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**PROPOSED COUNSEL TO THE DEBTORS**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

In re:	§ Chapter 11
	§
ROCKIES REGION 2006 LIMITED	§ Case No. 18-33513-sgj-11
PARTNERSHIP and ROCKIES REGION	§
2007 LIMITED PARTNERSHIP, <sup>1</sup>	§ (Jointly Administered)
	§
Debtors.	§

**EMERGENCY APPLICATION FOR ORDER PURSUANT TO SECTIONS 327(A)  
AND 328(A) OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE  
2014 AUTHORIZING THE EMPLOYMENT OF OIL & GAS  
ASSET CLEARINGHOUSE, LLC AS AUCTIONEER FOR THE DEBTORS**

Rockies Region 2006 Limited Partnership and Rockies Region 2007 Limited Partnership, the above-captioned debtors and debtors in possession (together, the “Debtors”) for their Emergency Application (the “Application”) Pursuant to Sections 327(a) and 328(a) of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) Authorizing the Employment of Oil & Gas Asset Clearinghouse, LLC (“Clearinghouse”) as Auctioneer for the Debtors, respectfully represent:

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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: Rockies Region 2006 Limited Partnership (9573) and Rockies Region 2007 Limited Partnership (8835).

### **JURISDICTION**

1. The Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. Consideration of this Application is a core proceeding under 28 U.S.C. § 157(b)(2)(A) and (O).

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

### **INTRODUCTION**

3. On October 30, 2018 (the “Petition Date”), each of the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors are continuing to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. No trustee, examiner, or official committee has been appointed.

### **BACKGROUND**

5. The Debtors are West Virginia limited partnerships that own undivided, wellbore-only working interests in oil and natural gas wells. PDC Energy, Inc. (f/k/a Petroleum Development Corp.) (“PDC”), a Delaware corporation, is the managing general partner of each of the Debtors and owns approximately 39% of the Debtors’ equity interests. In the aggregate, the Debtors have over 3,700 limited partnership unit holders (collectively with PDC, the “Partners”).

6. The primary business of the Debtors is the operation and development of properties producing oil, gas, and natural gas liquids and the appropriate allocation of cash proceeds, costs, and tax benefits among the Partners.

7. On November 15, 2018, the Debtors entered into that certain Online Only Auction Agreement for Sale of Oil and Gas Properties (the “Agreement”) with Clearinghouse, which is attached hereto as **Exhibit A**. The Agreement describes (a) the various services that Clearinghouse anticipates performing for the Debtors in these chapter 11 cases (as described more fully herein)

and (b) the terms and conditions of Clearinghouse's proposed engagement and compensation. The Agreement provides that Clearinghouse will list each of the oil and gas interests and properties described therein (the "Properties") for sale through a continuous online only auction process. In furtherance of market-testing and potentially selling their oil and gas interests and properties to a party or parties other than PDC, the Debtors commenced discussions with Clearinghouse prepetition; however, the negotiation and documentation of the salient transaction terms were not able to be completed until after these chapter 11 cases were filed.<sup>2</sup>

### **RELIEF REQUESTED**

8. By this Application, the Debtors respectfully request entry of an order authorizing the retention of Clearinghouse as auctioneer in these chapter 11 cases, to assist in the marketing and sale of the Properties through an online auction process. In support of this Application, the *Declaration of Patrick M. DaPra in Support of Application for Order Pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code and Bankruptcy Rule 2014 Authorizing the Employment of Oil & Gas Asset Clearinghouse, LLC as Auctioneer for the Debtors* is attached hereto as **Exhibit B** (the "DaPra Declaration").

9. The Debtors believe that Clearinghouse is well qualified to perform the requested services and to maximize the value of the Properties at auction. Clearinghouse is the premier provider of oil and gas sale and marketing services in the United States, offering a complete line of auction and negotiated transaction services, fully supported by Internet and digital delivery systems. Clearinghouse has over 20 years of experience in marketing and selling over \$10 billion

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<sup>2</sup> As set forth more fully in the Declaration of Karen Nicolaou filed on the Petition Date [Docket No. 10], the Debtors have entered into a term sheet with PDC for, among other things, the sale of the Debtors' assets and assumption of the accompanying plugging and abandonment liabilities. The Clearinghouse retention and accompanying auction will serve to market-test certain terms of that transaction, to ensure it is indeed the highest and best offer under all of the circumstances.

in oil and gas assets and maintains a wide network of contacts and potential bidders. Clearinghouse's clients range from international oil and gas companies, like XTO and ExxonMobil, to regional and independent exploration and production companies like Chesapeake, Anadarko and Forest Oil.

10. In addition, Clearinghouse has previously been retained in the auctioneer role for the sale of certain related entities' oil and gas assets in *In re Eastern 1996D Limited Partnership, et al.*, Case No. 13-34773-hdh-11 [Docket No. 108].

**A. Services to Be Rendered**

11. The professional services to be provided by Clearinghouse include, but are not limited to, the following:

- a) to provide a continuous online platform to offer the Properties for sale by auction;
- b) to notify potential bidders of the sale, promote participation in the auction by bidders and to accommodate the bidders;
- c) to qualify bidders pursuant to an online registration; and
- d) to sell the Properties according to the Buyer's Terms and Conditions of Purchase, attached to the Agreement.

12. In addition, Clearinghouse will indemnify and hold the Debtors harmless against any losses, claims, damages, liabilities and actions, joint or several, to which the Debtors and their affiliates may become subject, insofar as such losses, claims, damages, liabilities or actions arise out of or are based upon a breach of any duty, obligation, representation or warranty of Clearinghouse under the terms or provisions of the Agreement.

13. Patrick M. DaPra, Vice President of Negotiated Transactions and Amanda Novak, Vice President of A&D have numerous years of experience in the oil and gas industry and will lead the Clearinghouse team on this engagement. As necessary, other professionals and/or employees of Clearinghouse may provide services in connection with the engagement.

14. Subject to this Court's approval, the Debtors are informed that Clearinghouse is prepared to serve as the Debtors' auctioneer of the Properties and to perform the services described above.

**B. Professional Compensation and Reimbursement**

15. As compensation for Clearinghouse's services, the Debtors have agreed to pay Clearinghouse a fee (the "Auction Fee") calculated on the gross sale proceeds received by the Debtors from Properties sold, which auction fee shall include all fees and sales commissions. The Auction Fee will be five percent (5%) of the gross proceeds of sale. Such Auction Fee shall be payable to an escrow agent at the time of the sale, and Clearinghouse shall have the right to deduct the amount of such Auction Fee from the Debtors' gross sale proceeds at the time of settlement. Should the Debtors elect not to accept the highest bid at auction, or if no bids are received for the Properties, the Clearinghouse shall be entitled to a fixed one-time fee of ten thousand dollars (\$10,000.00).

16. In addition, in the event that the Responsible Party asks Clearinghouse to send a representative to appear before this Court, the Debtors have agreed to pay Clearinghouse \$500 per day, plus reimbursement of all reasonable travel expenses (including mileage).

17. The Debtors are informed and believe that Clearinghouse's proposed fee is commensurate with the commissions charged by other auctioneers for services similar to those to be provided by Clearinghouse. The Debtors seek to retain Clearinghouse pursuant to section 328(a) of the Bankruptcy Code because (a) Clearinghouse's proposed engagement is limited in scope and (b) Clearinghouse has agreed to be paid a fixed percentage of the gross sale proceeds or alternatively, a fixed fee. As a result, the Debtors request that the Court authorize Clearinghouse to be compensated without the need for Clearinghouse to file a fee application. Following the auction, in the event a bid is received, the Debtors will file with this Court a report outlining (a)

the sale price for each lot of the Properties, (b) the expenses reimbursed, and (c) the commissions or fee paid.

18. The Debtors further request that Clearinghouse be excused from the requirement of maintaining and submitting time records, as Clearinghouse will not be paid an hourly or monthly rate and typically does not maintain time records.

19. The Debtors are informed that Clearinghouse has no agreement with any entities to share any compensation received, nor will any such agreement be made, except as permitted under section 504(b)(1) of the Bankruptcy Code.

20. The Debtors believe that the services offered by Clearinghouse are the best available and the accompanying terms are customary, fair, and reasonable. The Debtors believe that the fees charged by Clearinghouse pursuant to the Agreement are comparable with fees charged by Clearinghouse in other engagements, and are also comparable to those charged by other oil and gas auction houses.

**C. Clearinghouse's Disinterestedness**

21. To the best of the Debtors' knowledge, other than set out in the DaPra Declaration, Clearinghouse: (a) does not have any connections with the Debtors, their creditors, equity interest holders, or any other party in interest or their professionals, or which would otherwise create a conflict of interest in this matter; (b) does not have any connection with the Office of the U.S. Trustee, the Court, or any person employed by the Office of the U.S. Trustee or the Court; (c) is a "disinterested person," as that term is defined in section 101(14) of the Bankruptcy Code; and (d) does not hold an interest adverse to the Debtors, as debtors in possession, or their estates in the matters upon which Clearinghouse is to be engaged.

### **ARGUMENTS & AUTHORITIES**

22. Pursuant to the Bankruptcy Code, the Debtors “with the court’s approval, may employ one or more . . . auctioneers . . . or other professional persons, that do not hold or represent an interest adverse to the estate, and that are disinterested persons . . . .” 11 U.S.C. § 327(a). The Debtors “may employ a professional person under section 327 . . . on any reasonable terms and conditions of employment, including on a . . . fixed or percentage fee basis . . . .” 11 U.S.C. § 328(a). Accordingly, section 328 permits the compensation of professionals on flexible terms that reflect the nature of their services and market conditions. Section 328 allows professionals to avoid the uncertainty of a *post hoc* court modification of compensation based upon a reasonableness standard by obtaining court approval agreed to with the debtor upfront. *Donaldson Lufkin & Jenrette Sec. Corp. v. Nat’l Gypsum Co. (In re Nat’l Gypsum Co.)*, 123 F.3d 861, 862 (5th Cir. 1997).

23. Because the Debtors are seeking to retain Clearinghouse under section 328(a) of the Bankruptcy Code, and because Clearinghouse’s compensation is a “straight line” calculation based on the proceeds of sale or alternatively, a fixed fee, the Debtors believe that Clearinghouse’s compensation should not be subject to any additional standard of review under section 330 of the Bankruptcy Code. The Debtors respectfully submit that Clearinghouse’s retention pursuant to section 328(a) is reasonable, as Clearinghouse and others in the auction industry are customarily retained pursuant to fixed or contingent fee structures such as that contained in the Agreement. *See, e.g., In re Eastern 1996D Limited Partnership, et al.*, Case No. 13-34773-HDH (Bankr. N.D. Tex. Oct. 22, 2013) [Docket No. 108]; *In re Xtreme Iron, LLC*, Case No. 12-33832-HDH (Bankr. N.D. Tex. Mar. 28, 2013) [Docket No. 351]; *In re Vanderra Res., LLC*, Case No. 12-45137-DML (Bankr. N.D. Tex. Nov. 20, 2012) [Docket No. 194]; *In re Waterloo Restaurant Ventures, Inc.*, Case No. 12-31573-BJH (Bankr. N.D. Tex. May 25, 2012) [Docket Nos. 99 & 112]. The Debtors

believe that the Agreement appropriately reflects the nature and scope of services to be provided by Clearinghouse, Clearinghouse's substantial experience with respect to auction sales, and the fee structures typically utilized by auctioneers.

WHEREFORE, the Debtors respectfully request that this Court enter an Order substantially in the form attached hereto as **Exhibit C**, (i) approving the Application; (ii) authorizing the Debtors to employ Clearinghouse as auctioneer to perform the services described in the Agreement; and (iii) granting such other and further relief as may be just and proper.

Respectfully submitted this 16th day of November, 2018.

**GRAY REED & McGRAW LLP**

By: /s/ Jason S. Brookner

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**PROPOSED COUNSEL TO THE DEBTORS**



**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on the 16th day of November, 2018, he caused a true and correct copy of the foregoing document to be served via the Court's CM/ECF system on all those who have so-subscribed and on the parties appearing below via first class United States mail, postage prepaid and, where possible, via electronic mail.

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/s/ Jason S. Brookner  
Jason S. Brookner

**Exhibit A**

**Clearinghouse Retention Agreement**

# OIL & GAS ASSET **CLEARINGHOUSE**

## **ONLINE ONLY AUCTION AGREEMENT FOR SALE OF OIL AND GAS PROPERTIES**

This Online Only Auction Agreement for Sale of Oil and Gas Properties ("**Agreement**") is entered into by and between Oil & Gas Asset Clearinghouse, LLC, a Delaware limited liability company ("**Clearinghouse**"), whose mailing address is 1235 North Loop W., Suite 510, Houston, Texas 77008, and Rockies Region 2006 Limited Partnership and Rockies Region 2007 Limited Partnership, West Virginia limited partnerships ("**Seller**"), whose mailing address is 777 S. Post Oak Lane, Suite 1700, Houston, TX 77056, (phone) 713-805-2343, and shall fully evidence the terms and conditions by which Seller has committed to sell certain properties through continuous online only auction services furnished by Clearinghouse, its retained broker dealer and auctioneer.

In consideration of the covenants and agreements hereinafter contained, Seller hereby grants Clearinghouse the exclusive right to conduct a sale, by continuous online only auction ("**Sale**"), of the oil and gas interests and properties described on **Exhibit "A"** attached hereto ("**Property**" or "**Properties**").

### **1. DATE AND LOCATION OF SALE:**

Clearinghouse and Seller shall mutually agree upon the specific date and time to commence the auction bidding process ("**Bid Start Date**") and the date and time to close bidding on the Properties ("**Bid End Date**"), subject to extensions and the right to reset the bidding period. All offers and sales of the Properties will be conducted in a continuous online platform over the Internet. The date a bid is approved by order of the Bankruptcy Court (defined below) shall be the sale date ("**Sale Date**").

### **2. TERM OF AGREEMENT:**

This Agreement shall be effective as of the executed date shown below, subject to approval by the United States Bankruptcy Court for the Northern District of Texas (the "**Bankruptcy Court**") and shall continue until the last of the following occurrences:

- A. until such time as all sums due Seller and Clearinghouse, have been received to the full satisfaction of Seller and Clearinghouse;
- B. ten (10) days following the Bid End Date; or
- C. this Agreement is otherwise terminated.

Notwithstanding anything to the contrary herein, the indemnification provisions of this Agreement shall survive any termination of this Agreement.

### **3. SELLER COOPERATION AND CONVEYANCE - Seller agrees as follows:**

- A. to use reasonable efforts to accurately and completely describe the Properties and all working, net revenue, overriding royalty, and other interests of Seller therein on **Exhibit "A"** attached hereto, on all Property data sheets and on the conveyance instruments;
- B. at least seven (7) business days prior to listing the Properties for Sale on the Bid Start Date, Seller shall prepare and deliver to Clearinghouse the completed Master well list worksheet, all pertinent revenue, expense and production information relative to the Properties and copies of original conveyance documents to Seller, plus an unsigned copy of the Seller's form of assignment ("**Form of Assignment**") that will be used to convey Seller's interest to the highest qualified bidder ("**Buyer**") and a copy of any regulatory forms required to transfer title and operations, when applicable, for every Property to be offered for Sale;
- C. to make electronic data available to Clearinghouse for the benefit of prospective bidders of all such documents in Seller's possession that Seller considers pertinent to the Properties and, to the extent obtainable with reasonable effort and expense, to provide any additional information which prospective bidders may reasonably request for the purpose of verifying the accuracy and completeness of the information concerning the Properties;
- D. to use reasonable efforts to respond to reasonable questions from prospective bidders concerning the Properties;

- E. to cooperate in all reasonable respects with and assist Clearinghouse, their respective employees, contractors, subcontractors and affiliates, in the performance of duties pursuant hereto and to prepare and execute all documents and do all things reasonably necessary to carry out Seller's obligations under this Agreement; including, without limitation, to do such further acts or execute such further documents as may reasonably be required to effectuate transfer of title in and to the Properties;
- F. to provide such other reasonable assistance as may be necessary to complete the closing of the purchase and sale of the Properties in accordance with the terms and conditions applicable to any Sale pursuant to this Agreement;
- G. in order to effect a like-kind exchange pursuant to Section 1031 of the Internal Revenue Code of 1986, as amended, Seller reserves the right to assign its rights under this Agreement at any time on or before the Sale Date. In the event of such assignment, Seller will notify Clearinghouse in writing on or before the Sale Date. Clearinghouse will notify prospective Buyers on or before the Sale Date and will notify the Buyer on the Sale Date. Notwithstanding any such assignment of rights, Seller will directly convey legal title to the Property from Seller to Buyer; and
- H. that all offers and sales of Properties under this Agreement and all qualifications of potential bidders shall be overseen and approved by the broker dealer retained by Clearinghouse, whose acknowledgement is set forth on the signature page of this Agreement.

**4. SELLER REPRESENTATIONS AND WARRANTIES - Seller represents, warrants and agrees as follows:**

- A. not to sell, assign, or otherwise dispose of any Properties during the term of this Agreement without prior written consent from Clearinghouse and its broker dealer; subject to conditions of **Exhibit "A"** hereto; unless, however, Responsible Party, in the exercise of her fiduciary duties, determines that a sale of one or more of the Properties is in the best interests of the Seller's respective chapter 11 estates;
- B. not to make any representation or warranty whatsoever, either express or implied, with respect to the Properties;
- C. that none of its employees, officers, directors, agents, or representatives, other than PDC Energy, Inc., will bid on any of the Properties;
- D. the sale of the Properties will not, to the best of Seller's knowledge:
  - (1) result in any breach or default under any agreement or other instrument to which any of the Properties or Seller is subject, or
  - (2) violate any applicable court or government order;
- E. subject to Bankruptcy Court approval, Seller has the right and authority to sell the Properties;
- F. any liens, mortgages, or other like encumbrances affecting the Properties have, to the best of Seller's knowledge, been fully and completely disclosed on the property data sheet(s) prepared for the Properties. Seller agrees to provide Clearinghouse with documentation of subordination or release, or documentation evidencing that Seller has performed all acts necessary on its part to permit the release or subordination of any such liens, mortgages or encumbrances within five (5) business days after the date upon which due diligence discloses the existence of same;
- G. Seller has not previously acquired the Properties with intent to resell, unless such Property was an inseparable part of a package of purchased properties;
- H. Seller has not fractionalized its interest in the Properties, but rather is selling all of its interest in same. Seller is representing all its interests in the Properties as available for sale. Notwithstanding the foregoing, however, Seller retains the right to reserve a wellbore working interest, royalty, overriding royalty, or to sever horizontal rights in and to the Properties;
- I. Seller has read and is familiar with the terms of **Exhibit "C"** attached hereto and will offer the Properties for sale in accordance therewith;
- J. Unless a specific agreement is made in writing between Seller and Buyer, all production, revenues, and expenses accruing prior to 7:00 a.m. on the effective date of transfer shall belong to and remain with Seller. All production, revenue, and expenses accruing after such date and time shall be the responsibility of Buyer, including all cost and liabilities associated with well plugging, equipment removal, and surface cleanup/restoration;
- K. notification by Buyer to Seller within sixty (60) days following the Sale Date that any over-produced gas imbalance attributable to the acquired Property as of the effective date of the conveyance is in excess of one hundred twenty percent (120%) of that reflected on the property data sheet(s) shall be cause, at the option of Buyer, to void the purchase and sale of the affected Property;
- L. should Buyer determine and notify Seller within seventy-five (75) days after the Sale Date that the interest conveyed by the conveyance documents is less than the interest described for sale, Seller agrees immediately within thirty (30) days following receipt of written notification thereof accompanied by adequate proof of such claim, to: cure the defect giving rise to such interest discrepancy to Buyer's reasonable satisfaction or, at Seller's option, to refund to Buyer either:
  - (1) the full purchase price and accept a mutually acceptable, recordable reassignment of the Property effective as of the date of the original conveyance; or
  - (2) a proportionate part of such purchase price as mutually agreed to between Seller and Buyer;
- M. to indemnify and hold harmless Clearinghouse and its broker dealer and any auctioneers or escrow agents retained by either of them to participate in the Sale (the **"Indemnified Parties"**), free and clear from any and all losses, claims,

damages, liabilities and actions, joint or several, to which Indemnified Parties may become subject, insofar as such losses, claims, damages, liabilities or actions arise out of or result from Seller's breach of any of its duties, obligations, representations or warranties under the provisions of this Agreement including, but not limited to, claims or actions arising due to any:

- (1) loss or damage to the Properties or property related to the sale of the Properties;
- (2) personal injury resulting from the use of or exposure to the Properties;
- (3) breach of warranty of any kind whatsoever;
- (4) misrepresentation by the Seller;
- (5) defect in title by the Seller; and
- (6) other liabilities and expenses directly or indirectly arising in connection with this Agreement, including **Exhibit "B"** attached hereto. Seller shall reimburse Indemnified Parties for any legal or other expenses reasonably incurred in connection with investigating or defending any such loss, claim, damage, liability or action; and

N. under no circumstances shall any Indemnified Parties be held liable for any loss or damage suffered by Seller as a result of Buyer's failure to execute, record, or obtain necessary approvals of the conveyance documents or for any other act or breach by any Buyer or prospective buyer with respect to the Properties.

The indemnity provisions contained herein shall extend and inure to the benefit of the officers, directors, managers, members, partners, employees, agents, contractors, subcontractors, heirs, successors and assigns of each Indemnified Party.

## 5. CLEARINGHOUSE COMMITS AND AGREES, AS APPLICABLE:

- A. to provide a continuous online platform to offer the Properties for Sale by auction;
- B. to notify potential bidders of the Sale, promote participation in the auction by bidders and to accommodate the bidders;
- C. to qualify bidders pursuant to an online registration containing the representations shown on **Exhibit "B"** attached hereto, which qualification shall be subject to its broker dealer's approval thereof;
- D. to sell the Properties according to **Exhibit "C"**, Buyer's Terms and Conditions of Purchase, attached hereto;
- E. to indemnify and hold Seller harmless against any losses, claims, damages, liabilities and actions, joint or several, to which Seller and its affiliates may become subject, insofar as such losses, claims, damages, liabilities or actions arise out of or are based upon a breach of any duty, obligation, representation or warranty of Clearinghouse under the terms or provisions of this Agreement; and
- F. to make no representations or warranties, express or implied, with respect to the Properties.

## 6. CLOSE OF AUCTION AND SALE OF PROPERTIES:

At the end of the bidding process on the Bid End Date, Clearinghouse shall have the right to sell the Properties to the highest qualified bidder, unless there is a Minimum Bid on the Properties, as set forth in an executed Addendum for Minimum Bid Properties, a form of which is attached hereto ("**Minimum Bid Addendum**"). If there is a Minimum Bid on the Properties and the highest qualified bid reaches or exceeds Seller's Minimum Bid, then the Responsible Party, in an exercise of her fiduciary duties, shall determine if such bid is the highest and best offer for the Properties, and if she so determines, Clearinghouse shall have the right to sell the Properties to the highest qualified bidder, subject to Bankruptcy Court approval. If the Minimum Bid is not obtained, then the provisions of the Minimum Bid Addendum shall govern.

## 7. AUCTION RECEIPTS AND SETTLEMENT:

- A. All checks, wire transfers or other electronic funds paid by Buyers shall be made payable to **Branch Banking and Trust Company**, as escrow agent ("**Escrow Agent**"), with a notation "**FC Trust Dept/Trust Account # [provided in wiring instructions].**" ("**Escrow Account**"). Wire transfers shall be made to Escrow Agent in accordance with its wiring instructions. Any interest accruing in the Escrow Account shall be payable to Clearinghouse.
- B. In the event that the highest bid for any Property exceeds or equals One Million and No/100 Dollars (\$1,000,000.00) or in the event that the highest bid for any Property containing a preferential right exceeds or equals Five Hundred Thousand and No/100 Dollars (\$500,000.00), Clearinghouse and Seller agree to use the amendatory instrument attached hereto as **Exhibit "E"**, it being understood that the high bidder of any such Property will be required to execute an instrument in the form of **Exhibit "E"** at the Sale prior to payment and execution of applicable conveyance documents. Such amendatory instrument shall require the consent of Clearinghouse and its broker dealer. Additionally, Clearinghouse will not file any applicable conveyance documents for public record or approval until such time as payment of the purchase price is received in full.
- C. Settlement between Clearinghouse and Seller, as to all funds received by Clearinghouse and Escrow Agent, shall take place within twenty (20) banking days following the Sale Date, except settlement may be withheld as to any Properties with respect to which:

- (1) Seller fails to provide Clearinghouse with appropriate recordable conveyance documents or satisfactory evidence that appropriate conveyance documents have been filed of record or provided to Buyer for recordation; or
- (2) the conveyance of such sold Property has been delayed due to failure to:
  - (a) obtain requisite waivers of preferential rights to purchase;
  - (b) obtain proof of required notifications;
  - (c) make application for approval by jurisdictional authorities; or
  - (d) obtain releases or subordination of liens and/or mortgages or any legal proceedings.

**8. FEES:**

Seller agrees to pay Clearinghouse an auction fee in accordance with **Exhibit "D"** attached hereto calculated on the gross Sale proceeds received by Seller from Properties sold, which auction fee shall include all fees and sales commissions ("**Auction Fee**"). Such Auction Fee shall be payable to the Escrow Agent at the time of the Sale, and Clearinghouse shall have the right to deduct the amount of such Auction Fee from the Seller's gross Sale proceeds at the time of settlement.

Should the Seller elect not to accept the highest bid at auction, or if no bids are received for the Properties, the Clearinghouse shall be entitled to a fixed one-time fee of ten thousand dollars (\$10,000.00).

Seller may ask Clearinghouse to send a representative to Dallas, TX to appear in bankruptcy court or other necessary meetings, as required by Responsible Party. Seller agrees to pay Clearinghouse \$500 per day, plus all travel expenses and mileage to and from destination at \$0.545 cents per mile for each day out of the office.

**9. REMEDIES FOR BUYER DEFAULT:**

It shall be deemed a default of this Agreement should Buyer for any reason fail to complete the purchase of any Property arranged by Clearinghouse and Clearinghouse shall be entitled to exercise the following remedies:

- A. declare the Sale void and sell the Property to the next highest bidder who has the option to tender the full amount of the bid or offer; or
- B. remove the Property from the Auction and at Seller's election, offer the Property for sale at a future date.

In either event, Clearinghouse may, at its sole option and discretion, terminate Buyer's right to participate in any subsequent sales.

**10. REMEDIES FOR SELLER DEFAULT:**

Should the Bankruptcy Court determine that Seller materially breached this Agreement, Seller shall pay Clearinghouse as damages an amount equal to the fee provided for in item 2 on the Minimum Bid Addendum.

**11. NON-CONFIDENTIALITY:**

Unless specifically identified in writing and clearly marked as "CONFIDENTIAL", all information furnished by Seller to Clearinghouse shall not be treated as confidential and may be published and distributed as Clearinghouse deems appropriate to properly inform potential bidders of value and liability. Seller hereby specifically grants Clearinghouse the right to reproduce its logo and/or trademark on Sale promotional materials whether on the website or in published materials if required. Such right to reproduce Seller's logo and/or trademark shall be limited solely to the Sale promotional materials and is non-transferrable.

**12. ENTIRETY OF AGREEMENT:**

This Agreement, including **Exhibits "A", "B", "C", "D" and "E"** attached hereto and made a part hereof, contains the entire agreement between Clearinghouse and Seller and supersedes any and all other discussions and agreements between the parties. No change to this Agreement shall be binding or enforceable unless an appropriate amendment or addendum is entered into in writing by both Clearinghouse and Seller.

**13. ASSIGNABILITY:**

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; provided, however, neither Clearinghouse nor Seller shall assign this Agreement in whole or in part without the prior written consent of the other parties. Notwithstanding the terms of this Section 13, Clearinghouse shall have the right to assign to an affiliate without the consent of Seller.

**14. AUTHORITY TO BIND:**

This Agreement and any consent hereto are binding only if executed by an authorized representative of Seller and by an officer of Clearinghouse. The validity and enforceability of this Agreement is subject to Bankruptcy Court approval.

**15. APPLICABLE LAW:**

This Agreement shall be governed by the laws of the State of Texas.

**16. SEVERABILITY:**

In case any one or more provisions of this Agreement shall, for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.

**17. NOTICES:**

All notices from one party to the other must be in writing and are effective when mailed to, hand-delivered at or electronic transmission as follows:

To Clearinghouse at:  
Patrick M. DaPra  
Oil & Gas Asset Clearinghouse, LLC  
1235 North Loop W., Suite 510  
Houston, TX 77008  
[pdapra@ogclearinghouse.com](mailto:pdapra@ogclearinghouse.com)

To Seller at:  
Karen Nicolaou  
Harney Management Partners  
777 S. Post Oak Lane, Suite 1700  
Houston, TX 77056  
[knicolaou@harneypartners.com](mailto:knicolaou@harneypartners.com)

**18. OTHER SPECIFIC TERMS AND PROVISIONS, IF ANY, ARE:**

The validity and enforceability of this Agreement is subject to Bankruptcy Court approval. The Bankruptcy Court shall have jurisdiction over any controversy or claim arising out of or relating to this Agreement.

Executed this 15<sup>th</sup> day of November, 2018

**ROCKIES REGION 2006 LIMITED PARTNERSHIP  
and ROCKIES REGION 2007 LIMITED PARTNERSHIP,**  
West Virginia limited partnerships

By: Karen Nicolaou  
Title: Responsible Party

**OIL & GAS ASSET CLEARINGHOUSE, LLC,**  
a Delaware limited liability company

By: Patrick M. DaPra  
Title: Vice President

**ACKNOWLEDGED AND CONSENTED TO THIS**

Date: \_\_\_\_\_ by the  
undersigned as the broker dealer for Clearinghouse:

**D.H. Hill Securities, LLLP,**  
a Texas limited liability limited partnership

By: \_\_\_\_\_  
Authorized Signer for D.H. Hill Securities, LLLP

**EXHIBIT "A"**

**LISTING OF OFFERED PROPERTIES**

**(See Attached)**

PROPERTIES LISTED MAY NOT BE DELETED FROM THE SALE OR REMOVED FROM THE TERMS AND CONDITIONS OF THE AGREEMENT TO WHICH THIS EXHIBIT IS ATTACHED WITHOUT THE EXPRESS WRITTEN CONSENT OF CLEARINGHOUSE. NOTWITHSTANDING ANYTHING TO THE CONTRARY, CLEARINGHOUSE SHALL HAVE THE DISCRETIONARY RIGHT NOT TO OFFER A PROPERTY LISTED ABOVE FOR SALE.

Securities offered through D.H. Hill Securities, LLLP, member FINRA/SIPC. Oil & Gas Asset Clearinghouse, LLC and D.H. Hill Securities, LLLP, are not affiliated.



## Rockies Region 2006 Limited Partnership

<u>Well Number</u>	<u>Well Name</u>	<u>API</u>	<u>State</u>	<u>County</u>
105.006038	PETTINGER 43-2	05-123-23592	CO	Weld
105.006039	PETTINGER 34-2	05-123-23591	CO	Weld
105.006108	MOODY 21-6	05-123-23586	CO	Weld
105.006161	PAPPENHEIM 44-26	05-123-24012	CO	Weld
105.006183	CBO 24-32	05-123-24060	CO	Weld
105.006201	BROWN 22-2	05-123-24094	CO	Weld
105.006292	ANDERSON 21-34	05-123-24428	CO	Weld
105.006293	ANDERSON 22-34	05-123-24427	CO	Weld
105.006360	ZAHOUREK 11-31	05-123-27284	CO	Weld
105.006361	ZAHOUREK 12-31	05-123-27302	CO	Weld
105.006362	ZAHOUREK 21-31	05-123-27285	CO	Weld
105.006363	ZAHOUREK 22-31	05-123-27288	CO	Weld
105.006365	ZAHOUREK 32-31	05-123-27286	CO	Weld
105.006367	ZAHOUREK 42-31	05-123-27289	CO	Weld
105.006374	D DYER 31-34	05-123-27311	CO	Weld
105.006376	D DYER 41-34	05-123-27309	CO	Weld
105.006382	HUNGENBERG 13-16	05-123-27290	CO	Weld
105.006383	HUNGENBERG 14-16	05-123-24378	CO	Weld
105.006384	FRANCIS 21-8	05-123-27380	CO	Weld
105.006386	BROWN-ORR 14-26	05-123-27369	CO	Weld
105.006389	ROTHARMEL 12-32	05-123-27371	CO	Weld
105.006391	ROTHARMEL 22-32	05-123-27372	CO	Weld
105.006653	GROVES 44-34	05-123-24594	CO	Weld
105.007012	GROVES 34-34	05-123-24586	CO	Weld
105.007015	GROVES 43-34	05-123-24593	CO	Weld
105.007016	GROVES 33-34	05-123-24585	CO	Weld
105.007040	KING 31-29	05-123-24623	CO	Weld
105.007041	KING 32-29	05-123-24621	CO	Weld
105.007043	KING 42-29	05-123-24620	CO	Weld
105.007091	KREPS 24-6	05-123-23621	CO	Weld
105.007103	ANDERSON 31-10	05-123-24820	CO	Weld
105.007104	ANDERSON 42-10	05-123-24819	CO	Weld
105.007106	DALTON 14-24	05-123-24817	CO	Weld
105.007107	DALTON 23-24	05-123-24816	CO	Weld
105.007108	DALTON 24-24	05-123-24818	CO	Weld
105.007109	LAPP 33-12	05-123-27055	CO	Weld

## Rockies Region 2007 Limited Partnership

<u>Well Number</u>	<u>Well Name</u>	<u>API</u>	<u>State</u>	<u>County</u>
105.007204	RUSCO 33-23	05-123-25026	CO	Weld
105.007205	RUSCO 43-23	05-123-25016	CO	Weld
105.007268	KOHLHOFF 33-2	05-123-25041	CO	Weld
105.007269	KOHLHOFF 34-2	05-123-25042	CO	Weld
105.007272	KOHLHOFF 43-2	05-123-25044	CO	Weld
105.007273	KOHLHOFF 44-2	05-123-25043	CO	Weld
105.007280	WAHLERT 41-34	05-123-25005	CO	Weld
105.007875	GUTTERSEN 23-6	05-123-26168	CO	Weld
105.007876	GUTTERSEN 24-6	05-123-26167	CO	Weld
105.007877	GUTTERSEN 34-6	05-123-26165	CO	Weld
105.007878	GUTTERSEN 33-6	05-123-26166	CO	Weld
105.007879	GUTTERSEN 43-6	05-123-26164	CO	Weld
105.007880	GUTTERSEN 44-6	05-123-26163	CO	Weld
105.007900	GUTTERSEN 44-12	05-123-26269	CO	Weld
105.007901	GUTTERSEN 43-12	05-123-26271	CO	Weld
105.007902	GUTTERSEN 33-12	05-123-26273	CO	Weld
105.007903	GUTTERSEN 34-12	05-123-26272	CO	Weld
105.007904	GUTTERSEN 12D	05-123-26270	CO	Weld
105.008033	ROTHARMEL 12-33	05-123-26472	CO	Weld
105.008034	ROTHARMEL 22-33	05-123-26471	CO	Weld
105.008068	TELARICO 31-33	05-123-25318	CO	Weld
105.008069	HOLLISTER 32-33	05-123-25321	CO	Weld
105.008070	TELARICO 33 c	05-123-25320	CO	Weld
105.008071	ROTHARMEL 33A	05-123-25410	CO	Weld
105.008072	TOLMACHOFF 41-33	05-123-25413	CO	Weld
105.008074	ANDERSON 33-34	05-123-25578	CO	Weld
105.008075	ANDERSON 34-34	05-123-25553	CO	Weld
105.008095	HALL 42-33	05-123-25409	CO	Weld
105.008201	GUTTERSEN 33-18	05-123-25315	CO	Weld
105.008202	GUTTERSEN 43-18	05-123-25317	CO	Weld
105.008312	GUTTERSEN 33-31	05-123-25339	CO	Weld
105.008313	GUTTERSEN 43-31	05-123-25335	CO	Weld
105.008432	ANDERSON 34B	05-123-25548	CO	Weld
105.071010	ROTHARMEL 11-33	05-123-26470	CO	Weld
105.071066	GUTTERSEN 41-13	05-123-26304	CO	Weld
105.071067	GUTTERSEN 31-13	05-123-26279	CO	Weld
105.071068	GUTTERSEN 13C	05-123-26278	CO	Weld
105.071069	GUTTERSEN 32-13	05-123-26276	CO	Weld
105.071070	GUTTERSEN 42-13	05-123-26303	CO	Weld
105.071123	GUTTERSEN 11-30	05-123-26456	CO	Weld
105.071124	GUTTERSEN 12-30	05-123-26455	CO	Weld
105.071126	GUTTERSEN 22-30	05-123-26453	CO	Weld
105.071127	GUTTERSEN 30A	05-123-26454	CO	Weld

**EXHIBIT "B"**  
**QUALIFIED BIDDER REGISTRATION**

**BIDDER NO.** \_\_\_\_\_ **Entity Type:** \_\_\_\_\_  
**Entity Name:** \_\_\_\_\_ **Customer No.:** \_\_\_\_\_  
**Mailing Address:** \_\_\_\_\_  
**City:** \_\_\_\_\_ **State:** \_\_\_\_\_ **Zip:** \_\_\_\_\_  
**Street Address:** \_\_\_\_\_ **Zip:** \_\_\_\_\_  
**Business Phone:** \_\_\_\_\_ **Fax:** \_\_\_\_\_ **Home:** \_\_\_\_\_  
**Email:** \_\_\_\_\_

**Bank Name:** \_\_\_\_\_ **Acct. No.:** \_\_\_\_\_  
**Address:** \_\_\_\_\_  
**Account Officer:** \_\_\_\_\_ **Phone:** \_\_\_\_\_  
**Tax ID No./S.S. No.:** \_\_\_\_\_ **U.S. Citizen:** \_\_\_\_\_ **Method of Payment:** \_\_\_\_\_  
**Credit Amount: \$** \_\_\_\_\_ **D.L. No.:** \_\_\_\_\_ **D.O.B.:** \_\_\_\_\_

**BIDDER REPRESENTATIONS & ACKNOWLEDGMENTS**

THE UNDERSIGNED HEREBY MAKES THE FOLLOWING REPRESENTATIONS AND ACKNOWLEDGES TO CLEARINGHOUSE, THE BROKER DEALER RETAINED BY CLEARINGHOUSE AND TO THE SELLER ("**SELLER**") OF THE PROPERTIES BEING OFFERED FOR SALE (check all that apply):

1. I/we represent and warrant that the undersigned is engaged in the business of exploring for or producing oil or gas or other minerals as an ongoing business and, without limitation or qualification, represent that I/we meet the requirements of one or more of the categories described below:
  - ☐ I/we are actively engaged in exploring for and/or producing oil or gas or other minerals and currently serve as operator of at least \_\_\_\_\_ oil and/or gas wells;
  - ☐ I/we, by reason of our knowledge and experience, have evaluated the merits and risks of the oil or gas or other mineral interest to be purchased at auction and have formed an opinion based solely upon my/our knowledge and experience and not upon any statement, representation or printed material provided or made by Clearinghouse, auctioneer or Seller;
  - ☐ I/we currently derive gross revenues from exploration for and/or production of oil and gas in the amount of \$500,000 or more per year;
  - ☐ I/we derive at least 75% of annual gross revenues from exploration for and/or production of oil and gas;
  - ☐ I/we (i) have been engaged in the business of exploring for or producing oil and gas or other valuable minerals as an ongoing business for at least 5 years, and (ii) during such period and currently, have derived at least 51% of annual gross revenues from such business; or
  - ☐ I/we have sufficient financial resources to bear the risk of loss associated with the purchase of oil or gas or other mineral properties.
2. The background or profession of the undersigned is best described as a:
 

<input type="checkbox"/> petroleum engineer	<input type="checkbox"/> oil or gas producer
<input type="checkbox"/> professional landman	<input type="checkbox"/> oil and gas investment agent or broker for others
<input type="checkbox"/> petroleum geologist	<input type="checkbox"/> oil and gas attorney
	<input type="checkbox"/> other _____.
3. The undersigned represents that it is either:
  - ☐ an individual whose net worth exceeds \$1,000,000
  - ☐ an individual whose income for the past 2 years exceeded \$200,000 and who expects to receive income this year in excess of \$200,000
  - ☐ a couple whose combined incomes for the past 2 years exceeded \$300,000 and who expects to receive income this year in excess of \$300,000, or
  - ☐ an entity with total assets in excess of \$5,000,000
4. BIDDER REPRESENTATIONS & ACKNOWLEDGEMENTS (continued on the following page)

The undersigned fully understands that the representations and warranties contained herein above and below will be relied upon by Clearinghouse, its broker dealer and Seller in determining whether to approve a party or entity as a registered Bidder or Buyer, or to accept any bid. The undersigned hereby certifies that the information listed above is current and correct as of the date of registration.

**Entity:** \_\_\_\_\_ **By:** \_\_\_\_\_  
**Date:** \_\_\_\_\_ **Name:** \_\_\_\_\_  
**Sale Date:** \_\_\_\_\_ **Title:** \_\_\_\_\_

- A. I/we agree to be bound by the terms of the User Agreement shown on the [www.ogclearinghouse.com](http://www.ogclearinghouse.com) auction site and represent that I am (or we are) purchasing the properties with the intent to invest and not with an intent to resell the properties.
- B. I/we are a sophisticated Buyer, knowledgeable in the evaluation of oil and gas properties and understand that by purchasing oil and gas properties or interests, the undersigned may be exposed to unforeseen risks and liabilities associated with the oil and gas business;
- C. If the undersigned is representing a corporation, partnership, trust or other entity, the undersigned is authorized by such corporation, partnership, trust or other entity to execute this instrument on behalf of such entity and to purchase any property or interest on which it bids;
- D. I/we have determined that any property or interest bid upon is a suitable investment for the undersigned and that the properties or interests bid upon are being acquired for the undersigned's own account for investment and not for the benefit of any other undisclosed person or with any intent to resell or redistribute. The undersigned has adequate net worth and means of providing for the undersigned's current needs and all possible future contingencies, personal or otherwise, and the undersigned has no need and anticipates no need in the foreseeable future to sell the properties or interests for which the undersigned may bid;
- E. I/we confirm that all documents requested by the undersigned have been made available to our satisfaction, and that the undersigned has been supplied with all of the additional information concerning this investment that the undersigned reasonably deemed necessary or appropriate as a prudent and knowledgeable purchaser to evaluate the property or interest purchased or bid upon;
- F. I/we have performed complete due diligence on all of the properties that the undersigned wishes to purchase; including without limitation the review of property data files, contacting Seller, contacting the operator, verifying production histories and rates through independent reporting sources and performing all tasks necessary to evaluate a property to the undersigned's complete satisfaction. I have not relied on any information or due diligence materials, if any, given to me by Clearinghouse in making my purchase decision. The undersigned has also reviewed Assignments and other instruments to be executed in connection with the sale of the interest or property, and agrees to execute same if the undersigned is the successful bidder. The undersigned understands that the terms set forth in these Assignments are non-negotiable;
- G. In the event Seller or Clearinghouse discovers any breach of the representations and acknowledgements contained herein, Seller may, at its election, rescind the sale of any properties sold to the undersigned and the undersigned shall promptly reassign and return all interests previously conveyed to it, free and clear of any liabilities or other burdens incurred since the assignment to the undersigned by Seller. In the event of any such rescission by Seller of the properties, the purchase price or any other funds of the undersigned held by Seller or its employees or agents shall be returned less any amounts Seller may reasonably be due in respect to any of the undersigned indemnification obligations set forth herein;
- H. No representations or warranties of any kind or nature, expressed or implied, have been made to the undersigned by Seller, Clearinghouse, the broker dealer retained by Clearinghouse or any officer, director, employee, representative, contractor or subcontractor of same;
- I. I/we recognize that Seller, Clearinghouse and the broker dealer retained by Clearinghouse are relying upon the representations and warranties contained herein in determining whether to accept the undersigned's bid for any oil and gas properties or interests;
- J. I/we hereby agree to indemnify the officers, directors, employees, agents, contractors, and sub-contractors of Seller, Clearinghouse, the broker dealer retained by Clearinghouse and to hold them individually and separately free and clear from all actions, claims, losses, damages, injuries, liabilities, costs and expenses (including attorneys' fees) of whatever kind or nature which may arise as a result of or in connection with: (i) any incorrect data or misrepresentation made by or on behalf of the undersigned; (ii) any breach of Buyer's representations or warranties; (iii) the failure by the undersigned to fulfill any of the covenants or agreements of the undersigned set forth herein; and/or (iv) any sale or distribution of any oil and gas properties or interests by the undersigned in violation of the Securities Act of 1933 or any other applicable federal or state securities laws;
- K. I/we understand that no federal or state agency has made any finding or determination as to the fairness for investment nor any recommendation or endorsement of the oil and gas properties or interests. The oil and gas properties or interests have not been registered with the Securities and Exchange Commission or with any state agency, nor shall any such registration be obtained in the future. I/we agree that the oil and gas properties or interests, or any interest therein, may not be resold, transferred or otherwise disposed of, except as permitted under applicable state and federal laws;
- L. I/we are aware that an investment in oil and gas properties or interests is highly speculative and is subject to substantial risks. I/we are capable of bearing the high degree of economic risk and burdens of this investment, including, without limitation, the possibility of the complete loss of all contributed capital, the loss of all anticipated tax benefits, if any, the lack of a public market and limited transferability such that it might not be possible to readily liquidate this investment to the extent that the undersigned's ownership thereof might continue indefinitely;
- M. All information which I/we have provided to Seller, Clearinghouse, or their respective representatives or agents, in connection with the my/our executed registration to bid is true, correct and complete to the best of my/our knowledge as of the date set forth herein;
- N. I/we acknowledge that the properties have been used for the purpose of exploration, development, production, storage and possibly the disposal of oil, gas and related substances and that some equipment may contain asbestos and/or naturally occurring radioactive material.

## EXHIBIT "C"

### BIDDER/BUYER'S TERMS AND CONDITIONS

1. **REGISTRATION AND PRE-QUALIFICATION:** Each prospective bidder must execute this instrument and the Qualified Bidder Registration form prior to becoming a qualified bidder ("**Bidder**") in any auction or other sale ("**Sale**") conducted by Oil & Gas Asset Clearinghouse, LLC, a Delaware limited liability company ("**Clearinghouse**"), acting through its retained broker dealer. Clearinghouse, through its retained broker dealer, reserves the right, in their sole discretion, not to approve and qualify any potential Bidder.
2. **ALL SALES ARE FINAL:** Unless otherwise specifically stated in a sale brochure, auction catalog or announcement, if any, Properties shall be sold on an absolute sale basis with no minimums, bid-ins, buy-back arrangements or false bidding on behalf of the Seller. Properties will be sold to the highest qualified Bidder ("**Buyer**") as determined by Clearinghouse, through its auctioneer, and the Responsible Party, and subject to Bankruptcy Court approval. Clearinghouse retains the right, in its sole discretion, to reject or accept any bid, to arbitrate tie bids, reject fractional bids, re-open lots for bidding, combine and/or delete bidding lots and wells within such lots. Unless re-opened by Clearinghouse, through its auctioneer, no further bidding will be considered once a property is declared "**SOLD**" by the auctioneer. All sales are final in accordance with the terms and conditions set forth herein.
3. **SETTLEMENT:** Clearinghouse shall prepare an invoice for each high bid which shall include recording or other fees incidental to approval by jurisdictional agencies, and all applicable federal, state and/or municipal taxes applicable to the transfer. BIDDER SHALL PAY SUCH INVOICE(S) IN FULL ON THE DAY OF THE SALE. All purchases must be paid by CERTIFIED CHECK, WIRE TRANSFER OR COMPANY/PERSONAL CHECK. By executing this Bidder/Buyer's Terms and Conditions, Bidder acknowledges and agrees to pay to Clearinghouse the consideration for the Sale. Checks, wire transfers or other electronic funds shall be made payable to **Branch Banking and Trust Company**, as escrow agent ("**Escrow Agent**"), with a notation "**FC Trust Dept/Trust Account # [provided in wiring instructions]**." Wire transfers shall be made to Escrow Agent in accordance with its wiring instructions. In the event of non-payment or failure of any check to clear, Buyer shall be liable for expenses and legal fees incurred by Clearinghouse or Seller in collecting payment.
4. **CONVEYANCE:** Clearinghouse will endeavor to have copies of all conveyance documents available for review prior to commencement of bidding on properties. Upon presentation of a paid invoice evidencing full payment, Buyer shall, at Seller's request, properly execute the original conveyance documents ("**Assignments**") furnished by Seller. All Assignments executed by a corporation shall be attested to by the corporate secretary and properly notarized. Refusal by Buyer to either make full payment and/or properly execute the original Assignment(s) consummating the transfer of a property will, at Seller's option, result in forfeiture of the consideration paid for such property.

In order to effect a like-kind exchange pursuant to Section 1031 of the Internal Revenue Code of 1986, as amended, Seller reserves the right to assign its rights under this Agreement at any time on or before the Sale Date. In the event of such assignment, Seller will notify Clearinghouse in writing on or before the Sale Date. Clearinghouse will notify prospective Buyers on or before Sale Date and will notify the Buyer on Sale Date. Notwithstanding any such assignment of rights, Seller will directly convey legal title to the property from Seller to Buyer.

At Buyers expense, Clearinghouse shall record all Assignments and furnish the original, recorded document to Buyer. At the time of settlement, and in addition to applicable recording fees, Buyer shall pay to Clearinghouse a non-refundable recording service fee for each document recorded.

**PRIOR TO BIDDING ON THE PROPERTIES, BUYER ACKNOWLEDGES THAT IT IS SOLELY RESPONSIBLE FOR FULLY REVIEWING AND UNDERSTANDING THE TERMS OF SELLER'S CONVEYANCE DOCUMENTS AND THAT THE CONVEYANCE DOCUMENTS MAY CONTAIN TERMS AND CONDITIONS IN ADDITION TO THOSE SET OUT HEREIN. BUYER ALSO UNDERSTANDS AND ACKNOWLEDGES THAT SOME TERMS CONTAINED IN SELLER'S CONVEYANCE DOCUMENTS MAY BE INCONSISTENT WITH THE TERMS AND CONDITIONS SET OUT HEREIN AND THAT IN THE EVENT OF ANY CONFLICT THE TERMS CONTAINED IN THE CONVEYANCE DOCUMENTS SHALL PREVAIL.**

5. **COMPLIANCE WITH AGREEMENTS AND REGULATIONS:** Buyer must comply with and shall be bound by any and all leases, operating agreements, farm-out agreements and other contracts, as well as all governmental laws and regulations to which the properties may be subject. In addition, prior to title transfer on any property which may include the right to operate or involves governmental leases, Bidder must be qualified to assume such rights or hold such leases in accordance with applicable agreements and regulations. Buyer's failure to comply within sixty (60) days after the Sale with all applicable agreements, jurisdictional agency requirements, government regulations and, if applicable, qualify thereunder to the satisfaction of Seller shall result in Seller having the right to nullify the Sale. Should Buyer fail or refuse to meet these terms, or the terms of any agreements or regulations, Buyer agrees to forfeit the purchase price as liquidated damages and to re-assign and return the property to Seller free and clear of any encumbrances which were not in existence prior to Seller's conveyance of the property to Buyer.
6. **PRODUCTION IMBALANCES:** Buyer understands that certain of the properties being offered may be subject to oil and/or gas balancing obligations due to the overproduction or underproduction of hydrocarbons. Buyer has investigated (by operator contact or other appropriate means) and is aware of which properties being offered for sale are overproduced or underproduced and shall take any such production imbalances into account when bidding on any such property. Buyer shall be fully responsible for collecting on or discharging any balancing obligations affecting any property that Buyer may purchase and shall indemnify Seller and Clearinghouse from and against any and all liabilities in connection with or arising out of any such balancing obligations.
7. **PREFERENTIAL RIGHTS AND CONSENTS:** Buyer is aware of any and all preferential rights to purchase, requirements of consent to assignment and other restrictions on transfer which are set forth in the leases, operating agreements or other agreements to which the properties are subject. Assignment of a property subject to any restrictions on transfer shall be made subject to such restrictions and the conveyance documents shall be retained by Clearinghouse until the preferential rights, right of first refusal, right of consent or other right has been either exercised, waived or the required response time has elapsed.

8. **NO WARRANTIES:** ALL PROPERTIES ARE OFFERED AND WILL BE SOLD "AS IS", WITHOUT WARRANTY EXPRESS OR IMPLIED IN FACT OR BY LAW, WHETHER OF TITLE, OPERATING CONDITION, SAFETY, COMPLIANCE WITH GOVERNMENTAL REGULATIONS, MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSES, ENVIRONMENTAL OR OTHER CONDITION OR OTHERWISE. ALL WELLS, PERSONAL PROPERTY, MACHINERY, EQUIPMENT AND FACILITIES THEREIN, THEREON AND APPURTENANT THERETO ARE TO BE CONVEYED BY SELLER AND ACCEPTED BY BUYER PRECISELY AND ONLY "AS IS, WHERE IS". Should Buyer subsequently determine that the interest actually received is less than described, Buyer shall have the right, within seventy-five (75) days after the Sale Date, to notify and furnish proof to Seller of such discrepancy. On or before thirty (30) days following receipt of such notification, Seller shall have the option to cure the defect giving rise to such interest discrepancy to Buyer's reasonable satisfaction, or refund to Buyer either: (i) the full selling price and receive a recordable reassignment of the property acceptable to Seller, containing special warranty of title effective as of the date of the original conveyance (subject to only such burdens and encumbrances existing at the time of the original conveyance from Seller), or (ii) a proportionate share of the selling price based on the net interest not actually delivered as it relates to the interest offered.

ALL DESCRIPTIONS, INFORMATION AND OTHER MATERIALS ("**DATA**") FURNISHED BY SELLER OR CLEARINGHOUSE, INCLUDING INFORMATION PUBLISHED IN ANY MARKETING MATERIALS, ADVERTISEMENTS, CATALOGS OR ANY OTHER PROMOTIONAL MATERIALS (WHETHER IN HARD COPY OR ELECTRONIC VERSIONS) ARE FURNISHED SOLELY FOR CONVENIENCE PURPOSES AND ANY RELIANCE ON OR USE OF SUCH DATA IS AT BIDDER'S SOLE RISK. SELLER AND CLEARINGHOUSE MAKE NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR CORRECTNESS OF SUCH DATA OR AS TO THE QUALITY OR QUANTITY OF THE HYDROCARBON RESERVES, IF ANY, ATTRIBUTABLE TO THE PROPERTIES, OR THE ABILITY OF ANY PROPERTY TO PRODUCE HYDROCARBONS.

9. **EFFECTIVE DATE OF TRANSFER:** Bidder/Buyer acknowledges that it is solely responsible for fully reviewing and understanding all Assignments, letters-in-lieu and other conveyance documents to be used in connection with the transfer of the properties, and is fully cognizant of the effective date of transfer. Unless otherwise specifically provided in the Assignment(s), all production, revenues and expenses accruing prior to 7:00 a.m. on the effective date ("**Effective Time**") of transfer shall remain with Seller. All production, revenue, expenses and liabilities accruing or asserted after such time shall be the responsibility of Buyer, including all cost and liabilities associated with well plugging, equipment removal and surface cleanup/restoration.
10. **RESPONSIBILITY FOR NOTIFICATION OF TRANSFER:** Buyer agrees to promptly furnish notification of transfer to the operator of any property sold and to any other party or entity as provided in any contracts or other agreements affecting such property. In the case of properties for which operations are being transferred, Buyer shall have made or will make arrangements for such transfer in a timely manner, including meeting all necessary partner, governmental or other approvals and other requirements necessary to either take over such responsibilities or deliver such responsibilities to other qualified and approved parties.
11. **REMEDIES FOR BUYER DEFAULT:** It shall be deemed a default of this Agreement should Buyer for any reason fail to complete the purchase of any Property arranged by Clearinghouse and Clearinghouse shall be entitled to exercise the following remedies: (A) declare the Sale void and sell the Property to the next highest bidder who has the option to tender the full amount of the bid or offer; or (B) remove the Property from the Auction and at Seller's election, offer the Property for sale at a future date. In either event, Clearinghouse may, at its sole option and discretion, terminate Buyer's right to participate in any subsequent sales.
12. **PROHIBITION OF PURCHASES WITH INTENT TO RESELL:** Bidder acknowledges and represents that it is not purchasing any property with intent to resell. Should it be determined that any property has been acquired with such intent, such conveyance shall be immediately nullified and Buyer agrees to forfeit twenty-five percent (25%) of the purchase price and immediately reassign and return such property to Seller, effective as of the date of the original conveyance, free and clear of any encumbrances which were not in existence prior to Seller's conveyance of the property to Buyer.
13. **INDEMNIFICATION:** BIDDER/BUYER HEREBY INDEMNIFIES AND AGREES TO HOLD HARMLESS SELLER, CLEARINGHOUSE, ITS BROKER DEALER AND THEIR RESPECTIVE OFFICERS, DIRECTORS, PARTNERS, MANAGERS, MEMBERS, EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS AND SUBCONTRACTORS, FROM ANY AND ALL CAUSES OF ACTION, CLAIMS, LOSSES, DAMAGES, INJURIES, COSTS AND EXPENSES OF WHATEVER KIND OR NATURE. THIS INDEMNIFICATION SHALL, WITHOUT LIMITATION, INCLUDE ANY LOSSES OR INJURIES ARISING OR SUSTAINED BY BIDDER OR BUYER'S EMPLOYEES, OFFICERS, DIRECTORS, AGENTS, AND CONSULTANTS PRIOR OR SUBSEQUENT TO THE EFFECTIVE TIME OF CONVEYANCE AS A RESULT OF (I) INJURY OR DEATH, (II) LOSS OR DESTRUCTION OF PROPERTY, (III) DEFECT IN TITLE, (IV) CONDITION OF THE PROPERTY OR PRODUCTION, (V) BIDDER/BUYER'S FAILURE TO CONDUCT A COMPLETE AND KNOWLEDGEABLE DUE DILIGENCE REVIEW, (VI) BUYER'S FAILURE TO PAY TAXES AND EXPENSES ATTRIBUTABLE TO THE PROPERTY PURCHASED AND (VII) BIDDER OR BUYER'S LOST OPPORTUNITY OR FAILURE TO PURCHASE AND/OR CLOSE ON ANY PROPERTY OFFERED IN THE SALE.
14. **APPLICABLE LAW:** This Agreement shall be governed by the laws of the State of Texas.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
(Name of Buyer Company)

By: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT "D"**

**AUCTION FEE SCHEDULE**

**5% of the gross sale proceeds**

("Gross Sale Proceeds") shall mean the gross value of all consideration (cash, securities, unit or partnership interest and other property, etc.) paid directly or indirectly by an acquirer to the Company or any of its affiliates in connection with a Sale, less any adjustments for failure of title or environmental issues, but before any accounting adjustments.

**EXHIBIT "E"****AMENDMENT TO BUYER'S TERMS AND CONDITIONS OF PURCHASE**

This is to evidence an Agreement by and between Oil & Gas Asset Clearinghouse, LLC, a Delaware limited liability company ("**Clearinghouse**"), and \_\_\_\_\_ ("**Buyer**"), and to amend the Buyer's Terms and Conditions of Purchase ("**Buyer's Agreement**") entered into between Clearinghouse and Buyer relative to Buyer's participation in an auction of oil and gas properties known as Sale No. \_\_\_\_\_ conducted by Clearinghouse on \_\_\_\_\_, 2018 (the "**Sale**"). Only to the extent of Lot No. \_\_\_\_\_ ("**Subject Property**") which Buyer successfully submitted a high bid of \$ \_\_\_\_\_ ("**Purchase Price**"), it is hereby agreed that Paragraph 3 of the Buyer's Agreement shall be amended as follows:

Notwithstanding anything to the contrary contained in the Buyer's Agreement and in lieu of the requirement to make full payment of the Purchase Price on the day of the Sale, Buyer shall immediately pay or make arrangements to pay to the Escrow Agent, a performance deposit in the amount of twenty percent (20%) of the Purchase Price (\$ \_\_\_\_\_) ("**Performance Deposit**") in accordance with the Buyer's Agreement. THIS PERFORMANCE DEPOSIT IS SOLELY TO ENSURE THE PERFORMANCE OF BUYER PURSUANT TO THE TERMS AND CONDITIONS OF THE BUYER'S AGREEMENT AND IS ACCEPTED BY SELLER AND CLEARINGHOUSE SUBJECT TO BUYER'S FULL ACKNOWLEDGEMENT THAT THE TERMS AND CONDITIONS OF ALL CONVEYANCE DOCUMENTS AND THE AMOUNT OF THE PURCHASE PRICE ARE NON-NEGOTIABLE.

The Purchase Price shall be paid in full on the later of: (i) on or before 2:00 p.m. Houston, Texas time on \_\_\_\_\_, 2018, or (ii) within three (3) business days following notification from Clearinghouse or the Seller that any preferential rights, right of first refusal, right of consent or other right has been either waived or the required response time has elapsed. At such time as the Purchase Price is received in full, as provided for in Paragraph 3 of the Buyer's Agreement, Clearinghouse shall cause Escrow Agent, at the election of Buyer, either to apply the Performance Deposit to the Purchase Price or return the Performance Deposit, without interest, within three (3) banking days after receipt of written notice thereof. IF PAYMENT IN FULL OF THE PURCHASE PRICE IS NOT TIMELY RECEIVED OR SHOULD BUYER REFUSE OR BE UNABLE FOR ANY REASON (INCLUDING FAILURE TO OBTAIN FINANCING) TO CLOSE ON THE TRANSACTION IN ACCORDANCE WITH THE TERMS OF THE BUYER'S AGREEMENT, AS AMENDED HEREBY, AND/OR PROPERLY EXECUTE THE ORIGINAL ASSIGNMENT(S) AND OTHER DOCUMENTS NECESSARY TO CONSUMMATE THE TRANSFER OF THE SUBJECT PROPERTY PURSUANT TO PARAGRAPH 4 OF THE BUYER'S AGREEMENT, SELLER SHALL BE ENTITLED TO PAYMENT OF THE PERFORMANCE DEPOSIT FROM THE ESCROW AGENT AS AGREED LIQUIDATED DAMAGES AND NOT AS A PENALTY.

In the event that a third party having preferential right to purchase the subject property, exercises such right, then Clearinghouse shall cause Escrow Agent to refund the Performance Deposit to Buyer within five (5) business days from receipt of notice that such right has been exercised. Except as to the amendment of payment procedures as provided hereinabove, all of the terms and conditions of the Buyer's Agreement shall remain unchanged.

ALL TRANSACTIONS ARE SUBJECT TO THE REVIEW AND APPROVAL OF THE BROKER DEALER RETAINED BY CLEARINGHOUSE.

ACCEPTED AND AGREED TO THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2018.

**BUYER:**

**OIL & GAS ASSET CLEARINGHOUSE, LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_  
Title:

By: Patrick M. DaPra  
Title: Vice President

**ACKNOWLEDGED AND CONSENTED TO THIS**

Date: \_\_\_\_\_ by the  
undersigned as the broker dealer for Clearinghouse:

**D.H. Hill Securities, LLLP,**  
a Texas limited liability limited partnership

By: \_\_\_\_\_  
Authorized Signer for D.H. Hill Securities, LLLP



**ADDENDUM**  
**(for Minimum Bid Properties)**  
to

**Online Only Auction Agreement for Sale of Oil and Gas Properties ("Agreement") dated November 15, 2018 between Oil & Gas Asset Clearinghouse, LLC, a Delaware limited liability company, as "Clearinghouse", and Rockies Region 2006 LP and Rockies Region 2007 LP, as "Seller".**

**Notwithstanding anything to the contrary contained in the Agreement to which this Addendum is attached, Clearinghouse and Seller do hereby agree to modify and amend such Agreement, as follows:**

1. The offered Properties described on **Attachment "1"** hereto shall be offered subject to receipt of a minimum bid, as outlined on such **Attachment "1"**, which is predetermined to be acceptable to Seller ("**Minimum Acceptable Bid**"). Should no Minimum Acceptable Bid be received at the Sale during the bidding process, Seller shall have the option to accept or reject the highest bid actually received or any other offer, and if accepted, agrees to pay Clearinghouse, the Auction Fee in accordance with **Exhibit "D"** attached to the Agreement.
2. Should Seller elect not to accept the highest actual bid received or not receive a bid, then, insofar as the offered Properties listed on **Attachment "1"** are concerned, the provisions contained in Section 8 of the Agreement shall be amended to provide that Seller shall be obligated to pay Clearinghouse a fee of ten thousand dollars (\$10,000.00).
3. Clearinghouse and Seller shall not disclose the Minimum Acceptable Bid amount prior to or during the Sale. If, however, a final bid has been received which is below such predetermined minimum, Clearinghouse shall, with Seller's prior consent, disclose such minimum amount to any interested bidder(s), as determined by Clearinghouse in an effort to negotiate and close the sale of such offered Property. Should such highest bid exceed the minimum, the predetermined Minimum Acceptable Bid amount shall not be disclosed.

ALL TRANSACTIONS ARE SUBJECT TO THE REVIEW AND APPROVAL OF THE BROKER DEALER RETAINED BY CLEARINGHOUSE.

ACCEPTED AND AGREED TO THIS 15th day of November, 2018.

**ROCKIES REGION 2006 LIMITED PARTNERSHIP  
and ROCKIES REGION 2007 LIMITED PARTNERSHIP**  
West Virginia limited partnerships

By: Karen Nicolaou  
Title: Responsible Party

**OIL & GAS ASSET CLEARINGHOUSE, LLC,**  
a Delaware limited liability company

By: Patrick M. DaPra  
Title: Vice President

**ACKNOWLEDGED AND CONSENTED TO THIS**

Date: \_\_\_\_\_ by the  
undersigned as the broker dealer for Clearinghouse:

**D.H. Hill Securities, LLLP,**  
a Texas limited liability limited partnership

By: \_\_\_\_\_  
Authorized signer for D.H. Hill Securities, LLLP

**ATTACHMENT "1"**

**Attached to and made a part of that certain Addendum dated November 15, 2018 between Oil & Gas Asset Clearinghouse, LLC, a Delaware limited liability company, as "Clearinghouse", and Rockies Region 2006 LP and Rockies Region 2007 LP, as "Seller".**

**WELL PACKAGE**

**MINIMUM ACCEPTABLE BID**

Rockies Region 2006 LP



Rockies Region 2007 LP



**CONFIDENTIAL**

**Exhibit B**

**DaPra Declaration**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

In re:	§	Chapter 11
	§	
ROCKIES REGION 2006 LIMITED	§	Case No. 18-33513-sgj-11
PARTNERSHIP and ROCKIES REGION	§	
2007 LIMITED PARTNERSHIP, <sup>1</sup>	§	(Jointly Administered)
	§	
Debtors.	§	

**DECLARATION OF PATRICK M. DAPRA IN SUPPORT OF THE EMERGENCY  
APPLICATION FOR ORDER PURSUANT TO SECTIONS 327(A) AND 328(A) OF THE  
BANKRUPTCY CODE AND BANKRUPTCY RULE 2014 AUTHORIZING THE  
EMPLOYMENT OF OIL & GAS ASSET CLEARINGHOUSE, LLC  
AS AUCTIONEER FOR THE DEBTORS**

Patrick M. DaPra declares under penalty of perjury, pursuant to 28 U.S.C. §1746, as follows:

1. I serve as Vice President of Negotiated Transactions at Oil & Gas Asset Clearinghouse, LLC (“Clearinghouse”). I submit this Declaration (i) in support of the application (the “Application”) of the Debtors to employ Clearinghouse as auctioneer and (ii) to provide disclosures required under Fed. R. Bankr. P. 2014(a).

2. I have personal knowledge of the facts set forth herein unless otherwise indicated. To the extent any information disclosed herein requires amendment or modification, I will submit a supplemental declaration.

**CLEARINGHOUSE’S QUALIFICATIONS**

3. Clearinghouse is the premier provider of oil and gas sale and marketing services in the United States, offering a complete line of auction and negotiated transaction services, fully

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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: Rockies Region 2006 Limited Partnership (9573) and Rockies Region 2007 Limited Partnership (8835).

supported by Internet and digital delivery systems. Clearinghouse has over 20-years' experience in marketing and selling over \$10 billion in oil and gas assets, and maintains a wide network of contacts and potential bidders. Clearinghouse's clients range from international oil and gas companies, like XTO and ExxonMobil, to regional and independent exploration and production companies like, Chesapeake, Anadarko and Forest Oil.

#### **SERVICES TO BE RENDERED**

4. The professional services to be provided by Clearinghouse include, but are not limited to, the following:

- a) to provide a continuous online platform to offer the Properties for sale by auction;
- b) to notify potential bidders of the sale, promote participation in the auction by bidders and to accommodate the bidders;
- c) to qualify bidders pursuant to an online registration; and
- d) to sell the Properties according to the Buyer's Terms and Conditions of Purchase, attached to the Agreement.

5. In addition, Clearinghouse will indemnify and hold the Debtors harmless against any losses, claims, damages, liabilities and actions, joint or several, to which the Debtors and their affiliates may become subject, insofar as such losses, claims, damages, liabilities or actions arise out of or are based upon a breach of any duty, obligation, representation or warranty of Clearinghouse under the terms or provisions of the Agreement.

6. I, along with Amanda Novak, Vice President of A&D, will lead the Clearinghouse team that will be working to sell the Properties at auction. As necessary, other professionals and/or employees of Clearinghouse may provide services in connection with the engagement.

7. Subject to this Court's approval, Clearinghouse is prepared to serve as the Debtors' auctioneer of the Properties and to perform the services described above.

**PROFESSIONAL COMPENSATION AND REIMBURSEMENT**

8. Attached to the Application as **Exhibit A** is the engagement letter between Clearinghouse and the Debtors (the “Agreement”), which sets forth the scope and terms of the engagement. As compensation for Clearinghouse’s services, Clearinghouse requests a fee (the “Auction Fee”) calculated on the gross sale proceeds received by the Debtors from Properties sold, which auction fee shall include all fees and sales commissions. The Auction Fee will be five percent (5%) of the gross proceeds of the sale of the Properties. Such Auction Fee shall be payable to an escrow agent at the time of the sale, and Clearinghouse shall have the right to deduct the amount of such Auction Fee from the Debtors’ gross sale proceeds at the time of settlement. . Should the Debtors elect not to accept the highest actual bid or not receive a bid, then the Debtors shall pay Clearinghouse a fixed fee of ten thousand dollars (\$10,000.00).

9. In addition, in the event that the Responsible Party asks Clearinghouse to send a representative to appear before this Court, the Debtors have agreed to pay Clearinghouse \$500 per day, plus reimbursement Clearinghouse for all reasonable travel expenses (including mileage).

10. Clearinghouse’s requested fee is commensurate with the fees charged by other auctioneers for services similar to those to be provided by Clearinghouse. Clearinghouse requests that it be compensated without the need to file a fee application and without the requirement of maintaining and submitting time records, as Clearinghouse will not be paid on hourly or monthly rate and typically does not maintain time records.

11. Clearinghouse has no agreement with any entity to share with such entity any compensation received by Clearinghouse, except as permitted under section 504(b)(1) of the Bankruptcy Code. To date, no payments have been made to Clearinghouse by the Debtors. If the Court authorizes the retention of Clearinghouse, Clearinghouse requests that compensation and reimbursement of expenses be made pursuant to the Agreement and section 328(a) of the

Bankruptcy Code, without need for Clearinghouse to file any fee applications or maintain time records. Clearinghouse employees do not keep time records on an individual seller basis in the ordinary course of business.

**CLEARINGHOUSE'S DISINTERESTEDNESS**

12. In preparing this Declaration, either I or someone under my supervision and direction reviewed Clearinghouse's transaction history to determine whether Clearinghouse had any relationships with the following parties in interest:

- (a) The Debtors and all aliases;
- (b) The Debtors' managing general partner and its counsel;
- (c) The directors and officers of the Debtors' managing general partner;
- (d) The Debtors' responsible party; and
- (e) The individuals employed in the office of the U.S. Trustee for Region 6 in Dallas and Fort Worth.

13. A list of each of the entities searched is attached hereto as Schedule 1. Other than as set forth on Schedule 2, Clearinghouse has no relationship with, or connection to, any of such entities. Under my supervision, Clearinghouse will continue to monitor the relationships of the parties in these chapter 11 cases and as additional information becomes available or additional connections are discovered, Clearinghouse will promptly file supplemental disclosures.

14. I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed on this 16th day of November, 2018.

/s/ Patrick M. DaPra  
Patrick M. DaPra

**Schedule 1**

**List of Entities Searched**

**The Debtors**

Rockies Region 2006 Limited Partnership  
Rockies Region 2007 Limited Partnership

**Prior “related” engagements**

Eastern 1996D Limited Partnership f/k/a PDC 1996-D LP  
Eastern 1997D Limited Partnership f/k/a PDC 1997-D LP  
Eastern 1998D Limited Partnership f/k/a PDC 1998-D LP  
CO & PA 1999D Limited Partnership f/k/a PDC 1999-D LP  
Colorado 2000B Limited Partnership f/k/a PDC 2000-B LP  
Colorado 2000C Limited Partnership f/k/a PDC 2000-C LP  
Colorado 2000D Limited Partnership f/k/a PDC 2000-D LP  
Colorado 2001A Limited Partnership f/k/a PDC 2001-A LP  
Colorado 2001B Limited Partnership f/k/a PDC 2001-B LP  
Colorado 2001C Limited Partnership f/k/a PDC 2001-C LP  
Colorado 2001D Limited Partnership f/k/a PDC 2001-D LP  
Colorado 2002A Limited Partnership f/k/a PDC 2002-A LP

**Debtors’ Managing General Partner & Counsel**

PDC Energy, Inc. f/k/a Petroleum Development Corporation  
Hunton Andrews Kurth LLP

**Debtors’ Responsible Party**

Harney Management Partners  
Karen Nicolaou

**Directors & Officers of Debtors’**

**Managing General Partner**

Barton R. Brookman, Jr.  
Lance Lauck  
Daniel W. Amidon  
Scott J. Reasoner  
Darwin L. Stump  
R. Scott Meyers  
David C. Parke  
Jeffrey C. Swoveland  
Christina M. Ibrahim  
Randy S. Nickerson  
Anthony J. Crisafio  
Larry F. Mazza  
Mark E. Ellis

**Office of the U.S. Trustee for the NDTX**

William Neary  
Lisa L. Lambert  
Meredyth Kippes  
Stephen McKitt  
Nancy S. Resnick  
Erin Schmidt  
Elizabeth Ziegler  
Kara Croop  
Ruby Curry  
Christi C. Flanagan  
C. Marie Goodier  
Marina J. Lopez  
LaSharion F. McClellan  
Sandra F. Nixon  
Felicia P. Palos  
Bradley D. Perdue  
Kendra M. Rust  
Joseph W. Speranza  
Julie Vega  
Cheryl H. Wilcoxson  
Cindy Worthington



**Schedule 2**

**List of Connections**

1. Clearinghouse auctioned assets for PDC Energy, Inc. (f/k/a Petroleum Development Corp.) ("PDC") in September and November 2011. These matters were unrelated to the Debtors or their chapter 11 cases.
2. Clearinghouse auction assets in 2013 for Eastern 1996D Limited Partnership and its affiliated debtors in bankruptcy Case No. 13-34773-hdh11. These debtors were also managed by PDC, but the auction conducted by Clearinghouse in the *Eastern* case is unrelated to the Debtors or their chapter 11 cases.
3. Clearinghouse has previously worked with Hunton Andrews Kurth LLP and Gray Reed & McGraw LLP and has previously been involved in transactions with both firms in matters unrelated to the Debtors and these chapter 11 cases.

**Exhibit C**

**Proposed Order**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

In re:	§ Chapter 11
	§
ROCKIES REGION 2006 LIMITED	§ Case No. 18-33513-sgj-11
PARTNERSHIP and ROCKIES REGION	§
2007 LIMITED PARTNERSHIP, <sup>1</sup>	§ (Jointly Administered)
	§
Debtors.	§

**ORDER PURSUANT TO SECTIONS 327(A) AND 328(A) OF THE  
BANKRUPTCY CODE AND BANKRUPTCY RULE 2014  
AUTHORIZING THE EMPLOYMENT OF OIL & GAS ASSET  
CLEARINGHOUSE, LLC AS AUCTIONEER FOR THE DEBTORS**

Upon the Emergency Application (the “Application”) of the above-captioned debtors and debtors in possession (collectively, the “Debtors”), for Order Authorizing Employment of Oil & Gas Asset Clearinghouse, LLC (“Clearinghouse”) as Auctioneer for the Debtors Pursuant to Section 327(a) and 328(a) of the Bankruptcy Code and Rule 2014 of the Federal Rules of Bankruptcy Procedure;<sup>2</sup> and upon the Declaration of Patrick M. DaPra in Support of the

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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: Rockies Region 2006 Limited Partnership (9573) and Rockies Region 2007 Limited Partnership (8835).

<sup>2</sup> Capitalized terms used but not defined herein have the meanings set forth in the Application.

Application (the “DaPra Declaration”); and the Court having jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334; and this matter being a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A); and the Court being satisfied, based on the representations made in the Application and the DaPra Declaration, that Clearinghouse is a “disinterested person” as that term is defined in section 101(14) of the Bankruptcy Code; and it appearing that the employment of Clearinghouse as auctioneer is appropriate and in the best interests of the Debtors and their respective estates and parties in interest; and it appearing that sufficient notice of the Application has been given, and that no other or further notice is required; and after due deliberation and sufficient cause appearing therefor, it is

**ORDERED** that the Application is **GRANTED** as set forth herein; it is further

**ORDERED** that the terms of the Agreement are hereby approved; it is further

**ORDERED** that the Debtors are authorized to employ Clearinghouse as their auctioneer, pursuant to section 328(a) of the Bankruptcy Code to provide the services described in the Application; it is further

**ORDERED** that Clearinghouse is authorized to take such other action as is reasonably necessary to comply with all duties set forth in the Application and this Order; it is further

**ORDERED** that Clearinghouse shall be compensated and reimbursed as set forth in the Application and the Agreement, pursuant to section 328(a) of the Bankruptcy Code, without the need to maintain time records, file a fee application, or for any further Order of this Court; and it is further

**ORDERED** that this Court shall retain jurisdiction to resolve all matters arising out of the Agreement or this Order.

### END OF ORDER ###

Submitted by:

**GRAY REED & McGRAW LLP**

Jason S. Brookner  
Texas Bar No. 24033684  
Lydia R. Webb  
Texas Bar No. 24083758  
Amber M. Carson  
Texas Bar No. 24075610  
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[lwebb@grayreed.com](mailto:lwebb@grayreed.com)  
[acarson@grayreed.com](mailto:acarson@grayreed.com)

**PROPOSED COUNSEL TO THE DEBTORS**