



ENTERED  
12/02/2015

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

IN RE:

RAAM GLOBAL ENERGY COMPANY,  
*et al.*

DEBTORS.

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CASE NO. 15-35615

(Chapter 11)

Jointly Administered

**ORDER AUTHORIZING AND APPROVING (A) STALKING HORSE  
PURCHASE AGREEMENT, (B) BIDDING PROCEDURES, (C) PROCEDURES  
FOR DETERMINING CURE AMOUNTS FOR EXECUTORY CONTRACTS  
AND UNEXPIRED LEASES, AND (D) RELATED RELIEF**

At a hearing on December 2, 2015 (the “Bid Procedures Hearing”), this Court considered the *Motion to Authorize and Approve (a) Stalking Horse Purchase Agreement, (b) Sale of Substantially All Assets Free and Clear of Claims, Liens, Encumbrances and Other Interests, (c) Assumption and Assignment of Executory Contracts and Unexpired Leases, (d) Bidding Procedures, (e) Procedures for Determining Cure Amounts for Executory Contracts and Unexpired Leases, and (f) Related Relief* [Docket No. 90] (the “Motion”)<sup>1</sup> filed by RAAM Global Energy Company, Century Exploration New Orleans, LLC, Century Exploration Houston, LLC, and Century Exploration Resources, LLC (collectively, the “Debtors”). The Court hereby finds and determines that:

A. It has jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, the consideration of the Motion and the relief requested therein is a core proceeding pursuant to 28 U.S.C. § 157(b), and venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

<sup>1</sup> Capitalized terms that are not defined herein shall have the meanings given to them in the Motion or the Purchase Agreement, as applicable.

B. As reflected in the *Certificate of Service* [Docket No. 97] and the *Certificate of Supplemental Service* [Docket No. 143], the Motion and the notice of the Bid Procedures Hearing has been served on the parties identified on the Master Service List maintained in these Cases (who do not receive electronic notice). Additionally, the Motion and the notice of the Bid Procedures hearing have been served on the Court's electronic filing system on those parties receiving electronic notice by such system (collectively, the "Notice").

C. The Notice is reasonable and sufficient in light of the circumstances and nature of the relief requested in the Motion, and no other or further notice of the Motion or the Bid Procedures Hearing is necessary. A reasonable and fair opportunity to object to the Motion and the relief granted in this Order has been afforded under the circumstances.

D. The legal and factual bases set forth in the Motion establish just cause for the relief granted herein. Granting the relief is in the best interests of the Debtors, their estates and creditors.

E. The Debtors have articulated good and sufficient reasons for this Court to grant the relief requested in the Motion as provided herein. Such good and sufficient reasons were set forth in the Motion and on the record at the Bid Procedures Hearing and are incorporated by reference herein and, among other things, form the basis for the findings of fact and conclusions of law set forth herein.

F. The Debtors have demonstrated a compelling and sound business justification for the relief granted herein.

G. The bid procedures (the "Bid Procedures"), in the form attached hereto as **Exhibit A**, are fair, reasonable and appropriate and are designed to maximize the value of the Debtors' estates.

H. The Asset Purchase Agreement dated as of November 6, 2015 (the “Stalking Horse Purchase Agreement”) was negotiated, proposed and entered into by the Debtors and Highbridge Principal Strategies - Specialty Loan Fund III, L.P., Highbridge Specialty Loan Sector A Investment Fund, L.P., Highbridge Specialty Loan Institutional Holdings Limited, Highbridge Principal Strategies - Specialty Loan Institutional Fund III, L.P., Highbridge Principal Strategies - Specialty Loan VG Fund, L.P., Highbridge Principal Strategies - NDT Senior Loan Fund, L.P., Highbridge Principal Strategies - Jade Real Assets Fund, L.P., Highbridge Aiguilles Rouges Sector a Investment Fund, L.P., Lincoln Investment Solutions, Inc., and American United Life Insurance Company (collectively, the “Stalking Horse Bidder”) without collusion, in good faith and from arms’ length bargaining positions.

I. The Debtors and the Stalking Horse Bidder each negotiated the Bid Procedures and the Stalking Horse Purchase Agreement in good faith and at arm’s length. The process for the Stalking Horse Bidder’s selection was fair and appropriate under the circumstances and is in the best interests of the Debtors’ estates.

J. The Auction, if held, is necessary to determine whether any person other than the Stalking Horse Bidder is willing to enter into a definitive agreement on terms and conditions more favorable to the Debtors than the Stalking Horse Purchase Agreement.

K. The service of the notice of the Bid Procedures and the respective dates, times and places for an auction, if required under the Bid Procedures (the “Transaction Notice”), substantially in the form attached hereto as **Exhibit B**, advising parties of, among other things, (a) the deadline to file objections to the Transaction (or any Alternative Transaction), and (b) the date of the hearing to consider approval of the Transaction (or any Alternative Transaction) (the “Sale Hearing”) are adequate and reasonably calculated to provide due, proper, and timely notice

to all interested parties of (i) the Bid Procedures, (ii) the auction of, and/or transaction involving, the Debtors' assets (the "Auction"), (iii) the deadline to object to the sale and related transactions, (iv) the Sale Hearing in accordance with Bankruptcy Rule 2002 and the applicable provisions of the Bankruptcy Code, and (v) entry of this Order. Except as otherwise set forth herein, no other or further notice is necessary.

L. The service of the notice of the potential assumption and assignment of executory contracts and unexpired leases and rights thereunder (the "Assumption Notice"), substantially in the form attached hereto as Exhibit C, is adequate and reasonably calculated to provide due, proper and timely notice to all counterparties of the potential assumption and assignment of their executory contracts and unexpired leases and rights thereunder and the maximum amount that the Debtors may pay to cure all defaults, if any, and to pay all losses and damages that have resulted from defaults, under executory contracts and unexpired leases that the Debtors proposes to assume and assign (collectively, the "Cure Amounts"). Except as otherwise set forth herein, no other or further notice is necessary.

M. The Expense Reimbursement, as approved by this Order, is fair and reasonable and provides a benefit to the Debtors' estates and creditors.

N. The Debtors have demonstrated a compelling and sound business justification for authorizing the payment of the Expense Reimbursement to the Stalking Horse Bidder under the circumstances, including, without limitation, that:

- i. the Expense Reimbursement is the product of negotiations between the Debtors and the Stalking Horse Bidder conducted in good faith and at arm's length, and the Stalking Horse Purchase Agreement (including the Expense Reimbursement) is the culmination of a process undertaken by the Debtors and their professionals to ensure a transaction with a bidder who was prepared to pay the highest or otherwise best purchase price for the Assets (subject to

- higher or otherwise better bids) in order to maximize the value of the Debtors' estates;
- ii. the Expense Reimbursement is an actual and necessary cost and expense of preserving the Debtors' estates within the meaning of sections 503(b) and 507(a) of the Bankruptcy Code;
  - iii. the Expense Reimbursement is fair, reasonable, and appropriate in light of, among other things, the size and nature of the proposed Sale under the Stalking Horse Purchase Agreement, the substantial efforts that have been and will be expended by the Stalking Horse Bidder, notwithstanding that the proposed Sale is subject to higher or better offers, and the substantial benefits the Stalking Horse Bidder has provided to the Debtors, their estates, their creditors, and all parties in interest, including, among other things, by increasing the likelihood that the best possible price for the Assets will be received;
  - iv. the protection afforded to the Stalking Horse Bidder by way of the Expense Reimbursement was a material inducement for, and express condition of, the Stalking Horse Bidder's willingness to enter into the Stalking Horse Purchase Agreement, and was necessary to ensure that the Stalking Horse Bidder would continue to pursue the proposed acquisition on terms acceptable to the Debtors in their sound business judgment, subject to competitive bidding; and
  - v. the offer of the Expense Reimbursement is intended to promote more competitive bidding by inducing the Stalking Horse Bidder's bid, which (a) will serve as a minimum or floor bid on which all other bidders can rely, (b) may prove to be the highest or otherwise best available offer for the Assets, and (c) increases the likelihood that the final purchase price will reflect the true value of the Assets.

O. The findings of fact and conclusions of law herein constitute the Court's findings of fact and conclusions of law for the purposes of Bankruptcy Rule 7052, made applicable pursuant to Bankruptcy Rule 9014. To the extent any findings of facts are conclusions of law, they are adopted as such. To the extent any conclusions of law are findings of fact, they are adopted as such.

**NOW, THEREFORE, IT IS HEREBY ORDERED THAT:**

1. The Bid Procedures are hereby approved in their entirety in the form attached hereto as **Exhibit A**, and the Debtors are hereby granted the power and authority to take all steps necessary or appropriate to carry out the provisions of this Order and the Bid Procedures. The Bid Procedures are incorporated herein by reference as if fully set forth herein. All actions of the Debtors as authorized herein may be taken by any officer of the Debtors, or any otherwise authorized representative or member of the Board of Directors (as defined in the Bid Procedures). Notwithstanding the foregoing, the consummation of the Transaction or any Alternative Transaction(s) shall remain subject to the entry of an Order approving the sale of the applicable Debtors' assets and related transactions as contemplated in the Motion.

2. The process for submitting Qualified Bids (as defined in the Bid Procedures) is fair, reasonable and appropriate and is designed to maximize recoveries for the benefit of the Debtors' estates, their creditors and other parties in interest. The Debtors may proceed with the Transaction or any Alternative Transaction, as applicable, in accordance with the Bid Procedures. The Debtors are authorized to take any and all actions necessary or appropriate to implement the Bid Procedures. Any disputes as to the selection of a Qualified Bid, Initial Highest Bid (or Initial Highest Bids) and/or Successful Bid (all as defined in the Bid Procedures) shall be resolved by this Court.

3. As described in the Bid Procedures, if the Debtors do not receive any Qualified Bids other than from the Stalking Horse Bidder, the Debtors will not hold the Auction, the Stalking Horse Bidder will be named the Successful Bidder, and the Debtors will seek approval of the Stalking Horse Asset Purchase Agreement at the Sale Hearing. If one or more Qualified



Bids is timely received from a Qualified Bidder (other than the Stalking Horse Bidder) in accordance with the Bid Procedures, then the Debtors shall conduct the Auction as set for herein.

4. Pursuant to sections 105, 363, 364, 503, and 507 of the Bankruptcy Code, the Debtors are hereby authorized, empowered, and directed to pay the Expense Reimbursement to the Stalking Horse Bidder in accordance with the terms of the Stalking Horse Purchase Agreement without further order of this Court. The dollar amount of the Expense Reimbursement is hereby approved. The Expense Reimbursement shall be allowed as administrative expense claims in each of the Debtors' cases as super-priority administrative expense priority obligations of each Debtor under section 364(c)(1) of the Bankruptcy Code with priority over any and all administrative expenses of any kind, including those specified in sections 503(b) or 507(b) of the Bankruptcy Code. In the event that an Alternative Transaction is consummated, the Debtors shall pay the Expense Reimbursement to the Stalking Horse Bidder contemporaneously with the consummation of the Alternative Transaction or within three (3) business day thereafter.

5. No person or entity, other than the Stalking Horse Bidder, shall be entitled to any expense reimbursement, break-up fee, "topping," termination, or other similar fee or payment.

6. The Transaction Notice, in the form attached hereto as **Exhibit B**, is hereby approved. Within three (3) business days after the Court enters this Order, the Debtors shall serve the Transaction Notice by (a) first class United States mail, postage prepaid on (i) the parties identified on the Master Service List maintained in these Cases (who do not receive electronic notice) at the addresses set forth therein, (ii) the parties identified on the Creditor Matrix filed in these Cases at the addresses set forth therein, (iii) the parties that have filed proofs of claim in these Cases at the addresses set forth in the respective proofs of claim, (iv) the

counterparties to executory contracts and unexpired leases to be assumed and assigned pursuant to the Transactions, (v) known holders of liens and security interests in the Debtors' assets, (vi) all known environmental and regulatory agencies having jurisdiction over any of the Debtors' assets, including the Environmental Protection Agency, (vii) all known taxing authorities having jurisdiction over any of the Debtors' assets, including the Internal Revenue Service, (viii) all parties who have filed a written request for notice in any of the Cases pursuant to Bankruptcy Rule 2002, and (ix) all other known parties who have expressed an interest in acquiring the Debtors' assets; and (b) the Court's electronic filing system on those parties receiving electronic notice by such system.

7. Within three (3) business days after the Court enters this Order, the Debtors shall place a conspicuous copy of the Transaction Notice on Debtors' claim agent's main website at [www.bmcgroup.com/RAAMGlobal](http://www.bmcgroup.com/RAAMGlobal). Service of such Transaction Notice as approved and set forth herein shall be deemed proper, due, timely, good, and sufficient notice of, among other things, the entry of this Order, the Bid Procedures, the Auction (if required under the Bid Procedures), the Sale Hearing, and the proposed Transaction or any Alternative Transaction, including the transferring of the right, title and interest in, to and under the applicable assets of the Debtors free and clear of any and all liens, encumbrances, claims and other interests except as otherwise set forth in the Stalking Horse Purchase Agreement or a definitive agreement for any Alternative Transaction (if applicable), and the procedure for objecting thereto, and no other or further notice is necessary.

8. The form of Assumption Notice attached hereto as **Exhibit C** is approved. In combination with the Transaction Notice, the Assumption Notice (a) contains the type of information required under Bankruptcy Rule 2002 that is currently known to the Debtors, and (b)



is reasonably calculated to provide due, adequate and timely notice to all interested parties of (i) the potential assumption and assignment of executory contracts and unexpired leases and rights thereunder, (ii) the maximum amount and manner offered to satisfy the Cure Amounts, (iii) the deadline to file objections to such assumption and assignment, applicable Cure Amounts, and the existence of any defaults and/or adequate assurance of future performance.

9. Within three (3) business days after the Court enters this Order, the Debtors shall serve the Assumption Notice by (a) first class United States mail, postage prepaid on (i) the parties identified on the Master Service List maintained in these Cases (who do not receive electronic notice) at the addresses set forth therein, and (ii) all counterparties to executory contracts and unexpired leases that may be assumed by the Debtors pursuant to Bankruptcy Code § 365 and that the Stalking Horse Bidder desires (or may desire) to be assigned by the Debtors (the “Desired 365 Contracts”); and (b) the Court’s electronic filing system on those parties receiving electronic notice by such system. Service of such Assumption Notice as approved and set forth herein shall be deemed proper, due, timely, good, and sufficient notice of, among other things, the proposed assumption and assignment of the Desired 365 Contracts and rights thereunder, the Cure Amounts, and the procedures for objecting thereto, and no other or further notice is necessary.

10. The Sale Hearing shall be held on January 14, 2016 at 2:00 p.m. prevailing Central Time in the courtroom of this Court.

11. Objections, if any, to the Transaction (or any Alternative Transaction) and/or the proposed assumption and assignment of the Desired 365 Contracts and rights thereunder, including but not limited to objections relating to any Cure Amounts, the existence of any defaults, and/or adequate assurances of future performance, must (a) be in writing, (b) state with

specificity the nature of such objection, (c) if concerning a Cure Amount, set forth a specific default in the Desired 365 Contract and claim a specific monetary amount that differs from the Cure Amount (if any) specified by the Debtors in the Assumption Notice (with appropriate documentation in support thereof), (d) comply with the Federal Rules of Bankruptcy Procedure, and (e) be filed with this Court, on or before 4:00 p.m., prevailing Central time, on January 11, 2016 (the "Objection Deadline").

12. The Debtors are authorized to amend the Assumption Notice by amending Cure Amounts by sending a new or amended Assumption Notice at any time at least five (5) calendar days prior to the Closing; provided, however, that counterparties to any Desired 365 Contracts whose Cure Amounts are amended shall have at least five (5) calendar days from the date of mailing or ECF notification, as applicable, of the amended Assumption Notice to properly object to such Cure Amount amendment. The Debtors are authorized to amend the Assumption Notice by adding or deleting Desired 365 Contracts at any time prior to the Closing; provided, however, that counterparties to any such added 365 Contracts shall have at least five (5) calendar days from the date of mailing or ECF notification, as applicable, of the amended Assumption Notice to properly object to the assumption and assignment of their respective Desired 365 Contract and rights thereunder and the applicable Cure Amount.

13. Any Person (as defined in the Stalking Horse Purchase Agreement) failing to timely file an objection to the Transaction (or any Alternative Transaction) shall be forever barred from objecting to the Transaction (or any Alternative Transaction), including the transferring of the Debtors' right, title and interest in, to and under the Debtors' assets in accordance with the Stalking Horse Purchase Agreement or a definitive agreement for any Alternative Transaction (as applicable) free and clear of any and all liens, encumbrances, claims

and other interests except as otherwise set forth in the Stalking Horse Purchase Agreement or other definitive agreement for any Alternative Transaction, if applicable, and will be deemed to consent to the Transaction or any Alternative Transaction (as applicable), including the transferring of the Debtors' right, title and interest in, to and under the Debtors' assets in accordance with the Stalking Horse Purchase Agreement or a definitive agreement for any Alternative Transaction (as applicable) free and clear of any and all liens, encumbrances, claims and other interests except as otherwise set forth in the Stalking Horse Purchase Agreement or such other definitive agreement for any Alternative Transaction, if applicable, and provided by such Transaction or Alternative Transaction.

14. Any Person failing to timely file an objection to any Cure Amounts set forth in the Assumption Notice or the proposed assumption and assignment of the Debtors' right, title and interest in, to and under the Desired 365 Contracts shall be forever barred from objecting to the Cure Amounts and from asserting a claim for any cure or other amounts (or asserting that any defaults exist under the Desired 365 Contract as of the date of assumption) against any of the Debtors, their estates, the Stalking Horse Bidder or any of their respective affiliates (or such other Person that agrees to purchase any of the Debtors' assets under any Alternative Transaction that is approved by the Bankruptcy Court) with respect to its Desired 365 Contract arising prior to assumption and assignment of the Debtors' right, title and interest in, to and under the Desired 365 Contract and will be deemed to consent to the proposed assumption and assignment of the Debtors' right, title and interest in, to and under the Desired 365 Contracts as provided by such Transaction or Alternative Transaction.

15. Where a counterparty to a Desired 365 Contract files a timely objection asserting a higher cure amount than the maximum Cure Amount set forth in the Assumption Notice and

the parties are unable to consensually resolve the dispute prior to the Sale Hearing, the amount to be paid or reserved with respect to such objection will be determined at the Sale Hearing or such other date and time as may be fixed by this Court. All other objections to the proposed assumption and assignment of the Debtors' right, title and interest in, to and under the Desired 365 Contracts will be heard at the Sale Hearing.

16. If any Person asserts that any property or right (including a Desired 365 Contract) cannot be transferred, sold, assumed, and/or assigned free and clear of all liens, encumbrances, claims and other interests except as otherwise set forth in the Stalking Horse Purchase Agreement or a definitive agreement for any Alternative Transaction (as applicable), in accordance with the Transaction or Alternative Transaction, (as applicable) and Bankruptcy Code §§ 363 and/or 365 on account of one or more alleged approval rights, consent rights, preferential purchase rights, rights of purchase, rights of first refusal, rights of first offer, tag-along rights, or similar rights, then such Person shall file with the Court and serve a notice with all supporting documentation (a "Rights Notice") so that the Rights Notice on or before the Objection Deadline. Each Rights Notice must identify the properties or rights that are subject to such alleged right, identify the type of right(s) claimed by such party, identify the agreement, document, or statute giving rise to such right, and identify the portion of the agreement, document, or statute giving rise to such right. The assertion of a Rights Notice shall not require an exercise of the underlying right asserted and any such right asserted shall be subject to the terms and conditions of the Stalking Horse Purchase Agreement or definitive agreement for any Alternative Transaction, as the case may be (including, without limitation, any allocation contained therein).

17. Any Person failing to timely file and serve a Rights Notice shall be (a) forever barred from objecting to the transfer, sale, assumption, and/or assignment of the Debtors' right, title and interest in, to and under the properties to be sold, assumed and/or assigned pursuant to the Stalking Horse Purchase Agreement or a definitive agreement for any Alternative Transaction (as applicable), including, without limitation, the rights to act as operator under the operating agreements assumed and assigned as part of the Transaction or any Alternative Transaction, free and clear of all liens, encumbrances, claims and other interests except as otherwise set forth in the Stalking Horse Purchase Agreement or a definitive agreement for any Alternative Transaction (as applicable), and from asserting any alleged approval rights, consent rights, preferential purchase rights, rights of purchase, rights of first refusal, rights of first offer, tag-along rights, or similar rights with respect to the Debtors' transfer, sale, assumption, and/or assignment of the Debtors' right, title and interest in, to and under such properties, as set forth in the Stalking Horse Purchase Agreement or such other definitive agreement for any Alternative Transaction (if applicable), and (b) deemed to consent to and approve of the transfer, sale, assumption, and/or assignment of such right, title and interest in, to and under such properties, free and clear of all liens, encumbrances, claims and other interests except as otherwise set forth in the Stalking Horse Purchase Agreement or a definitive agreement for any Alternative Transaction, as applicable (regardless of whether such consent must be in writing).

18. If any Person timely files and serves a Rights Notice in accordance with this Order, the Debtors shall have the opportunity to object to any alleged approval rights, consent rights, preferential purchase rights, rights of purchase, rights of first refusal, rights of first offer, tag-along rights, or similar rights asserted such Person by filing an objection to such Rights Notice at any time prior to the Sale Hearing. Upon the filing of such objection to the Rights

Notice, any rights asserted shall be deemed to be disputed and the Debtors shall be entitled to assert a bona fide dispute exists as to such rights asserted. Nothing herein shall be deemed to be a waiver of any rights of the Debtors to contest any rights asserted by any Person in Rights Notices; all such rights of the Debtors are expressly preserved.

19. Any Person desiring to submit a bid for the Debtors' right, title and interest in, to and under any of the Debtors' assets must comply with the Bid Procedures and shall not be permitted to participate at the Auction unless such Person is an Auction Participant (as defined in the Bid Procedures).

20. The Debtors, Highbridge Principal Strategies, LLC, on behalf of the lender parties under the First Lien Credit Agreement, the Official Committee of Unsecured Creditors (the "Committee"), and Ace Insurance Company and its affiliates (collectively, "Ace") entered into the *Stipulation* attached hereto as **Exhibit D** (the "Stipulation") to resolve potential objections of the Committee and Ace to, among other pleadings, the Motion. The parties have bound themselves to the Stipulation and it is enforceable amongst them; provided, that if a bound party determines that the proposed distinction between groups of unsecured creditors is inappropriate, that party may alter its course of action only to the extent necessary to make such distinction permissible or to eliminate the distinction.

21. The State of Louisiana, through the Office of Mineral Resources, Department of Natural Resources, filed an objection to the Motion (the "Louisiana Objection"). Nothing in this order shall be deemed to be an adjudication of any of the matters raised in the Louisiana Objection. The rights of all parties regarding the objections set forth in the Louisiana Objection are reserved in all respects for adjudication at the Sale Hearing.



22. Notwithstanding any other provisions of this Order, nothing in this Order or the attached exhibits is intended to limit or affect in any way the rights of the Department of the Interior ("Interior") with respect to (1) the requirement that Debtors obtain Interior's consent prior to the sale of their interests in any active and inactive federal oil and gas leases or pipeline rights-of-way on the Outer Continental Shelf as required by the Outer Continental Shelf Lands Act ("OCSLA"), 43 U.S.C. §§ 1331-56, or (2) Debtors' decommissioning obligations including, without limitation, Debtors' plugging and abandoning obligations and bonding obligations (collectively, the "Decommissioning Obligations") associated with Debtors' interest in all of their active and inactive federal oil and gas leases or pipeline rights-of-way on the Outer Continental Shelf. Nothing in this Order is intended to pre-determine, limit, or affect in any way Debtors' Decommissioning Obligations or other obligations under the OCSLA or regulations thereunder.

23. Notwithstanding Bankruptcy Rules 6004, 6006 or otherwise, this Order shall be effective and enforceable immediately upon entry and its provisions shall be self-executing. To the extent applicable, the stays described in Bankruptcy Rules 6004(h) and 6006(d) are hereby waived.


24. The terms of this Order shall control to the extent of any conflict with the Motion.

25. This Order shall become effective immediately upon its entry.

26. The Court shall retain jurisdiction over any matter or dispute arising from or relating to the implementation of this Order.

Signed:

December 02, 2015

  
Marvin Isgur  
United States Bankruptcy Judge

Submitted By:

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**PROPOSED ATTORNEYS FOR THE DEBTORS**

**Exhibit A**

## **BID PROCEDURES**

On November 6, 2015, RAAM Global Energy Company, Century Exploration New Orleans, LLC, Century Exploration Houston, LLC, and Century Exploration Resources, LLC (collectively, the “Debtors”) filed that certain *Motion to Authorize and Approve (a) Stalking Horse Purchase Agreement, (b) Sale of Substantially All Assets Free and Clear of Claims, Liens, Encumbrances and Other Interests, (c) Assumption and Assignment of Executory Contracts and Unexpired Leases, (d) Bidding Procedures, (e) Procedures for Determining Cure Amounts for Executory Contracts and Unexpired Leases, and (f) Related Relief* (the “Motion”). Subject to receipt of a higher or better offer(s) as provided herein, the Debtors propose to effectuate the transactions contemplated by the Asset Purchase Agreement dated as of November 6, 2015 (the “Stalking Horse Purchase Agreement”) among Highbridge Principal Strategies - Specialty Loan Fund III, L.P., Highbridge Specialty Loan Sector A Investment Fund, L.P., Highbridge Specialty Loan Institutional Holdings Limited, Highbridge Principal Strategies - Specialty Loan Institutional Fund III, L.P., Highbridge Principal Strategies - Specialty Loan VG Fund, L.P., Highbridge Principal Strategies - NDT Senior Loan Fund, L.P., Highbridge Principal Strategies - Jade Real Assets Fund, L.P., Highbridge Aiguilles Rouges Sector a Investment Fund, L.P., Lincoln Investment Solutions, Inc., and American United Life Insurance Company (collectively, the “Stalking Horse Bidder”), and the Debtors (the “Transaction”). The Stalking Horse Purchase Agreement provides for the transfer of the Debtors’ right, title, and interest in, to and under those assets more fully described in the Stalking Horse Purchase Agreement. These Bid Procedures<sup>1</sup> have been approved and authorized pursuant to the *Order Authorizing and Approving (a) Stalking Horse Purchase Agreement, (b) Bidding Procedures, (c) Procedures for Determining Cure Amounts for Executory Contracts and Unexpired Leases, and (d) Related Relief* [Docket No. \_\_\_\_] (the “Bid Procedures Order”) entered by the United States Bankruptcy Court for the Southern District of Texas, Houston Division, on December \_\_\_, 2015.

### **The Bidding Process**

At any time on or before January 6, 2016, at 4:00 p.m. (prevailing Central Time) (the “Bid Deadline”), the Debtors may, directly or indirectly through their Representatives<sup>2</sup>, (i) engage in discussions and negotiations regarding an Alternative Transaction (as defined in the Stalking Horse Purchase Agreement) with any entity (an “Alternative Bidder”) that the board of directors of the Debtors or any committee of the board of directors of the Debtors acting pursuant to authority of such committee granted by such board of directors (the “Board of Directors”) reasonably believes could lead to a bona fide written offer relating to an Alternative Transaction(s) that would meet the requirements of these Bid Procedures (a “Superior Proposal”), (ii) furnish to such

<sup>1</sup> Except as expressly noted herein, capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Bid Procedures Order or the Motion, as appropriate.

<sup>2</sup> “Representatives” means, with respect to any person, the officers, directors, employees, members, managers, partners, investment bankers, attorneys, accountants, consultants or other advisors, agents or representatives of such person, when acting in such capacity on behalf of such person.

Alternative Bidder and its Representatives, and to any other party that has made a request therefor (together with the Alternative Bidders, the "Potential Bidders") in connection with its consideration of making an offer or proposal relating to an Alternative Transaction (each, a "Bid"), public and non-public information relating to the Debtors pursuant to a confidentiality agreement with such Potential Bidder (the "Confidentiality Agreement") containing terms in form and substance acceptable to the Debtors, and afford to any such Potential Bidder who has signed a Confidentiality Agreement reasonable access to any data site, properties, assets, books or records and management of the Debtors or the business of the Debtors. Each Confidentiality Agreement entered into after the date of the entry of the Bid Procedures Order shall recognize that the Debtors are obligated to comply with the terms of these Bid Procedures. Each confidentiality agreement previously entered into between the Debtors and a Potential Bidder in effect on the date of the entry of the Bid Procedures Order shall be deemed to be a Confidentiality Agreement. By participating in the Bidding Process (as defined below), each Potential Bidder shall be deemed to have agreed to any and all modifications to any previously executed confidentiality agreement as necessary to permit the Debtors to comply with the terms of these Bid Procedures.

Any Potential Bidder wishing to conduct due diligence concerning a prospective Alternative Transaction shall be granted access, subject to execution of a Confidentiality Agreement, to all relevant business and financial and other information necessary to enable such Potential Bidder to evaluate the Assets (as defined below) subject to a proposed Alternative Transaction. The Debtors shall make such access available during normal business hours as soon as reasonably practicable. Potential Bidders interested in conducting due diligence should contact Parkman Whaling LLC, Attn: Bruce Campbell & Lars Hollis, 600 Travis, Suite 600, Houston, Texas 77002, 713-333-8400, bcampbell@parkmanwhaling.com, lhollis@parkmanwhaling.com. Notwithstanding the foregoing, the Debtors are not required to provide confidential or proprietary information to any person if the Debtors reasonably believe that such disclosure would be detrimental to the interests and operations of the Debtors.

The Debtors are providing these Bidding Procedures, whereby prospective bidders may qualify for and participate in the Auction, thereby competing to make the highest or otherwise best offer for the purchase of the Assets. The Debtors' assets (the "Assets") will be classified for the purposes of the Bid Procedures as Lot 1, Lot 2, Lot 3, Lot 4, Lot 5, Lot 6, Lot 7, Lot 8, and Lot 9 as set forth in the chart below.

| <u>Lot</u> | <u>Assets in Lot</u>  |
|------------|---|
| 1          | Substantially all assets of the Debtors.                    |
| 2          | The Debtors onshore assets located in Texas.                |
| 3          | The Debtors' offshore assets located in the Gulf of Mexico. |
| 4          | The Debtors office building in Houston, Texas.              |

| <u>Lot</u> | <u>Assets in Lot</u>               |
|------------|------------------------------------|
| 5          | The Debtors' seismic data.         |
| 6          | The Debtors' assets in Oklahoma.   |
| 7          | The Debtors' assets in California. |
| 8          | The Debtors' leases in Nebraska.   |
| 9          | The Debtors' assets in New Mexico. |

The Transaction with the Stalking Horse Bidder shall be deemed to be in Lot 1. Prior to the selection of the Transaction or any proposed Alternative Transaction(s) as the highest or best offer(s) (the "Successful Bid(s)"), the Debtors may: (a) receive Bids from Potential Bidders, (b) request information from Potential Bidders and engage in discussions with Potential Bidders and take such other actions the Debtors desire to determine whether any Bid or combination of Bids constitutes or could lead to a Superior Proposal, (c) evaluate any Bid made by a Potential Bidder, (d) engage in discussions and negotiations with any Alternative Bidder with respect to any Bid submitted by an Alternative Bidder, and (e) take any other actions contemplated under these Bid Procedures (collectively, the "Bidding Process").

#### **Deliveries by Potential Bidders**

In order to participate in the Bidding Process, each Potential Bidder (but not the Stalking Horse Bidder) must deliver (unless previously delivered in a form acceptable to the Debtors as provided herein to the Debtors prior to the Bid Deadline:

- (a) An executed Confidentiality Agreement acceptable to the Debtors; and
- (b) Financial statements of, or other information relating to, the Potential Bidder or, if the Potential Bidder is an entity formed for the purpose of a proposed Alternative Transaction, financial statements of or other information relating to the equity holder(s) of the Potential Bidder, or such other form of financial disclosure or evidence of financial capability and performance and legal authority acceptable to the Debtors and their advisors as requested by the Debtors (and, if requested by the Debtors, certified to by a duly authorized representative of the Potential Bidder (or equity holders thereof, as applicable)), demonstrating such Potential Bidder's (individually or jointly with other Potential Bidders with whom such Potential Bidder is acting jointly, with the consent of the Debtors and without improper collusion under Bankruptcy Code § 363, in submitting a Bid) financial capability and legal authority to close the proposed transaction in a timely manner.



A Potential Bidder (or group of Potential Bidders acting jointly with the consent of the Debtors and without improper collusion under the Bankruptcy Code) that delivers the documents described in subparagraphs (a) and (b) above, and that the Debtors determine, in their business judgment and after consultation with the Committee, is financially capable of consummating the Alternative Transaction in a timely manner shall be permitted to further participate in the Bidding Process. The Debtors may require an update of such information and an affirmation of any Potential Bidder's financial capability to bid and consummate any Transaction or Alternative Transaction contemplated hereunder.

### **Submission by Bid Deadline**

A Potential Bidder who desires to make a Bid must deliver a written copy of its Bid on or before the Bid Deadline to counsel for the Debtors at Vinson & Elkins LLP, Attn: Harry Perrin, 1001 Fannin, Suite 2500, Houston, Texas 77002-6760, [hperrin@velaw.com](mailto:hperrin@velaw.com) and Brad Foxman, 2001 Ross Ave., Suite 3700, Dallas, Texas 75201, [bfoxman@velaw.com](mailto:bfoxman@velaw.com), and to the investment bankers for the Debtors at Parkman Whaling LLC, Attn: Bruce Campbell & Lars Hollis, 600 Travis, Suite 600, Houston, Texas 77002, 713-333-8400, [bcampbell@parkmanwhaling.com](mailto:bcampbell@parkmanwhaling.com), [lhollis@parkmanwhaling.com](mailto:lhollis@parkmanwhaling.com). Upon receipt of any Bids received by the Debtors by the Bid Deadline, the Debtors shall transmit such Bids to counsel to the Committee.

### **Determination of "Qualified Bid" Status**

A Bid received from a Potential Bidder (or group of Potential Bidders) will constitute a "Qualified Bid" only if it includes all of the following documents (the compliance of which shall be determined by the Debtors in their reasonable discretion, after consultation with the Committee and the Stalking Horse Bidder,) and a good faith deposit as described below (collectively, the "Required Bid Documents") and meets all of the Bid Requirements (as defined below):

- (a) A written purchase agreement(s) based on the Stalking Horse Purchase Agreement, duly executed by the Potential Bidder(s), together with a copy of such agreement(s) marked to show the specific changes to the Stalking Horse Purchase Agreement that the Potential Bidder (or group of Potential Bidders) requires (which each marked copy shall be an electronic comparison of the written purchase agreement submitted to the Stalking Horse Purchase Agreement).
- (b) The applicable purchase agreement submitted by a Potential Bidder:
  - (i) shall clearly designate whether the Potential Bidder is proposing a transaction in regard to Lot 1, Lot 2, Lot 3, Lot 4, Lot 5, Lot 6, Lot 7, Lot 8, or Lot 9 (or any combination of such lots) as the case may be; *provided, however*, that to constitute a Qualified Bid, either (1) a Potential Bidder shall be required to propose a transaction covering Lot 1 or (2) a group of Potential Bidders shall have

proposed a series of transactions for any combination of Lot 2, Lot 3, Lot 4, Lot 5, Lot 6, Lot 7, Lot 8, or Lot 9 that exceeds the Minimum Bid Value;

- (ii) shall include a complete set of all disclosure schedules and exhibits applicable to the proposed transaction(s) thereto which, to the extent practicable, will be marked to show the specific changes to the disclosure schedules and exhibits to the Stalking Horse Purchase Agreement;
  - (iii) shall not contain any financing or due diligence contingencies to closing on the proposed transaction;
  - (iv) shall not contain any condition to closing of the transaction on the receipt of any third party approvals (excluding required Bankruptcy Court approval); and
  - (v) shall provide that the offer of the Potential Bidder(s) is irrevocable through thirty days after the entry of an Order approving the sale transaction and subject to the backup bidder provisions herein below.
- (c) An executed escrow agreement in substantially the form posted to the Debtors' data site (or as may be modified with the consent of the Debtors) and a good faith deposit (the "Good Faith Deposit") in the form of a certified or bank check (or other form acceptable to the Debtors in their sole and absolute discretion) payable to the order of the Debtors (or such other party as the Debtors may designate) in the amount of ten (10) percent of its designated purchase price.

Each Potential Bidder or group of Potential Bidders that makes a Qualified Bid shall be referred to as a "Qualified Bidder." For the avoidance of doubt, the Debtors may permit one or more Auction Participants to join together as a single Qualified Bidder for the purpose of submitting a joint Qualified Bid to acquire the Assets. Notwithstanding anything to the contrary in these Bid Procedures, the Stalking Horse Bidder shall be deemed to be a Qualified Bidder and the Stalking Horse Purchase Agreement and the Transaction shall be deemed to be a Qualified Bid.

### **Bid Requirements**

All Qualified Bids must also satisfy all of the following requirements, all as determined by the Debtors in their reasonable business judgment and after consultation with the Committee (collectively, the "Bid Requirements"):

- (a) The Bid must provide for an aggregate consideration of at least \$1.5 million greater than the Base Consideration (as defined in the Stalking Horse Purchase Agreement) (the "Minimum Bid Value"). In making this determination, the Debtors may consider, among other things,

the amount of cash and other consideration to be paid or delivered and the liabilities to be assumed or otherwise satisfied, and the determination by the Debtors (after consultation with the Committee) hereunder shall be final for the purposes of these Bid Procedures.

- (b) The Bid must provide for the payment of the Expense Reimbursement of the Stalking Horse Bidder in full in cash upon closing.
- (c) The Bid must be accompanied by, in the Debtors' reasonable business judgment, after consultation with the Stalking Horse Bidder, satisfactory evidence of committed financing or other financial ability to consummate the Alternative Transaction in a timely manner.
- (d) The Bid cannot be conditioned upon the Bankruptcy Court's approval of any bid protections, such as a break-up fee, termination fee, expense reimbursement, working fee or similar type of payment.
- (e) The Bid must expressly acknowledge and represent that the Potential Bidder(s): (i) has had an opportunity to conduct any and all due diligence regarding the assets to be purchased pursuant to the proposed Alternative Transaction prior to making its Bid, (ii) has relied solely upon its own independent review, investigation and/or inspection of any documents and the assets of the Debtors in making its Bid, and (iii) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express, implied, by operation of law or otherwise, regarding the business or assets of the Debtors or the Alternative Transaction, or the completeness of any information provided in connection therewith, except as expressly stated in the representations and warranties contained in the purchase agreement ultimately accepted and executed by the Debtors.
- (f) The Bid must identify each and every executory contract and unexpired lease that is to be assumed and assigned to the Potential Bidder pursuant to the proposed Alternative Transaction.
- (g) The Bid must be received by the Bid Deadline.

The Debtors shall notify each Potential Bidder whether its Bid is a Qualified Bid no later than January 7, 2016, at 4:00 p.m., prevailing Central Time.

#### **Auction**

As soon as reasonably practicable after the Bid Deadline, the Debtors shall evaluate the Qualified Bids and select the Qualified Bid that the Debtors determine in their business judgment and after consultation with the Committee, to represent the then highest or otherwise best Qualified Bid (the "Initial Highest Bid"). In making this determination, the Debtors may consider, among other things, the amount of cash and other consideration to be paid or delivered and the liabilities to be assumed or otherwise

satisfied, and the determination by the Debtors (after consultation with the Committee) hereunder shall be final for the purposes of these Bid Procedures.

If there are no Qualified Bids received prior to the expiration of the Bid Deadline, no Auction (as defined below) shall take place, and the Debtors shall seek prompt Bankruptcy Court approval to consummate the Transaction with the Stalking Horse Bidder, and the Sale Hearing (as defined below) shall take place as soon as reasonably practicable, but in no event later than ten (10) business days following the Bid Deadline.

If one or more Qualified Bids are determined by the Debtors in their business judgment and after consultation with the Committee, to be higher or better than the Stalking Horse Bidder's Qualified Bid, the Debtors will conduct an auction (the "Auction") with respect to such Qualified Bids in order to determine, in the business judgment of the Debtors, the Successful Bid(s).

The Auction, if required, will commence at 9:30 a.m. (prevailing Central Time) on January 8, 2016, at the offices of Vinson & Elkins, L.L.P., 1001 Fannin Street, Suite 2500, Houston, Texas 77002 or at such later time or other place as determined by the Debtors, with consent of the Stalking Horse Bidder and after consultation with the Committee, or approved by Order of the Bankruptcy Court, and of which the Debtors will notify all Qualified Bidders who have submitted Qualified Bids (collectively, together with the Stalking Horse Bidder, the "Auction Participants").

Promptly upon determination of the Initial Highest Bid, as the case may be, and in any event, at least one business day prior to the commencement of the Auction, the Debtors will provide to the Auction Participants and the Committee a copy of the Initial Highest Bid. In order to allow the Auction Participants to evaluate the Initial Highest Bid, the Debtors shall use commercially reasonable efforts to disclose the value, if any, that in their business judgment, they place on such Initial Highest Bid and on such Auction Participant's Qualified Bid.

Only the Debtors, the Auction Participants, potential financing sources of Auction Participants, their respective Representatives, the Committee and the Office of the United States Trustee will be entitled to attend, participate and be heard at the Auction, but only the Auction Participants (including the Stalking Horse Bidder) will be entitled to make any subsequent Qualified Bids at the Auction.

At the commencement of each phase of the Auction, the Debtors shall formally announce the Initial Highest Bid. Each supplemental bid shall be made in minimum increments of at least \$100,000 higher than the previous Qualified Bid.

The Stalking Horse Bidder shall be entitled to include as part of any and all of its supplemental bids a credit bid for the actual amount of the Expense Reimbursement, which amount shall be estimated and provided to the Debtors, the Committee and all Qualified Bidders no later than one (1) business day prior to the Auction.

The Debtors shall have the right to adopt such other rules for the Auction which they believe in their business judgment, after consultation with the Committee and the

Stalking Horse Bidder, will promote the goals of the Auction, including without limitation setting the bidding increments at a higher amount.

Each of the Auction Participants shall receive notice of each supplemental bid; *provided, that*, the Debtors shall no longer be required to share any information with a Qualified Bidder (including the Stalking Horse Bidder) once it has ceased bidding in the Auction.

The Stalking Horse Bidder and, by making a Qualified Bid at the Auction, each Auction Participant, shall be deemed to have agreed to keep its final Qualified Bid made at or prior to the Auction open through thirty (30) days after the entry of an Order approving the Transaction or Alternative Transaction(s) (as applicable). Bidding at the Auction will continue until such time as the highest or otherwise best Qualified Bid (as may be modified pursuant to higher supplemental bids on particular Lots made by an Auction Participant) are determined in the reasonable business judgment of the Debtors and after consultation with the Committee. To facilitate a deliberate and orderly consideration of competing Qualified Bids submitted at the Auction, the Debtors, in their reasonable business judgment, may conduct multiple rounds of bidding and, with the consent of the Stalking Horse Bidder and after consultation with the Committee, may adjourn the Auction at any time and from time-to-time. Upon conclusion of the Auction, the Debtors will (a) review each Qualified Bid on the basis of financial and contractual terms and other factors relevant to the sale process, including those factors affecting the speed and certainty of consummating the sale, and (b) determine in their reasonable business judgment, after consultation with the Stalking Horse Bidder and the Committee, the Successful Bid or Successful Bids. In making this determination, the Debtors may consider, among other things, the amount of cash and other consideration to be paid or delivered and the liabilities to be assumed or otherwise satisfied, and the determination by the Debtors hereunder shall be final for the purposes of these Bid Procedures.

Unless otherwise consented to by the Stalking Horse Bidder, the Debtors shall not consider any Bids submitted after the conclusion of the Auction and any and all such Bids shall be deemed untimely and shall under no circumstances constitute a Qualified Bid.

The Debtors may require that within two business days after conclusion of the Auction, the Successful Bidders complete and execute all applicable definitive documents, instruments, or other documents evidencing and containing the terms and conditions upon which the Successful Bids were made.

#### **Other Auction Procedures**

The rights of any entity to "credit bid" pursuant to section 363(k) of the Bankruptcy Code are preserved and may be exercised in accordance with applicable law. For the avoidance of doubt, pursuant to section 363(k) of the Bankruptcy Code, the Stalking Horse Bidder has the right to "credit bid" in an amount up to the full amount of the First Lien Prepetition Indebtedness (as defined in the Final Cash Collateral Order) *plus* the actual amount of the Expense Reimbursement. All rights of the Stalking Horse Bidder under (i) any order entered authorizing the Debtors to continue to access cash



collateral and/or (ii) the Bankruptcy Code are hereby fully reserved and, except as expressly set forth herein, nothing in these Bidding Procedures, nor any consents provided by the Stalking Horse Bidder, shall be deemed to abridge or modify such rights, including the right to object to any sale or chapter 11 plan proposed in these chapter 11 cases.

The Debtors reserve the right to remove any Qualified Bidder from the Auction if, at any point, the Debtors determine in their business judgment, after consultation with the Stalking Horse Bidder and the Committee, that the applicable Qualified Bidder is no longer engaged in active bidding at the Auction (including, without limitation, if such Qualified Bidder has failed to bid in previous rounds of bidding).

All Qualified Bidders at the Auction shall be deemed to have consented to the jurisdiction of the Bankruptcy Court and waived any right to a jury trial in connection with any disputes relating to the Auction or the construction and enforcement of these Bidding Procedures.

Each Qualified Bidder participating at the Auction will be required to confirm that (i) it has not engaged in any collusion with respect to the bidding and (ii) its Qualified Bid is a good faith, bona fide offer and it intends to consummate the proposed transaction if selected as a Winning Bidder.

### **Sale Hearing**

An evidentiary hearing to consider the sale and related transaction pursuant to the Motion and approval of the Successful Bid(s) (the "Sale Hearing"), will be held on January 14, 2016, at 2:00 p.m. prevailing Central Time (the "Sale Hearing Date") in the courtroom of the Honorable Marvin Isgur. The Sale Hearing may be adjourned or rescheduled as ordered by the Bankruptcy Court or by the Debtors, with the approval of the Stalking Horse Bidder and the Successful Bidder(s) and after consultation with the Committee, but without further notice to creditors and parties in interest other than by announcement by the Debtors of the adjourned date at the Sale Hearing.

The Debtors' presentation to the Bankruptcy Court for approval of a Successful Bid does not constitute the Debtors' acceptance of the Bid. The Debtors will be deemed to have accepted a Bid only when the Bid has been approved by Order of the Bankruptcy Court.

### **Objections**

Objections, if any, to the sale and related transactions pursuant to the Motion shall be filed with the Bankruptcy Court such that each objection is actually received on or before 4:00 p.m., prevailing Central time, on January 11, 2016 (the "Objection Deadline").

### **Back-Up Bidders**

If the Auction Participant(s) whose Qualified Bid(s) is a Successful Bid (a "Successful Bidder") fails to consummate the Transaction or Alternative Transaction (as applicable) because of a breach or failure to perform on the part of such Successful



Bidder, the Auction Participant that had submitted the next highest or otherwise best Qualified Bid at the Auction (or in the case of the Stalking Horse Bidder, prior to or at the Auction) (the "Back-Up Bidder") for each applicable Lot will be deemed to be a Successful Bidder and the Debtors will be authorized to consummate the Transaction or Alternative Transaction (as applicable) with such Auction Participant without further order of the Bankruptcy Court and such Qualified Bid shall thereupon be deemed a Successful Bid; provided that upon being notified that its Qualified Bid has become a Successful Bid, the Auction Participant submitting such Qualified Bid (other than the Stalking Horse Bidder) shall within three business days after such notification provide a Good Faith Deposit (unless such Auction Participant previously shall have provided a Good Faith Deposit that shall not have been returned as described below). Upon providing such Good Faith Deposit, such Auction Participant shall be deemed a Successful Bidder. If any Auction Participant fails to consummate the Transaction or Alternative Transaction (as applicable) because of a breach or failure to perform on the part of such Auction Participant (including without limitation the failure to timely deposit the Good Faith Deposit), the process described above may continue with other Auction Participants in decreasing order of the Qualified Bids as determined by the Debtors until an Auction Participant shall consummate the Transaction or Alternative Transaction (as applicable). Notwithstanding the foregoing, if the Auction Participant that fails to consummate an Alternative Transaction is part of a series of transactions that, collectively, constitutes the Successful Bid, then no such transaction within such series shall proceed to closing, and Debtors shall either consider a Back-Up Bidder with a Qualified Bid covering Lot 1, or consider a Potential Bidder with a bid covering the specified Lot covered by the Alternative Transaction that was not consummated to reconstitute a Qualified Bid. In making any such determination, Debtors shall consult the Stalking Horse Bidder and the Committee.

### **Stalking Horse Rights**

To provide an incentive and to compensate the Stalking Horse Bidder for performing the substantial due diligence and incurring the expenses necessary and entering into a stalking horse asset purchase agreement with the knowledge and risk that arises from participating in the sale and subsequent bidding process, the Debtors have agreed, under the conditions and in the amount set forth in the Stalking Horse Purchase Agreement and Bidding Procedures Order to reimburse the Stalking Horse Bidder for fees, costs, and expenses associated with its Bid (including the fees, costs, and expenses of its attorneys, accountants, consultants, and other advisors) (the "Expense Reimbursement"). The Expense Reimbursement shall be paid in accordance with the Stalking Horse Purchase Agreement and the Bidding Procedures Order.

The Stalking Horse Bidder shall have standing to appear and be heard on all issues related to the Auction, the Transaction, and related matters, including the right to object to any sale of the assets or any portion thereof (including the conduct of the Auction and interpretation of these Bidding Procedures).

### **Return of Good Faith Deposit**

The Good Faith Deposit of all Qualified Bidders (other than the Stalking Horse Bidder and any Successful Bidder(s)) will be returned, without interest (other than any earnings on any such amounts under, and subject to, the terms of the escrow agreement pursuant to which such Good Faith Deposit is held), to each such Qualified Bidder within ten business days after the entry of an Order approving the Sale Motion, subject to the terms of the escrow agreement pursuant to which such Good Faith Deposit is held.

The Good Faith Deposit of the Stalking Horse Bidder and any Successful Bidder will be distributed pursuant to and in accordance with (a) the applicable purchase agreement and (b) the escrow agreement pursuant to which such Good Faith Deposit is held, as applicable.

### **Modifications**

Subject to the consent of the Stalking Horse Bidder and after consultation with the Committee, the Debtors may (a) waive any of the Bid Requirements or the Required Bid Documents; and (b) reject at any time before entry of an Order of the Bankruptcy Court approving the Successful Bid, any bid that, in the discretion of the Debtors is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bankruptcy Code or the Bid Procedures, or (iii) contrary to the best interests of the Debtors, their creditors and estates.

### **Fiduciary Out**

Nothing in these Bidding Procedures shall require the board of directors, board of managers, or such similar governing body of a Debtor to take any action, or to refrain from taking any action, to the extent such board of directors, board of managers, or such similar governing body determines, or based on the advice of counsel, that taking such action, or refraining from taking such action, as applicable, is required to comply with applicable law or its fiduciary obligations under applicable law.

**Exhibit B**

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

**IN RE:**

**RAAM GLOBAL ENERGY  
COMPANY, *et al.***

**DEBTORS**

§  
§ **Case No. 15-35615**  
§  
§ **Chapter 11**  
§  
§  
§ **Jointly Administered**

**NOTICE OF TRANSACTION**

**PLEASE READ THIS NOTICE CAREFULLY AS YOUR RIGHTS WILL BE  
AFFECTED AS SET FORTH HEREIN.**

On October 26, 2015, RAAM Global Energy Company, Century Exploration New Orleans, LLC, Century Exploration Houston, LLC, and Century Exploration Resources, LLC (collectively the “Debtors”) filed the above referenced bankruptcy Cases (collectively, the “Cases”) under chapter 11 of title 11 of the United States Code.

On November 6, 2015, the Debtors filed their *Motion to Authorize and Approve (a) Stalking Horse Purchase Agreement, (b) Sale of Substantially All Assets Free and Clear of Claims, Liens, Encumbrances and Other Interests, (c) Assumption and Assignment of Executory Contracts and Unexpired Leases, (d) Bidding Procedures, (e) Procedures for Determining Cure Amounts for Executory Contracts and Unexpired Leases, and (f) Related Relief* [Docket No. 90] (the “Motion”)¹. Subject to receipt of higher or better offer(s), the Debtors propose to effectuate the transactions contemplated by the Asset Purchase Agreement dated as of November 6, 2015 (as amended from time to time, the “Purchase Agreement”) among Highbridge Principal Strategies - Specialty Loan Fund III, L.P., Highbridge Specialty Loan Sector A Investment Fund, L.P., Highbridge Specialty Loan Institutional Holdings Limited, Highbridge Principal Strategies - Specialty Loan Institutional Fund III, L.P., Highbridge Principal Strategies - Specialty Loan VG Fund, L.P., Highbridge Principal Strategies - NDT Senior Loan Fund, L.P., Highbridge Principal Strategies - Jade Real Assets Fund, L.P., Highbridge Aiguilles Rouges Sector A Investment Fund, L.P., Lincoln Investment Solutions, Inc., and American United Life Insurance Company (the “Potential Buyer”) and the Debtors (the “Transaction”). The Purchase Agreement provides for, among other things, the sale of the Debtors’ right, title and interest in, to and under certain assets more particularly described in the Purchase Agreement to the Potential Buyer, free and clear of all liens, encumbrances, claims, and other interests except as otherwise set forth in the Purchase Agreement. The Potential Buyer has agreed to provide consideration of a credit bid and equivalent release of the Debtors in an amount equal to \$58,800,000.00, cash in an amount equal to \$2.5 million, and assumption of certain obligations, all upon the terms and subject to the conditions set forth in the Purchase Agreement.

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¹ All capitalized terms not expressly defined herein shall have the meaning ascribed to them in the Motion or the Purchase Agreement, as applicable.

On December \_\_\_, 2015, the Court entered the *Order Authorizing and Approving (a) Stalking Horse Purchase Agreement, (b) Bidding Procedures, (c) Procedures for Determining Cure Amounts for Executory Contracts and Unexpired Leases, and (d) Related Relief* [Docket No. \_\_\_] (the “Bid Procedures Order”) in which it, among other things, (a) approved the bid procedures in connection with the solicitation of higher or better offer(s), which are attached hereto as **Exhibit A** (the “Bid Procedures”), (c) scheduled an auction, (d) approved the form and manner of notice of the Bid Procedures and the respective dates, times and places for an auction, if required under the Bid Procedures, (e) approved the form and manner of the notice of the assumption and assignment of executory contracts and unexpired leases and rights thereunder, (f) established procedures for objecting to, and determining cure amounts in connection with, the assumption and assignment of executory contracts and unexpired leases and rights thereunder, (g) set a hearing to consider the approval of the Transaction, including the sale of the Debtors’ assets, on January 14, 2016 at 2:00 p.m. prevailing Central time (the “Sale Hearing”), (h) established procedures for objecting to the proposed transaction, and (i) granted other relief.

Any party desiring to make an offer or proposal relating to an Alternative Transaction (as defined in the Purchase Agreement) must comply with the Bid Procedures.

**Summary of Key Dates:**

|  |   |
|--|---|
| Bid Deadline   | January 6, 2016 at 4:00 p.m., Central Time  |
| Auction  | January 8, 2016 at 9:30 a.m., Central Time  |
| Objection Deadline/Deadline to Submit Rights Notices | January 11, 2016 at 4:00 p.m., Central Time |
| Hearing on Sale Motion                               | January 14, 2016 at 2:00 p.m., Central Time |

Pursuant to the Bid Procedures Order, objections, if any, to the Transaction (or any Alternative Transaction) and/or the proposed assumption and assignment of the Desired 365 Contracts and rights thereunder, including but not limited to objections relating to any Cure Amounts, the existence of any defaults, and/or adequate assurances of future performance, must (a) be in writing, (b) state with specificity the nature of such objection, (c) if concerning a Cure Amount, set forth a specific default in the Desired 365 Contract and claim a specific monetary amount that differs from the Cure Amount (if any) specified by the Debtors in the Assumption Notice (with appropriate documentation in support thereof), (d) comply with the Federal Rules of Bankruptcy Procedure, and (e) be filed with the Court on or before 4:00 p.m., prevailing Central time, on January 11, 2016 (the “Objection Deadline”).

Any Person (as defined in the Purchase Agreement) failing to timely file an objection to the Transaction (or any Alternative Transaction) will be forever barred from objecting to the Transaction (or any Alternative Transaction), including the transferring of the Debtors’ right, title and interest in, to and under the Debtors’ assets in accordance with the Purchase Agreement or a definitive agreement for any Alternative Transaction (as applicable) free and clear of any



and all liens, encumbrances, claims and other interests except as otherwise set forth in the Purchase Agreement or other definitive agreement for any Alternative Transaction, if applicable, and will be deemed to consent to the Transaction or any Alternative Transaction (as applicable), including the transferring of the Debtors' right, title and interest in, to and under the Debtors' assets in accordance with the Purchase Agreement or a definitive agreement for any Alternative Transaction (as applicable) free and clear of any and all liens, encumbrances, claims and other interests except as otherwise set forth in the Purchase Agreement or such other definitive agreement for any Alternative Transaction, if applicable, and provided by such Transaction or Alternative Transaction.

If any Person asserts that any property or right (including a Desired 365 Contract) cannot be transferred, sold, assumed, and/or assigned free and clear of all liens, encumbrances, claims and other interests except as otherwise set forth in the Purchase Agreement or a definitive agreement for any Alternative Transaction (as applicable), in accordance with the Transaction or Alternative Transaction, (as applicable) and Bankruptcy Code §§ 363 and/or 365 on account of one or more alleged approval rights, consent rights, preferential purchase rights, rights of purchase, rights of first refusal, rights of first offer, tag-along rights, or similar rights, then such Person must file and serve a notice with the Court with all supporting documentation (a "Rights Notice") on or before the Objection Deadline. Each Rights Notice must identify the properties or rights that are subject to such alleged right, identify the type of right(s) claimed by such party, identify the agreement, document, or statute giving rise to such right, and identify the portion of the agreement, document, or statute giving rise to such right. The assertion of a Rights Notice does not require an exercise of the underlying right asserted and any such right asserted is subject to the terms and conditions of the Purchase Agreement or definitive agreement for any Alternative Transaction, as the case may be (including, without limitation, any allocation contained therein).

Any Person failing to timely file and serve a Rights Notice will be (a) forever barred from objecting to the transfer, sale, assumption, and/or assignment of the Debtors' right, title and interest in, to and under the properties to be sold, assumed and/or assigned pursuant to the Purchase Agreement or a definitive agreement for any Alternative Transaction (as applicable), including, without limitation, the rights to act as operator under the operating agreements assumed and assigned as part of the Transaction or any Alternative Transaction, free and clear of all liens, encumbrances, claims and other interests except as otherwise set forth in the Purchase Agreement or a definitive agreement for any Alternative Transaction (as applicable), and from asserting any alleged approval rights, consent rights, preferential purchase rights, rights of purchase, rights of first refusal, rights of first offer, tag-along rights, or similar rights with respect to the Debtors' transfer, sale, assumption, and/or assignment of the Debtors' right, title and interest in, to and under such properties, as set forth in the Purchase Agreement or such other definitive agreement for any Alternative Transaction (if applicable), and (b) deemed to consent to and approve of the transfer, sale, assumption, and/or assignment of such right, title and interest in, to and under such properties, free and clear of all liens, encumbrances, claims and other interests except as otherwise set forth in the Purchase Agreement or a definitive agreement for any Alternative Transaction, as applicable (regardless of whether such consent must be in writing).



If any Person timely files and serves a Rights Notice, the Debtors will have the opportunity to object to any alleged approval rights, consent rights, preferential purchase rights, rights of purchase, rights of first refusal, rights of first offer, tag-along rights, or similar rights asserted such Person by filing an objection to such Rights Notice at any time prior to the Sale Hearing. Upon the filing of such objection to the Rights Notice, any rights asserted are deemed to be disputed and the Debtors are entitled to assert a bona fide dispute exists as to such rights asserted. Nothing herein shall be deemed to be a waiver of any rights of the Debtors to contest any rights asserted by any Person in Rights Notices; all such rights of the Debtors are expressly preserved.

Copies of the Purchase Agreement, Bid Procedures, and Bid Procedures Order may be downloaded at [www.bmcgroup.com/RAAMGlobal](http://www.bmcgroup.com/RAAMGlobal) or obtained upon receipt of a written request to Parkman Whaling LLC, Attn: Bruce Campbell & Lars Hollis, 600 Travis, Suite 600, Houston, Texas 77002, 713-333-8400, [bcampbell@parkmanwhaling.com](mailto:bcampbell@parkmanwhaling.com), [lhollis@parkmanwhaling.com](mailto:lhollis@parkmanwhaling.com).

Dated: \_\_\_\_\_, 2015

Respectfully submitted,

**VINSON & ELKINS LLP**

By: /s/  
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**ATTORNEYS FOR THE DEBTORS**

**Exhibit C**

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

IN RE:

RAAM GLOBAL ENERGY  
COMPANY, *et al.*

DEBTORS

§  
§ Case No. 15-35615  
§  
§ Chapter 11  
§  
§  
§ Jointly Administered

**NOTICE OF POSSIBLE ASSUMPTION AND ASSIGNMENT  
OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

**PLEASE READ THIS NOTICE CAREFULLY AS YOUR RIGHTS WILL BE  
AFFECTED AS SET FORTH HEREIN.**

On October 26, 2015, RAAM Global Energy Company, Century Exploration New Orleans, LLC, Century Exploration Houston, LLC, and Century Exploration Resources, LLC (collectively the "Debtors") filed the above referenced bankruptcy Cases (collectively, the "Cases") under chapter 11 of title 11 of the United States Code.

On November 6, 2015, the Debtors filed their *Motion to Authorize and Approve (a) Stalking Horse Purchase Agreement, (b) Sale of Substantially All Assets Free and Clear of Claims, Liens, Encumbrances and Other Interests, (c) Assumption and Assignment of Executory Contracts and Unexpired Leases, (d) Bidding Procedures, (e) Procedures for Determining Cure Amounts for Executory Contracts and Unexpired Leases, and (f) Related Relief* [Docket No. 90] (the "Motion")<sup>1</sup>. Subject to receipt of higher or better offer(s), the Debtors propose to effectuate the transactions contemplated by the Asset Purchase Agreement dated as of November 6, 2015 (as amended from time to time, the "Purchase Agreement") among Highbridge Principal Strategies - Specialty Loan Fund III, L.P., Highbridge Specialty Loan Sector A Investment Fund, L.P., Highbridge Specialty Loan Institutional Holdings Limited, Highbridge Principal Strategies - Specialty Loan Institutional Fund III, L.P., Highbridge Principal Strategies - Specialty Loan VG Fund, L.P., Highbridge Principal Strategies - NDT Senior Loan Fund, L.P., Highbridge Principal Strategies - Jade Real Assets Fund, L.P., Highbridge Aiguilles Rouges Sector A Investment Fund, L.P., Lincoln Investment Solutions, Inc., and American United Life Insurance Company (collectively, the "Potential Buyer") and the Debtors (the "Transaction"). The Purchase Agreement provides for, among other things, the sale of the Debtors' right, title and interest in, to and under certain assets more particularly described in the Purchase Agreement to the Potential Buyer, free and clear of all liens, encumbrances, claims, and other interests except as otherwise set forth in the Purchase Agreement. The Potential Buyer has agreed to provide consideration of a credit bid and equivalent release of the Debtors in an amount equal to

<sup>1</sup> All capitalized terms not expressly defined herein shall have the meaning ascribed to them in the Motion or the Purchase Agreement, as applicable.

\$58,800,000.00, cash in an amount equal to \$2.5 million, and assumption of certain obligations, all upon the terms and subject to the conditions set forth in the Purchase Agreement.

On December \_\_, 2015, the Court entered the *Order Authorizing and Approving (a) Stalking Horse Purchase Agreement, (b) Bidding Procedures, (c) Procedures for Determining Cure Amounts for Executory Contracts and Unexpired Leases, and (d) Related Relief* [Docket No. \_\_] (the "Bid Procedures Order") in which it, among other things, (a) approved the bid procedures in connection with the solicitation of higher or better offer(s), which are attached hereto as **Exhibit A** (the "Bid Procedures"), (c) scheduled an auction, (d) approved the form and manner of notice of the Bid Procedures and the respective dates, times and places for an auction, if required under the Bid Procedures, (e) approved the form and manner of the notice of the assumption and assignment of executory contracts and unexpired leases and rights thereunder, (f) established procedures for objecting to, and determining cure amounts in connection with, the assumption and assignment of executory contracts and unexpired leases and rights thereunder, (g) set a hearing to consider the approval of the Transaction, including the sale of the Debtors' assets, on January 14, 2016 at 2:00 p.m. prevailing Central time (the "Sale Hearing"), (h) established procedures for objecting to the proposed transaction, and (i) granted other relief.

In connection with the Transaction or an Alternative Transaction (as defined in the Purchase Agreement) (as applicable), the Debtors may seek to assume certain executory contracts and unexpired leases (collectively, the "Desired 365 Contracts") and rights thereunder and assign such executory contracts and unexpired leases and rights thereunder to the Potential Buyer or such other party that proposes an Alternative Transaction (as applicable). **You are receiving this notice because you are identified as a party to one or more Desired 365 Contracts that may be assumed by the Debtors and assigned to the Potential Buyer or such other party that proposes an Alternative Transaction (the "Alternative Buyer").**

A list of the Desired 365 Contracts, including a description of the Desired 365 Contracts and the maximum amount, if any, that will be paid to cure all defaults and arrearages under such Desired 365 Contract (the "Cure Amount"), is set forth on **Exhibit B** attached hereto. The inclusion of any contract or lease on **Exhibit B** shall not be deemed to be an admission by the Debtors that such contract or lease is an "executory contract" or "unexpired lease" for purposes of Section 365 of the Bankruptcy Code, and the Debtors reserve all rights in connection with same. Such Cure Amounts may be paid directly to you or to certain third parties, as applicable under state law, to cure all defaults and arrearages related to the Desired 365 Contract. **Exhibit B** sets forth the portion of the Cure Amount to be paid to you or to one or more third parties, as applicable. The Debtors proposes to (i) pay all valid and undisputed Cure Amounts as provided in **Exhibit B**, and (ii) establish a cash reserve to satisfy disputed Cure Amounts upon approval by the Court. The Debtors believe that the Potential Buyer or Alternative Buyer (as applicable) provides you adequate assurance of future performance under your respective Desired 365 Contract.

The Debtors are authorized to amend the Assumption Notice by amending Cure Amounts by sending a new or amended Assumption Notice at any time at least five (5) calendar days prior to the Closing (as defined in the Purchase Agreement); provided, however, that counterparties to any Desired 365 Contracts whose Cure Amounts are amended shall have at least five (5) calendar days from the date of mailing or ECF notification, as applicable, of the amended

Assumption Notice to properly object to such Cure Amount amendment. The Debtors are authorized to amend the Assumption Notice by adding or deleting Desired 365 Contracts at any time prior to Closing; provided, however, that counterparties to any such added 365 Contracts shall have at least five (5) calendar days from the date of mailing or ECF notification, as applicable, of the amended Assumption Notice to properly object to the assumption and assignment of their respective Desired 365 Contract and rights thereunder and the applicable Cure Amount.

**After the assumption and assignment of your Desired 365 Contract and rights thereunder, the Potential Buyer or the buyer under an Alternative Transaction (as applicable) and their respective subsidiaries will be relieved of any liability to you that accrued or arose before the date of assumption and you shall look solely to the Debtors as to any such liability.** Further, your Desired 365 Contract will remain in full force and effect for the benefit of the Potential Buyer or the buyer under an Alternative Transaction (as applicable) in accordance with its terms, notwithstanding any provision in any such Desired 365 Contract which prohibits, restricts or conditions such assignment or transfer thereof or its rights thereunder.

Pursuant to the Bid Procedures Order, objections, if any, to the Transaction (or any Alternative Transaction) and/or the proposed assumption and assignment of the Desired 365 Contracts and rights thereunder, including but not limited to objections relating to any Cure Amounts, the existence of any defaults, and/or adequate assurances of future performance, must (a) be in writing, (b) state with specificity the nature of such objection, (c) if concerning a Cure Amount, set forth a specific default in the Desired 365 Contract and claim a specific monetary amount that differs from the Cure Amount (if any) specified by the Debtors in the Assumption Notice (with appropriate documentation in support thereof), (d) comply with the Federal Rules of Bankruptcy Procedure, and (e) be filed with the Court on or before 4:00 p.m., prevailing Central time, on January 11, 2016 (the "Objection Deadline").

**IF YOU DO NOT OBJECT TO THE PROPOSED ASSUMPTION AND ASSIGNMENT OF YOUR DESIRED 365 CONTRACT AND RIGHTS THEREUNDER OR THE CURE AMOUNT OR ADEQUATE ASSURANCE OF FUTURE PERFORMANCE BEFORE THE OBJECTION DEADLINE: (I) YOUR DESIRED 365 CONTRACT AND RIGHTS THEREUNDER MAY BE ASSUMED AND ASSIGNED IN WHICH CASE YOU WILL BE DEEMED TO HAVE CONSENTED AND WILL BE BOUND BY ORDER OF THE COURT TO SUCH ASSUMPTION AND ASSIGNMENT; (II) THE POTENTIAL BUYER OR THE BUYER UNDER AN ALTERNATIVE TRANSACTION (AS APPLICABLE) WILL ENJOY ALL OF THE RIGHTS AND BENEFITS UNDER YOUR DESIRED 365 CONTRACT WITHOUT THE NECESSITY OF OBTAINING YOUR WRITTEN CONSENT TO THE ASSUMPTION AND ASSIGNMENT THEREOF; (III) YOU WILL BE FOREVER BARRED AND ESTOPPED FROM ASSERTING OR CLAIMING AGAINST THE DEBTORS, THE POTENTIAL BUYER, OR THE BUYER UNDER AN ALTERNATIVE TRANSACTION (AS APPLICABLE), OR AN ASSIGNEE THAT ANY ADDITIONAL AMOUNTS, OTHER THAN THE CURE AMOUNT, ARE DUE OR DEFAULTS EXIST UNDER SUCH DESIRED 365 CONTRACT, OR THAT CONDITIONS TO ASSIGNMENT MUST BE SATISFIED UNDER SUCH DESIRED 365 CONTRACT FOR THE PERIOD PRIOR TO**



**THE EFFECTIVE DATE; AND (IV) ANY CLAIMS YOU HAVE FILED ON ACCOUNT OF SUCH DESIRED 365 CONTRACT SHALL BE DISALLOWED AND EXPUNGED IN THESE CASES AS TO THE DEBTORS AND THEIR RESPECTIVE BANKRUPTCY ESTATES. PURSUANT TO BANKRUPTCY CODE § 365(K), THE DEBTORS WILL BE RELIEVED OF ANY LIABILITY UNDER OR RELATED TO THE DESIRED 365 CONTRACTS FOR ANY BREACH OF ANY DESIRED 365 CONTRACT OCCURRING AFTER THE ASSIGNMENT OF SUCH CONTRACT.**

Any Person (as defined in the Purchase Agreement) failing to timely file an objection to the Transaction (or any Alternative Transaction) will be forever barred from objecting to the Transaction (or any Alternative Transaction), including the transferring of the Debtors' right, title and interest in, to and under the Debtors' assets in accordance with the Purchase Agreement or a definitive agreement for any Alternative Transaction (as applicable) free and clear of any and all liens, encumbrances, claims and other interests except as otherwise set forth in the Purchase Agreement or other definitive agreement for any Alternative Transaction, if applicable, and will be deemed to consent to the Transaction or any Alternative Transaction (as applicable), including the transferring of the Debtors' right, title and interest in, to and under the Debtors' assets in accordance with the Purchase Agreement or a definitive agreement for any Alternative Transaction (as applicable) free and clear of any and all liens, encumbrances, claims and other interests except as otherwise set forth in the Purchase Agreement or such other definitive agreement for any Alternative Transaction, if applicable, and provided by such Transaction or Alternative Transaction.

Any Person failing to timely file an objection to any Cure Amounts set forth in the Assumption Notice or the proposed assumption and assignment of the Debtors' right, title and interest in, to and under the Desired 365 Contracts will be forever barred from objecting to the Cure Amounts and from asserting a claim for any cure or other amounts (or asserting that any defaults exist under the Desired 365 Contract as of the date of assumption) against any of the Debtors, their estates, the Potential Buyer or any of their respective affiliates (or such other Person that agrees to purchase any of the Debtors' assets under any Alternative Transaction that is approved by the Bankruptcy Court) with respect to its Desired 365 Contract arising prior to assumption and assignment of the Debtors' right, title and interest in, to and under the Desired 365 Contract and will be deemed to consent to the proposed assumption and assignment of the Debtors' right, title and interest in, to and under the Desired 365 Contracts as provided by such Transaction or Alternative Transaction.

Where a counterparty to a Desired 365 Contract files a timely objection asserting a higher cure amount than the maximum Cure Amount set forth in the Assumption Notice and the parties are unable to consensually resolve the dispute prior to the Sale Hearing, the amount to be paid or reserved with respect to such objection will be determined at the Sale Hearing or such other date and time as may be fixed by this Court. All other objections to the proposed assumption and assignment of the Debtors' right, title and interest in, to and under the Desired 365 Contracts will be heard at the Sale Hearing.

If any Person asserts that any property or right (including a Desired 365 Contract) cannot be transferred, sold, assumed, and/or assigned free and clear of all liens, encumbrances, claims and other interests except as otherwise set forth in the Purchase Agreement or a definitive

agreement for any Alternative Transaction (as applicable), in accordance with the Transaction or Alternative Transaction, (as applicable) and Bankruptcy Code §§ 363 and/or 365 on account of one or more alleged approval rights, consent rights, preferential purchase rights, rights of purchase, rights of first refusal, rights of first offer, tag-along rights, or similar rights, then such Person must file and serve a notice with the Court with all supporting documentation (a "Rights Notice") on or before the Objection Deadline. Each Rights Notice must identify the properties or rights that are subject to such alleged right, identify the type of right(s) claimed by such party, identify the agreement, document, or statute giving rise to such right, and identify the portion of the agreement, document, or statute giving rise to such right. The assertion of a Rights Notice does not require an exercise of the underlying right asserted and any such right asserted is subject to the terms and conditions of the Purchase Agreement or definitive agreement for any Alternative Transaction, as the case may be (including, without limitation, any allocation contained therein).

Any Person failing to timely file and serve a Rights Notice will be (a) forever barred from objecting to the transfer, sale, assumption, and/or assignment of the Debtors' right, title and interest in, to and under the properties to be sold, assumed and/or assigned pursuant to the Purchase Agreement or a definitive agreement for any Alternative Transaction (as applicable), including, without limitation, the rights to act as operator under the operating agreements assumed and assigned as part of the Transaction or any Alternative Transaction, free and clear of all liens, encumbrances, claims and other interests except as otherwise set forth in the Purchase Agreement or a definitive agreement for any Alternative Transaction (as applicable), and from asserting any alleged approval rights, consent rights, preferential purchase rights, rights of purchase, rights of first refusal, rights of first offer, tag-along rights, or similar rights with respect to the Debtors' transfer, sale, assumption, and/or assignment of the Debtors' right, title and interest in, to and under such properties, as set forth in the Purchase Agreement or such other definitive agreement for any Alternative Transaction (if applicable), and (b) deemed to consent to and approve of the transfer, sale, assumption, and/or assignment of such right, title and interest in, to and under such properties, free and clear of all liens, encumbrances, claims and other interests except as otherwise set forth in the Purchase Agreement or a definitive agreement for any Alternative Transaction, as applicable (regardless of whether such consent must be in writing).

If any Person timely files and serves a Rights Notice, the Debtors will have the opportunity to object to any alleged approval rights, consent rights, preferential purchase rights, rights of purchase, rights of first refusal, rights of first offer, tag-along rights, or similar rights asserted such Person by filing an objection to such Rights Notice at any time prior to the Sale Hearing. Upon the filing of such objection to the Rights Notice, any rights asserted are deemed to be disputed and the Debtors are entitled to assert a bona fide dispute exists as to such rights asserted. Nothing herein shall be deemed to be a waiver of any rights of the Debtors to contest any rights asserted by any Person in Rights Notices; all such rights of the Debtors are expressly preserved.

Copies of the Purchase Agreement, Bid Procedures, and Bid Procedures Order may be downloaded at [www.bmcgroup.com/RAAMGlobal](http://www.bmcgroup.com/RAAMGlobal) or obtained upon receipt of a written request to Parkman Whaling LLC, Attn: Bruce Campbell & Lars Hollis, 600 Travis, Suite 600, Houston, Texas 77002, 713-333-8400, [bcampbell@parkmanwhaling.com](mailto:bcampbell@parkmanwhaling.com), [lhollis@parkmanwhaling.com](mailto:lhollis@parkmanwhaling.com).

Dated: \_\_\_\_\_, 2015

Respectfully submitted,

**VINSON & ELKINS LLP**

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**PROPOSED ATTORNEYS FOR THE DEBTORS**

**Exhibit D**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

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|                                       |   |                        |
|---------------------------------------|---|------------------------|
| In re:                                | x |                        |
|                                       | : |                        |
|                                       | : | Chapter 11             |
| RAAM GLOBAL ENERGY                    | : |                        |
| COMPANY, <i>et al.</i> , <sup>1</sup> | : | Case No. 15-35615 (MI) |
|                                       | : |                        |
| Debtors.                              | x | (Jointly Administered) |

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**STIPULATION**

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This stipulation (this “**Stipulation**”) is made and entered into as of December 1, 2015 (the “**Stipulation Effective Date**”), by and among the following parties: the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”); Highbridge Principal Strategies, LLC, on behalf of the lender parties under the First Lien Credit Agreement (“**Highbridge**”); the Official Committee of Unsecured Creditors (the “**Committee**”); and Ace Insurance Company and its Affiliates (collectively, “**Ace**”). The Debtors, Highbridge, the Committee, and Ace are each referred to herein as a “**Party**” and are collectively referred to herein as the “**Parties**.”

**Recitals**

WHEREAS, on October 26, 2015 (the “**Petition Date**”) RAAM Global Energy Company, and certain of its affiliates commenced chapter 11 cases in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the “**Court**”), by filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “**Bankruptcy Code**”), which chapter 11 cases are being jointly administered

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number are RAAM Global Energy Company [2973], Century Exploration New Orleans, LLC [4948], Century Exploration Houston, LLC [9624], and Century Exploration Resources, LLC [7252].

and are captioned *In re RAAM Global Energy Company, et al.*, Case No. 15-35615 (MI) (the “**Chapter 11 Cases**”);

WHEREAS, on the Petition Date, the Debtors filed the *Emergency Motion for Approval of Interim and Final Use of Cash Collateral and Granting Adequate Protection* [Dkt. No. 11] (the “**Cash Collateral Motion**”);

WHEREAS, the Debtors and Ace entered into the Ace Bonding Agreement to fund the Debtors’ plugging and abandonment (“**P&A**”) obligations;

WHEREAS, an escrow account created pursuant to and for the benefit of the Ace Bonding Agreement (the “**Escrow Agreement**”) held approximately \$9.9 million as of the Petition Date as of September 30, 2015;

WHEREAS, on November 6, 2015, the Debtors filed a motion seeking authority to sell to Highbridge substantially all of the Debtors’ assets pursuant to sections 363 and 365 of the Bankruptcy Code pursuant to an asset purchase agreement [Docket No. 90] (such motion, the “**Sale Motion**,” and such agreement, the “**Purchase Agreement**”) whereby Highbridge will purchase substantially all of the Debtors’ assets (the “**Sale**” and any cash proceeds from the Sale, the “**Sale Proceeds**”);

WHEREAS, on November 23, 2015, the Debtors filed the *Expedited Motion for Order Authorizing (A) the Debtors to Deliver Checks to their Intended Recipients, (B) the Debtors and Ace to Enter Into Contracts with Vendors to Perform Plugging and Abandonment Work in the Ordinary Course, and (C) the Utilization of Funds in the Escrow Account to Pay for Such Work in the Ordinary Course* [Docket No. 148] (the “**Ace Motion**”);

WHEREAS, on November 24, 2015, the Committee filed an objection to the Cash Collateral Motion [Docket No. 152];



WHEREAS, on November 24, 2015, the Debtors filed the *Debtors' Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 154] (the "Plan");

NOW, THEREFORE, it is hereby stipulated and agreed to by and among the Parties and upon Bankruptcy Court approval hereof, it shall be ordered as follows:

1. This Stipulation is intended to bind and inure to the benefit of the Parties. The rights or obligations of the Parties under this Stipulation may not be assigned, delegated, or transferred to any other person or entities; *provided, however*, Higbridge, in connection with any sale of a majority of its claims against the Debtors, may assign, delegate, or transfer its rights or obligations under this Stipulation to a third party in its sole discretion.

2. The Purchase Agreement shall be amended to provide that Highbridge shall fund the Sale Proceeds as provided for, and only as provided for, in this Stipulation upon the effective date of the Plan (the "Effective Date"). The Purchase Agreement shall be further amended to provide that a condition to the closing of the sale shall be the occurrence of the Effective Date.

3. Under the Plan, Ace shall receive \$1,150,000.00 of the Sale Proceeds, plus any additional amounts recovered pursuant to paragraph 7, in full and final satisfaction of any and all Claims of Ace in the Chapter 11 Cases. Ace agrees to satisfy any unpaid Claims against the Debtors on account of P&A liabilities secured by Ace bonds identified on the attached **Exhibit A** (as may be amended or supplemented from time to time solely to include pre-petition claims for P&A work regarding properties on which Ace has issued a bond) on either the earlier of (i) as soon as practicable after entry of an order approving this Stipulation, (ii) in the ordinary course of business, or (iii) as otherwise ordered by the Court. Ace shall also continue to apply the proceeds of the Escrow Account in the ordinary course of business during the pendency of

the Chapter 11 Cases in accordance with the Ace Motion and shall pay past and future P&A liabilities on behalf of the Debtors solely with respect to properties on which Ace has issued a bond up to the face amount of such bond.

4. Under the Plan, holders of General Unsecured Trade Claims shall receive a *pro rata* distribution of \$800,000 of the Sale Proceeds, plus any additional amounts recovered pursuant to paragraph 7, in full and final satisfaction of such Claims (the “**General Unsecured Trade Claims Distribution**”). The General Unsecured Trade Claims Distribution shall not be shared with any holder of Claims in any other Class, including, without limitation, the General Unsecured Non-Trade Claims Class; *provided, however*, except as set forth in this Paragraph, in the event the Debtors or Highbridge satisfy any such General Unsecured Trade Claims on or before the Effective Date, whether through any motion filed by the Debtors or through Cure Payments paid pursuant to the Sale (collectively, the “**Satisfied Claims**”), then the amount provided to Holders of General Unsecured Trade Claims shall be reduced by 57.5% of the amount of the Satisfied Claims. The Plan shall be amended to provide that General Unsecured Trade Claims does not include (i) any Debtors’ professional fees incurred prepetition, and (ii) any payments made to Debtors’ employees on account of prepetition claims

5. Under the Plan, the Sales Proceeds shall fund the Professional Fee Reserve in an amount not to exceed \$4,000,000, of which \$3,200,000 may be applied to the fees of the Debtors’ retained professionals and \$800,000 may be applied to the fees of the Committee’s retained professionals, less any amounts paid to such professionals during the pendency of the chapter 11 cases under any interim compensation orders of the Court or otherwise, and in addition to amounts funded by the Debtors held in retainer by such professionals, in full and final satisfaction of all Professional Fee Claims.

6. Under the Plan, the Sale Proceeds shall fund the Liquidating Trust Expense Reserve in the amount of \$100,000; *provided, however*, that if not all of the \$800,000 provided for in paragraph 5 is used to pay the allowed fees and expenses of the Committee's professionals, any unused portions up to \$50,000 shall be transferred to the Liquidating Trust Expense Reserve. The Plan shall be amended to provide (i) that the Liquidating Trustee shall be appointed by the Committee, in consultation with the Debtors, Ace, and Highbridge, and (ii) such other amendments as may be necessary or reasonable for the Liquidating Trust, to be negotiated in good faith by the Parties, including, without limitation, commercially reasonable efforts to cause the Purchaser to enter into a transition services agreement with the Liquidating Trustee, at cost, for the reconciliation of claims, if necessary or desirable.

7. The Plan shall provide that all other proceeds of the Liquidating Trust Assets, including any unused amounts from the Professional Fee Reserve and the Liquidating Trust Expense Reserve, subject to paragraph 6, shall be distributed (a) first (1) 50% to satisfy any Claims of ACE and (2) 50% to Holders of General Unsecured Trade Claims, until the Claims set forth in (1) or (2) have been satisfied in full, (b) second, to satisfy any unpaid Claims of the First Lien Credit Agreement Claims up to the full amount of such Claims, and (c) third, to Holders of Senior Secured Note Claims on a pro rata basis.

8. The Plan shall be modified in all respects to incorporate the terms of this Stipulation contemplated herein.

9. In the event the Debtors determine that another Sale transaction is higher or otherwise better than the Purchase Agreement, any Sale Proceeds in excess of the amount provided in the Purchase Agreement (as modified by Paragraph 2, herein) shall be applied after the payments contemplated under this Stipulation are paid, first, to satisfy all First Lien Credit

Agreement Claims up to the full amount of such Claims and, second, to Holders of Senior Secured Note Claims on a pro rata basis.

10. If Highbridge is the Purchaser under the Plan, it shall use commercially reasonable efforts to enter into a transition services agreement with Ace on the Effective Date of the Plan, at cost, with respect to use of Debtor's management team to facilitate any post-closing P&A on the Ace bonded assets of the Debtors.

11. The Debtors, Highbridge, the Committee, and Ace shall (i) support, and shall not directly or indirectly, or encourage any other entity to directly or indirectly, object to, delay, impede, or take any other action or any inaction to interfere with the acceptance, implementation, or consummation of the Plan (as amended consistent with this Stipulation) or approval by the Court of the Plan, the Cash Collateral Order, the Sale, and the Ace Motion or any related transactions, documents, or settlements, (ii) withdraw any and all and not engage in any further, discovery requests, litigation, appeals, or objections related to the foregoing or any matters related to the foregoing, and (iii) not agree to, consent to, or provide any support to any other Plan or Sale that is inconsistent with the terms set forth in this Stipulation.

12. For the avoidance of doubt, this Stipulation shall not limit or otherwise impair Highbridge's rights provided for in the Cash Collateral Order or Purchase Agreement (except as modified by this Stipulation) and upon a termination of the Purchase Agreement (except in accordance with the Bidding Procedures (as defined therein)) or of the use of cash collateral under the Cash Collateral Order, this Stipulation shall be deemed terminated and the Parties' rights shall revert *status quo ante*.

13. This Stipulation shall not be modified, altered, amended or vacated without the written consent of the Parties hereto.

14. For purposes of construing this Stipulation, none of the Parties shall be deemed to have been the drafter of the Stipulation.

15. This Stipulation may be executed in counterparts, each of which will be deemed an original but all of which together will constitute one and the same agreement. Signatures to this Stipulation transmitted by facsimile transmission, by electronic mail in “portable document format” (“.pdf”) form or other electronic means will have the same effect as physical delivery of the paper document bearing an original signature.

16. Upon approval by the Court, this Stipulation shall constitute an order of this Court and violations of the provisions of this Stipulation are subject to enforcement and the imposition of legal sanctions in the same manner as any other order of the Court.

*[Signature Page Immediately Follows]*

Stipulated and agreed by:

RAAM GLOBAL ENERGY COMPANY, *et al.*, DEBTORS AND DEBTORS IN  
POSSESSION

By: /s/ Harry A. Perrin

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THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

By: /s/ Thomas R. Califano

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