debtors may furnish certain utilities with adequate assurance of payment for post-petition utility services and directing the utilities to continue providing such services pending entry of the Final Order; and (c) scheduling a final hearing on this Motion within 25 days of the Petition Date (the "Final Hearing"). The Debtors additionally seek entry of any other order(s) necessary under the procedures in this Motion to grant the relief requested herein.

A. Utility Services

34. Numerous Utilities provide the Debtors with traditional utility services, such as telephone and communications, information technology, electricity, water, sewer, gas, and other similar services that are necessary for the continued operation of the Debtors' day-to-day affairs. A list of all identified Utilities (the "Utility Service List") and proposed Adequate Assurance Deposits (defined below) is attached hereto as **Exhibit A**.[4] In some instances, the Debtors have paid a security deposit to certain Utilities. The Debtors have made a good-faith effort to identify all Utilities and list them on the Utility Service List.

[3] Nothing herein shall be deemed an assumption of any executory contract that could bind the Debtors in the future.

[4] Inclusion of any entity on, or the exclusion of any entity from, the Utility Service List is not an admission by the Debtors that such entity is or is not a "utility" within the meaning of Bankruptcy Code § 366, and the Debtors reserve the right to contend that any entity listed on **Exhibit A** is not a utility. The Debtors request that this Motion apply to all Utilities regardless of whether they are currently identified on the Utility Service List. The Debtors have proposed a procedure herein for supplementing the Utility Service List.

35. Uninterrupted utility service is critical to the Debtors' ability to operate and maintain the value of their businesses and to maximize value for the benefit of their creditors. The Debtors could not operate their businesses without utility service. Should any Utility refuse or discontinue service, the Debtors would be forced to cease or limit operations. Such a cessation would substantially disrupt the Debtors' operations and result in revenue loss, which could irreparably harm and jeopardize the Debtors' operations and strategic objectives.

B. The Adequate Assurance Deposits

36. Bankruptcy Code § 366(b) provides that a utility may alter, refuse, or discontinue a chapter 11 debtor's utility service if the utility does not receive from the debtor adequate "assurance of payment" within 30 days from the petition date. 11 U.S.C. § 366. Bankruptcy Code § 366(c)(l)(A) defines the phrase "adequate assurance of payment" to mean, *inter alia*, a cash deposit. 11 U.S.C. § 366(c)(1)(A). Accordingly, the Debtors propose to provide a cash deposit to each requesting Utility in an amount equal to one-half of the average one month's worth of utility service as calculated by the Debtors according to the last historical 12-month period (each, an "Adequate Assurance Deposit");[5] provided, however, that: (a) such a request is made in writing no later than 30 days after the Petition Date (the "Request Deadline"); (b) such requesting Utility does not already hold a deposit equal to or greater than the Adequate Assurance Deposit (which existing deposit shall be deemed to be the Adequate Assurance Deposit for purposes of this Motion); and (c) such requesting Utility is not currently paid in advance for its services.

37. As a condition of requesting and accepting an Adequate Assurance Deposit, and absent compliance with the Adequate Assurance Procedures (defined below), the requesting

[5] As set forth on **Exhibit A**, the proposed Adequate Assurance Deposits total $16,136.78.

Utility shall be deemed to have: (a) stipulated that the Adequate Assurance Deposit constitutes adequate assurance of payment for such Utility within the meaning of Bankruptcy Code § 366; and (b) waived any right to seek additional or different adequate assurance during the course of the Cases. Likewise, any Utility that does not request an Adequate Assurance Deposit by the Request Deadline and does not file a Procedures Objection (defined below) to opt-out of the Adequate Assurance Procedures (defined below) shall be deemed to have adequate assurance that is satisfactory to such Utility within the meaning of Bankruptcy Code § 366. The Debtors further request that, to the extent not already returned or applied, any Adequate Assurance Deposit requested by and provided to any Utility be returned to the Debtors at the conclusion of the Cases.

38. The Debtors submit that the availability of the Adequate Assurance Deposit (if timely requested), together with their demonstrated ability to pay future utility service in the ordinary course of business (collectively, the "Proposed Adequate Assurance"), constitutes sufficient adequate assurance of future payment to satisfy the requirements imposed by Bankruptcy Code § 366. Notwithstanding the foregoing, if any Utility believes additional assurance is required, it may request such assurance under the proposed procedures outlined below.

C. The Adequate Assurance Procedures

39. To address the right of any requesting Utility under Bankruptcy Code § 366(c)(2) to seek adequate assurance in an amount above the proposed Adequate Assurance Deposit, the Debtors propose the following procedures (the "Adequate Assurance Procedures") be adopted:

(a) Within two business days after entry of the Interim Order, the Debtors shall mail a copy of the Interim Order to the Utilities on the Utility Service List.

(b) If a Utility is not satisfied with the Proposed Adequate Assurance and seeks additional assurances of payment in the form of deposits, pre-payments, or otherwise, such Utility must serve a request (an "Additional Assurance Request") upon the Debtors and their counsel at the following address:

VINSON & ELKINS LLP
Attn: Harry Perrin
First City Tower
1001 Fannin Street, Suite 2500
Houston, Texas 77002-6760
Fax: 713.758.2346
E-mail: hperrin@velaw.com

(c) Any Additional Assurance Request must: (i) be made in writing; (ii) set forth the location(s) for which utility services are provided and the relevant account number(s); (iii) describe any deposits, pre-payments, or other security currently held by the requesting Utility; (iv) explain why the requesting Utility believes the Proposed Adequate Assurance is insufficient adequate assurance of future payment; and (v) identify, and explain the basis of, the Utility's proposed adequate assurance requirement under Bankruptcy Code § 366(c)(2).

(d) Upon the Debtors' timely receipt of an Additional Assurance Request at the address noted above, the Debtors shall have the greater of either (i) 14 days from the receipt of such Additional Assurance Request or (ii) 30 days from the Petition Date (collectively, the "Resolution Period") to negotiate with the requesting Utility to resolve its Additional Assurance Request. The Resolution Period may be extended by written agreement between the Debtor and the requesting Utility.

(e) The Debtors may resolve any Additional Assurance Request by mutual agreement with the requesting Utility and without further order of the Court and may, in connection with any such resolution, provide the requesting Utility with additional adequate assurance of future payment in a form satisfactory to the Utility, including, without limitation, cash deposits, pre-payments, or other forms of security, if the Debtors believe such additional assurance is reasonable.

(f) If the Debtors determine that an Additional Assurance Request is not reasonable, and are unable to resolve such request during the Resolution Period, the Debtors will request, during or immediately after the Resolution Period, a hearing before this Court to determine the adequacy of assurances of payment made to the requesting Utility (the "Determination Hearing"), pursuant to Bankruptcy Code § 366(c)(3)(A).

(g) Pending the resolution of the Additional Assurance Request at a Determination Hearing, the requesting Utility shall be restrained from discontinuing, altering, or refusing service to the Debtors on account of unpaid charges for pre-petition services or on account of any objections to the Proposed Adequate Assurance.

(h) Other than through the Opt-Out Procedures (defined below), any Utility that does not comply with the Adequate Assurance Procedures is deemed to find the Proposed Adequate Assurance satisfactory to it and is forbidden from discontinuing, altering, or refusing service on account of any unpaid pre-petition charges, or requiring additional assurance of payment (other than the Proposed Adequate Assurance). The Interim Order shall be deemed the Final Order vis-a-vis all Utilities that do not timely file and serve a Procedures Objection (defined below).

D. The Opt-Out Procedures

40. As noted above, Bankruptcy Code § 366(c) requires the Debtors to, within 30 days of the Petition Date, provide their Utilities with "adequate assurance of payment for utility service that is satisfactory to the utility." 11 U.S.C. § 366(c)(2). Thereafter, any such adequate assurance provided by the Debtors may be modified by the Court after notice and a hearing under Bankruptcy Code § 366(c)(3)(A). 11 U.S.C. § 366(c)(3)(A). Under the proposed Adequate Assurance Procedures, however, the Debtors may seek a determination of appropriate adequate assurance at a Determination Hearing held after the first 30 days of the Cases without providing interim assurances deemed "satisfactory" to the Utility. Although the Adequate Assurance Procedures are reasonable, certain Utilities might assert that, if an adequate assurance dispute is not resolved within the 30-day period immediately after the Petition Date, these procedures as implemented do not strictly comply with Bankruptcy Code § 366. Thus, if any Utility wants to opt-out of the Adequate Assurance Procedures, the Debtors submit that this Court schedule a hearing and issue a ruling on the amount of adequate assurance to be provided such Utility within 30 days after the Petition Date. In particular, to avoid any argument that the Debtors have not fully complied with Bankruptcy Code § 366, the Debtors propose the following procedures (the "Opt-Out Procedures"):

(a) A Utility that wishes to opt-out of the Adequate Assurance Procedures must file an objection (the "Procedures Objection") with the Court and serve the

Procedures Objection so that it is actually received within 15 days after entry of the Interim Order by the Debtors and their counsel at the following address:

VINSON & ELKINS LLP
Attn: Harry Perrin
First City Tower
1001 Fannin Street, Suite 2500
Houston, Texas 77002-6760
Fax: 713.758.2346
E-mail: hperrin@velaw.com

(b) Any Procedures Objection must: (i) be made in writing; (ii) set forth the location(s) for which utility services are provided and the relevant account number(s); (iii) describe any deposits, pre-payments, or other security currently held by the objecting Utility; (iv) explain why the objecting Utility believes the Proposed Adequate Assurance is insufficient adequate assurance of future payment; and (v) identify, and explain the basis of, the Utility's proposed adequate assurance requirement under Bankruptcy Code § 366(c)(2).

(c) The Debtors may resolve any Procedures Objection by mutual agreement with the objecting Utility and without further Order of the Court, and may, in connection with any such resolution and in their discretion, provide a Utility with additional adequate assurance of future payment, including, without limitation, cash deposits, pre-payments, or other forms of security, if the Debtors believe such additional assurance is reasonable.

(d) If the Debtors determine that a Procedures Objection is not reasonable and are unable to reach a prompt alternative resolution with the objecting Utility, the Procedures Objection will be heard at the Final Hearing.

(e) All Utilities that do not timely file a Procedures Objection are deemed to consent to the Adequate Assurance Procedures and shall be bound by the Adequate Assurance Procedures. The sole recourse of all Utilities that do not timely file a Procedures Objection shall be to submit an Additional Assurance Request pursuant to the Adequate Assurance Procedures, and such Utilities shall be prohibited from discontinuing, altering, or refusing service to the Debtors, including on account of unpaid charges for pre-petition services, pending any Determination Hearing that may be conducted pursuant to the Adequate Assurance Procedures.

E. Final Hearing Date

41. To resolve any Procedures Objections within 30 days of the Petition Date, the Debtors request that the Court schedule the Final Hearing on any unresolved Procedures Objections approximately 25 days after the Petition Date.

F. Subsequent Modification(s) to the Utility Service List

42. Despite good-faith efforts by the Debtors to list every Utility from which the Debtors receive service, certain Utilities may not be included on the Utility Service List. If the Debtors discover those certain Utilities, the Debtors will amend the Utility Service List and will serve copies of the Interim Order and Final Order (when and if entered) on such newly identified Utilities.

43. The Debtors request that the Interim and Final Orders be binding on all Utilities, regardless of when any such Utility was added to the Utility Service List, provided that any such newly identified Utility shall have until the later of 14 days from the date of service and 30 days from the date of the Interim Order granting this Motion to serve an Additional Assurance Request in compliance with the Adequate Assurance Procedures herein. The Debtors shall have the periods specified in the Adequate Assurance Procedures to seek to resolve any such request by mutual agreement with the Utility without further Order of the Court or to request a Determination Hearing with the Court to determine the adequacy of assurance of payment with respect to such Utility in accordance with such procedures.

44. The Debtors submit that the Proposed Adequate Assurance, Adequate Assurance Procedures, and Opt-Out Procedures are reasonable and satisfy the requirements of Bankruptcy Code § 366. Based on the foregoing, the Debtors submit that the relief requested herein is necessary and appropriate, is in the best interests of the Debtors' estates and creditors, and should be granted in all respects.

REQUEST FOR INTERIM AND FINAL RELIEF

45. Because uninterrupted utility service is critical to the Debtors' ability to operate and maintain the value of their businesses, the Debtors request that this Court grant the relief requested herein immediately on an interim basis for every Utility and on a final basis to every Utility that does not file a Procedures Objection. Unless otherwise addressed, all Procedures Objections will be resolved by separate Order of this Court.

NOTICE

46. Notice of this Motion has been provided by e-mail, facsimile, or overnight delivery to: (a) the Office of the United States Trustee for the Southern District of Texas; (b) the Debtors; (c) counsel to the Debtors; (d) counsel to the lenders under the Term Loan Facility; (e) counsel to ACE; (f) counsel to certain holders of the Notes; (g) counsel to the administrative agent under the Term Loan Facility; (h) counsel to the indenture trustee and collateral agent under the Notes; (i) the Debtors' 50 largest unsecured creditors (on a consolidated basis); (j) those persons who have formally appeared in the Cases and requested service pursuant to Bankruptcy Rule 2002; (k) the Utilities; (l) the Securities and Exchange Commission; (m) the Internal Revenue Service; and (n) all other applicable government agencies to the extent required by the Bankruptcy Rules and the Bankruptcy Local Rules.

PRAYER

The Debtors respectfully request that this Court enter an Order granting the relief requested herein and such other and further relief to which they may be justly entitled.

Dated: October 26, 2015

Respectfully submitted,

VINSON & ELKINS LLP

By: */s/ Bradley R. Foxman*

Harry A. Perrin, SBT # 1579800
John E. West, SBT # 21202500
Reese A. O'Connor, SBT # 24092910
First City Tower
1001 Fannin Street, Suite 2500
Houston, TX 77002-6760
Tel: 713.758.2222
Fax: 713.758.2346
hperrin@velaw.com; jwest@velaw.com
roconnor@velaw.com

and

William L. Wallander, SBT # 20780750
Bradley R. Foxman, SBT # 24065243
Trammell Crow Center
2001 Ross Avenue, Suite 3700
Dallas, Texas 75201
Tel: 214.220.7700
Fax: 214.999.7787
bwallander@velaw.com; bfoxman@velaw.com

PROPOSED ATTORNEYS FOR THE DEBTORS

CERTIFICATE OF SERVICE

I certify that on October 26, 2015, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Bradley R. Foxman
One of Counsel