

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

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

STIPULATION

This stipulation (this “**Stipulation**”) is made and entered into as of February 1, 2016 (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**”); Upstream Exploration LLC (“**Stalking Horse Purchaser**”) and Business Property Lending, Inc. (“**BPL**”). The Debtors, Highbridge, Stalking Horse Purchaser, and BPL 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.

¹ 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]. Capitalized terms used but not otherwise defined in this Second Amended Stipulation have the meanings given to them in the Plan (as defined below).

§§ 101-1532 (the “**Bankruptcy Code**”), which chapter 11 cases are being jointly administered and are captioned *In re RAAM Global Energy Company, et al.*, Case No. 15-35615 (MI) (the “**Chapter 11 Cases**”);

WHEREAS, on December 21, 2015, the Debtors filed the *Second Amended Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 286-2] (the “**Plan**”);

WHEREAS, on January 11, 2016, BPL filed an *Objection to Confirmation of Plan and Limited Objection to Transaction or Alternative Transaction* [Docket No. 321] (“**BPL’s Objection**”);

WHEREAS, on January 19, 2016, the Court entered an *Order Confirming Second Amended Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 376] (the “**Confirmation Order**”);

WHEREAS, in Paragraph 26(a) of the Confirmation Order, it was said that Highbridge and BPL would “continue to work together to resolve BPL’s objection to confirmation of the Plan”;

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

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.

2. BPL’s Objection raised issues with respect to the adequacy of the proposed treatment of Claim Number 16 (“**BPL’s Claim**”) in the Plan and the Transaction (as defined in BPL’s Objection). Prior to the Petition Date, on August 8, 2005, RAAM entered into a

Promissory Note (Fixed Rate) (the “**BPL Note**”) and promised to pay to the order of GE Commercial Finance Business Property Corporation (and any subsequent holder of the Note) the principal sum of \$3,485,000.00 together with interest on the terms set forth in the BPL Note. BPL now holds the BPL Note. RAAM used the loan proceeds to construct an office building in Houston, Texas. The BPL Note is secured by a first position Commercial Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing (the “**BPL Deed of Trust**”) on certain real property located in the City of the Woodlands, County of Montgomery, State of Texas commonly known as 10210 Grogan’s Mill Road, and more particularly described on Exhibit A of the BPL Deed of Trust (the “**Woodlands Real Property**”) and certain personal property and fixtures as further described in the BPL Deed of Trust (the “**Woodlands Personal Property**”). Collectively, the Woodlands Real Property and the Woodlands Personal Property shall be referred to herein as the “**Woodlands Office Building.**” Copies of the BPL Note and BPL Deed of Trust are appended to BPL’s Claim. As originally proposed, the Transaction provided for the Debtors to convey title to the Woodlands Office Building to the Stalking Horse Purchaser. The Transaction also provided for the Stalking Horse Bidder to assume the BPL Deed of Trust and UCC Financing Statements relating to the Woodlands Office Building. However, the Transaction did not provide for the Stalking Horse Bidder to assume the Note and *in personam* liability for the amounts due thereunder.

3. To resolve the issues set forth in BPL’s Objection, effective as of the effective date of the Plan (the “**Effective Date**”), the Stalking Horse Bidder shall be deemed to have assumed and agreed to pay, perform and discharge all obligations under the BPL Note, including curing all defaults on the Effective Date (the “**BPL Note Assumption**”). The Court

finds, and the Stalking Horse Bidder and Debtors agree, that the indebtedness owed to BPL under the BPL Note which is being assumed by the Stalking Horse Bidder pursuant to this Order is, as of January 14, 2016, \$2,369,776.16² plus reasonable and documented attorneys' fees incurred by BPL in connection with this Case to the extent provided for by the BPL Note. On the Effective Date, the Stalking Horse Bidder shall immediately pay all past due amounts and expenses and bring the BPL Note current, specifically including: \$81,371.58 (representing the November 2015, December 2015 and January 2016 monthly payments), late fees of \$4,068.57, plus additional accrued interest and monthly payments if such closing shall occur after February 1, 2016.

4. Within 14 days of the Effective Date, BPL and the Stalking Horse Bidder will attempt to resolve the amount of reasonable attorneys' fees. If BPL and the Stalking Horse Bidder have resolved the amount of reasonable attorneys' fees, such amount shall also be paid by the Stalking Horse Bidder to BPL as soon as reasonably practicable. If an agreement cannot be reached regarding the reasonableness of BPL's attorneys' fees on or before 14 days of the Effective Date, the Court will hear and determine the reasonableness of BPL's attorneys' fees and expenses and the Stalking Horse Bidder shall pay BPL the amount the Court determines is reasonable within three business days from the date of the Court's order determining reasonableness. The Debtors are specifically authorized and empowered to take such actions as may be necessary and appropriate to implement the BPL Note Assumption.

² This includes principal of \$2,317,473.15, accrued interest at the non-default contractual rate of 7.05% through January 14, 2016 of \$48,234.44 and late fees for November 2015, December 2015 and January 2016 of \$4,068.57 plus amounts that become due under the terms of the Note, on or after the Effective Date. Interest continues to accrue at \$459.38 per diem. Additionally, monthly payments continue to come due as of the first day of each month as set forth in the BPL Note.

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

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

7. 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.

8. 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:

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