

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

In re:

WB SUPPLY LLC,

Debtor.¹

Chapter 11

Case No. 21-10729 (BLS)

**Related Docket Nos. 357, 371, 375, 402,
403, and 405**

**FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER CONFIRMING
THE FIRST AMENDED COMBINED DISCLOSURE STATEMENT AND
CHAPTER 11 PLAN OF LIQUIDATION OF WB SUPPLY LLC**

The above-captioned debtor and debtor in possession (the “**Debtor**”) having filed (a) the *Motion of Debtor for an Order (I) Approving the Adequacy of the Disclosures in the Combined Disclosure Statement and Plan on an Interim Basis, (II) Scheduling the Confirmation Hearing and Deadline for Filing Objections, (III) Establishing Procedures for the Solicitation and Tabulation of Votes to Accept or Reject the Combined Disclosure Statement and Plan, (IV) Approving the Form of Ballot and Solicitation Package and (V) Approving the Notice Provisions* [Docket No. 357] (the “**Interim Approval and Procedures Motion**”); (b) the *First Amended Combined Disclosure Statement and Chapter 11 Plan of Liquidation of WB Supply LLC* [Docket No. 371] (as subsequently revised or amended, the “**Combined Plan and Disclosure Statement**”);² (c) the *Plan Supplement* [Docket No. 399]; (d) the *Declaration of Aileen Daversa Regarding Analysis of Ballots for Accepting or Rejecting the First Amended Combined Disclosure Statement and Chapter 11 Plan of Liquidation of WB Supply LLC* [Docket No. 403] (the “**Tabulation Declaration**”); (e)

¹ The Debtor in this chapter 11 case, along with the last four digits of its tax identification number, is as follows: WB Supply LLC (2066). The address of the Debtor’s corporate headquarters is: 111 Naida Street, Pampa, Texas 79065-6901.

² Capitalized terms not otherwise herein shall have the meanings ascribed to such terms in the Interim Approval and Procedures Motion or the Combined Plan and Disclosure Statement.

the *Declaration of Edward Hostmann in Support of Confirmation of the First Amended Combined Disclosure Statement and Chapter 11 Plan of Liquidation of WB Supply LLC* [Docket No. 402] (the “**Confirmation Declaration**”); and (f) the *Debtor’s Memorandum of Law in Support of Entry of an Order Confirming the First Amended Combined Disclosure Statement and Chapter 11 Plan of Liquidation of WB Supply LLC* [Docket No. 405] (the “**Confirmation Memorandum**”); and the Court having entered the *Order (I) Conditionally Approving Combined Plan and Disclosure Statement for Solicitation Purposes Only on Shortened Notice, (II) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject Combined Plan and Disclosure Statement, (III) Approving the Form of Ballot and Solicitation Materials, (IV) Establishing Voting Record Date, (V) Fixing the Date, Time and Place for the Confirmation Hearing and the Deadline for Filing Objections Thereto, and (VI) Approving Notice Procedures* [Docket No. 375] (the “**Interim Approval and Procedures Order**”), approving, among other things the Combined Plan and Disclosure Statement on an interim basis, the contents of the Solicitation Package, and the solicitation procedures and tabulation procedures; and the Court having conducted an evidentiary hearing to consider confirmation of the Combined Plan and Disclosure Statement on November 18, 2021 (the “**Combined Hearing**”); and any responses or objections to confirmation of the Combined Plan and Disclosure Statement raised at or prior to the Combined Hearing (collectively, the “**Objections**”) having been resolved, overruled, or withdrawn prior to or during the Combined Hearing; and upon the record herein; and after due deliberation thereon; and good and sufficient cause appearing therefor, the Court hereby finds and determines that:

FINDING OF FACT AND CONCLUSIONS OF LAW

A. Findings and Conclusions. The findings and conclusions set forth herein and in the record of the Combined Hearing constitute the Court’s findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, as made applicable herein by

Bankruptcy Rules 7052 and 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

B. Jurisdiction, Venue, Core Proceeding. The Court has jurisdiction over the Chapter 11 Case pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012. Approval of the disclosures in and confirmation of the Combined Plan and Disclosure Statement are core proceedings pursuant to 28 U.S.C. § 157(b), and this Court has jurisdiction to enter a final order with respect thereto. The Debtor is an eligible debtor under Bankruptcy Code section 109. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The Debtor is the plan proponent in accordance with Bankruptcy Code section 1121(a).

C. The Committee. On April 29, 2021, the Office of the United States Trustee for the District of Delaware (the “**U.S. Trustee**”) appointed an official committee of unsecured creditors in the Chapter 11 Case (the “**Committee**”).

D. Judicial Notice. The Court takes judicial notice of the docket in the Chapter 11 Case maintained by the Clerk of the Bankruptcy Court, including all pleadings and other documents filed, all orders entered, and all evidence and arguments made, proffered, or adduced at the hearings held before the Court during the pendency of the Chapter 11 Case.

E. Adequate Information. The Combined Plan and Disclosure Statement contains adequate information within the meaning of Bankruptcy Code section 1125(a).

F. Interim Approval and Procedures Order Compliance. The Debtor has complied with the Interim Approval and Procedures Order, including the solicitation process, in all respects.

G. Burden of Proof. The Debtor has the burden of proving the elements of Bankruptcy Code sections 1125 and 1129(a) and (b) by a preponderance of the evidence. The Debtor has met its burden and has proven each element of Bankruptcy Code sections 1125 and 1129.

H. Voting. As evidenced by the Tabulation Declaration, votes to accept or reject the Combined Plan and Disclosure Statement have been solicited and tabulated fairly, in good faith, and in a manner consistent with the Bankruptcy Code and the Bankruptcy Rules, the solicitation process set forth in the Interim Approval and Procedures Order, and applicable non-bankruptcy law.

I. Solicitation. The Solicitation Packages were transmitted and served in compliance with the Bankruptcy Code, the Bankruptcy Rules, including Bankruptcy Rules 3017 and 3018, and the Interim Approval and Procedures Order. The Form of Ballots adequately addressed the particular needs of the Chapter 11 Case and is appropriate to the Holders of Claims in the Voting Class, which are impaired under the Combined Plan and Disclosure Statement and may receive a distribution under the Combined Plan and Disclosure Statement, and whose votes were, therefore, solicited.

- (1) The period during which the Debtor solicited acceptances of the Combined Plan and Disclosure Statement was reasonable and sufficient under the circumstances of the Chapter 11 Case and enabled voting creditors to make an informed decision to accept or reject the Combined Plan and Disclosure Statement.
- (2) The Debtor was not required to solicit the votes from the Holders of Claims from the following Classes (the “**Deemed to Accept Classes**”) as each such Class is unimpaired under the Combined Plan and Disclosure Statement and conclusively presumed to have accepted it: 2.1 (Prepetition Senior Obligations), 2.2 (Allowed Basin Holdings Secured Claim), 2.3 (Allowed Basin Unsecured Claims), 3 (Other Secured Claims), and 4 (Priority Claims).
- (3) The Debtor was not required to solicit votes from the Holders of Equity Interests in Class 6 (Equity Interests) (the “**Deemed to Reject Class**”, and together with the Deemed to Accept Classes, the “**Non-Voting Classes**”),

as such Class will receive no recovery under the Combined Plan and Disclosure Statement and is deemed to reject the Combined Plan and Disclosure Statement.

- (4) As described in the Tabulation Declaration and the Confirmation Declaration, the transmittal and service of the Solicitation Packages was timely, adequate, and sufficient under the circumstances. The solicitation of votes on the Combined Plan and Disclosure Statement complied with the Interim Approval and Procedures Order, was appropriate and satisfactory based upon the circumstances of the Chapter 11 Case, and was in compliance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, and other applicable rules, laws, and regulations. In connection therewith, the Debtor, and its employees, attorneys, advisors and professionals in the Chapter 11 Case are entitled to the protection of Bankruptcy Code section 1125(e).

J. Good Faith. The Combined Plan and Disclosure Statement was negotiated in good faith and at arm's length, and the Debtor has not engaged in any collusive or unfair conduct in connection with the Combined Plan and Disclosure Statement.

K. Notice. As evidenced by the Tabulation Declaration and the Confirmation Declaration, the transmittal and service of the Solicitation Packages were adequate and sufficient under the circumstances, and all parties required to be given notice of the Combined Hearing (including the deadline for filing and serving objections to confirmation of the Combined Plan and Disclosure Statement) have been given due, proper, timely, and adequate notice in accordance with the Interim Approval and Procedures Order and in compliance with the Bankruptcy Code, the Bankruptcy Rules, and applicable non-bankruptcy law, and such parties have had an opportunity to appear and be heard with respect thereto. No other or further notice is required.

L. Compliance with the Bankruptcy Code (11 U.S.C. § 1129(a)(1)). The Combined Plan and Disclosure Statement complies with the applicable provisions of the Bankruptcy Code and, as required by Bankruptcy Rule 3016, the Combined Plan and Disclosure Statement is dated and identifies the Debtor as plan proponent, thereby satisfying Bankruptcy Code section 1129(a)(1).

M. The Debtor's Compliance with the Bankruptcy Code (11 U.S.C. § 1129(a)(2)). The Debtor has complied with all the applicable provisions of the Bankruptcy Code, satisfying the requirements of Bankruptcy Code section 1129(a)(2).

N. Proposed in Good Faith (11 U.S.C. § 1129(a)(3)). The Combined Plan and Disclosure Statement has been proposed in good faith and not by any means forbidden by law, thereby satisfying the requirements of Bankruptcy Code section 1129(a)(3).

O. Payment for Services or Costs and Expenses (11 U.S.C. § 1129(a)(4)). Any payment made or to be made by the Debtor, or by any person issuing securities or acquiring property under the Combined Plan and Disclosure Statement, for services or for costs and expenses in or in connection with the Chapter 11 Case, or in connection with the Combined Plan and Disclosure Statement and incident to the Chapter 11 Case, has been approved by, or is subject to the approval of, the Court as reasonable, thereby satisfying the requirements of Bankruptcy Code section 1129(a)(4).

P. Creditor Trustee, Directors, Officers, and Insiders (11 U.S.C. § 1129(a)(5)). The Debtor has complied with Bankruptcy Code section 1129(a)(5). The Debtor is liquidating and, therefore, Bankruptcy Code section 1129(a)(5)(B) is not applicable.

Q. No Rate Changes (11 U.S.C. § 1129(a)(6)). After confirmation of the Combined Plan and Disclosure Statement, the Debtor's business will not involve rates established or approved by, or otherwise subject to, any governmental regulatory commission. Therefore, Bankruptcy Code section 1129(a)(6) is not applicable.

R. Best Interest of Creditors (11 U.S.C. § 1129(a)(7)). The Combined Plan and Disclosure Statement satisfies Bankruptcy Code section 1129(a)(7). The Liquidation Analysis attached to the Combined Plan and Disclosure Statement, as amended by the Amended Liquidation

Analysis [Docket No. 391], and other evidence proffered or adduced at the Combined Hearing (i) is persuasive and credible, (ii) has not been controverted by other evidence, and (iii) establishes that each Holder of an impaired Claim or Equity Interest either has accepted the Combined Plan and Disclosure Statement or will receive or retain under the Combined Plan and Disclosure Statement, on account of such Claim or Equity Interest, property of a value, as of the Effective Date, that is not less than the amount that such Holder would receive or retain if the Debtor were liquidated under Chapter 7 of the Bankruptcy Code on such date.

S. Acceptance by Certain Classes (11 U.S.C. § 1129(a)(8)). Holders of Claims in Classes 2.1 (Prepetition Senior Obligations), 2.2 (Allowed Basin Holdings Secured Claim), 2.3 (Allowed Basin Unsecured Claims), 3 (Other Secured Claims), and 4 (Priority Claims) are unimpaired and deemed to accept the Combined Plan and Disclosure Statement. Holders of Claims in Class 5 (General Unsecured Claims) have voted as a class to accept the Combined Plan and Disclosure Statement in accordance with Bankruptcy Code section 1126(c). Bankruptcy Code section 1129(a)(8) has not been satisfied because Class 6 (Equity Interests) is deemed to reject the Combined Plan and Disclosure Statement pursuant to Bankruptcy Code section 1126(g). However, as set forth below, the Combined Plan and Disclosure Statement is confirmable because it satisfies the nonconsensual confirmation requirements of Bankruptcy Code section 1129(b).

T. Treatment of Administrative Expense Claims and Priority Tax Claims (11 U.S.C. § 1129(a)(9)). The treatment of Allowed Administrative Expenses under the Combined Plan and Disclosure Statement satisfies Bankruptcy Code section 1129(a)(9)(A). The treatment of Allowed Priority Tax Claims under the Combined Plan and Disclosure Statement satisfies the requirements of Bankruptcy Code section 1129(a)(9)(C).

U. Acceptance by Impaired Classes (11 U.S.C. § 1129(a)(10)). At least one Class of Claims that is impaired under the Combined Plan and Disclosure Statement has accepted the Combined Plan and Disclosure Statement, determined without including any acceptance of the Combined Plan and Disclosure Statement by an insider, thereby satisfying the requirements of Bankruptcy Code section 1129(a)(10).

V. Feasibility (11 U.S.C. § 1129(a)(11)). Confirmation of the Combined Plan and Disclosure Statement is not likely to be followed by the liquidation of the Debtor other than as set forth in the Combined Plan and Disclosure Statement itself, thereby satisfying Bankruptcy Code section 1129(a)(11).

W. Payment of Fees (11 U.S.C. § 1129(a)(12)). The Combined Plan and Disclosure Statement provides that all fees due and payable pursuant to 28 U.S.C. § 1930 shall be payable by the Debtor prior to the Effective Date.

X. Inapplicable Provisions (11 U.S.C. § 1129(a)(13)-(16)). The Debtor (i) no longer maintains any retirement plans or other benefit obligations, (ii) does not have domestic support obligations, (iii) is not an individual, and (iv) is a moneyed, business, or commercial entity; accordingly, Bankruptcy Code sections 1129(a)(13)-(16) are not applicable to the Combined Plan and Disclosure Statement.

Y. Fair and Equitable, No Unfair Discrimination (11 U.S.C. § 1129(b)). Based upon the evidence proffered, adduced, and presented by the Debtor at the Combined Hearing, the Combined Plan and Disclosure Statement does not discriminate unfairly against, and is fair and equitable with respect to the Deemed to Reject Class as required by Bankruptcy Code section 1129(b)(1) and (b)(2). Therefore, the Combined Plan and Disclosure Statement may be confirmed

notwithstanding the rejection of the Combined Plan and Disclosure Statement by the Deemed to Reject Class.

Z. Only One Plan (11 U.S.C. § 1129(c)). The Combined Plan and Disclosure Statement is the only plan filed in the Chapter 11 Case, and accordingly, Bankruptcy Code section 1129(c) is inapplicable in the Chapter 11 Case.

AA. Principal Purpose of the Plan (11 U.S.C. § 1129(d)). The principal purpose of the Combined Plan and Disclosure Statement is not the avoidance of taxes or the avoidance of the application of Section 5 of the Securities Act of 1933, and no governmental unit has objected to the confirmation of the Combined Plan and Disclosure Statement on any such grounds. Therefore, the Combined Plan and Disclosure Statement satisfies the requirements of Bankruptcy Code section 1129(d).

BB. Good Faith Solicitation (11 U.S.C. § 1125(e)). Based on the record before the Court, the Debtor and its employees, attorneys, advisors and professionals in the Chapter 11 Case have acted in “good faith” within the meaning of Bankruptcy Code section 1125(e) in compliance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and any applicable non-bankruptcy law, rule, or regulation governing the adequacy of disclosure in connection with all their respective activities relating to the solicitation of the Combined Plan and Disclosure Statement and their participation in the activities described in Bankruptcy Code section 1125, and, therefore, are not, and on account of such offer, issuance, and solicitation will not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of the Combined Plan and Disclosure Statement and are entitled to the protections afforded by Bankruptcy Code section 1125(e) and, to the extent such parties are listed therein, the exculpation provisions found in Article X.B of the Combined Plan and Disclosure Statement.

CC. Implementation. All documents necessary to implement the Combined Plan and Disclosure Statement, and all other relevant and necessary documents have been developed and negotiated in good faith and at arm's length and shall, upon completion of documentation and execution, and subject to the occurrence of the Effective Date, be valid, binding, and enforceable agreements and not be in conflict with any federal or state law.

DD. Releases. The Court has jurisdiction under 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012 to approve the releases set forth in Article X.C and Article X.D of the Combined Plan and Disclosure Statement. Pursuant to Bankruptcy Code section 105(a), approval of the releases and injunction provisions contained in the Combined Plan and Disclosure Statement is warranted, as established by the record in the Chapter 11 Case, because such provisions: (i) are essential to the formulation and implementation of the Combined Plan and Disclosure Statement, (ii) confer substantial benefits on the Debtor's Estate, (iii) are fair, equitable, and reasonable, (iv) are in the best interests of the Debtor and its Estate, and (v) with respect to the third-party releases, have been consented to by the Releasing Parties.

EE. Exculpation. Pursuant to Bankruptcy Code section 1123(b)(3) and Bankruptcy Rule 9019(a), the exculpation provisions and the releases set forth in the Combined Plan and Disclosure Statement and implemented by this Confirmation Order are fair, equitable, reasonable, and in the best interests of the Debtor, and its Estate, creditors, and equity holders. The record of the Combined Hearing is sufficient to support the exculpation provision set forth in Article X.B and the releases provided for in Articles X.C and X.D, and the related injunction in Article X.A. of the Combined Plan and Disclosure Statement. Accordingly, based on the representations of the parties, and/or the evidence proffered, adduced, and/or presented at the Combined Hearing, this

Court finds that the exculpation provisions set forth in Article X.B and the releases set forth in Articles X.C and X.D, and the related injunction in Article X.A, of the Combined Plan and Disclosure Statement are consistent with the Bankruptcy Code and applicable law.

FF. Based on the foregoing, the Combined Plan and Disclosure Statement satisfies the requirements for confirmation set forth in Bankruptcy Code section 1129.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. Findings of Fact and Conclusion of Law. The above-referenced findings of fact and conclusions of law are hereby incorporated by reference as though fully set forth herein.

2. Notice of Combined Hearing. Notice of the Combined Hearing complied with the terms of the Interim Approval and Procedures Order, was appropriate and satisfactory based upon the circumstances of the Chapter 11 Case, and was in compliance with the provisions of the Bankruptcy Code and the Bankruptcy Rules.

3. Adequate Information. The disclosures contained in the Combined Plan and Disclosure Statement are approved on a final basis as containing adequate information within the meaning of Bankruptcy Code section 1125, and any objections to the adequacy of the information contained in the Combined Plan and Disclosure Statement not otherwise consensually resolved are overruled in their entirety.

4. Solicitation. The solicitation of votes on the Combined Plan and Disclosure Statement complied with the Interim Approval and Procedures Order, was appropriate and satisfactory based upon the circumstances of the Chapter 11 Case and was in compliance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, and applicable non-bankruptcy law.

5. Ballots. The form of Ballot attached as Exhibit 1 to the Interim Approval and Procedures Order is in compliance with Bankruptcy Rule 3018(c), and substantially conforms to Official Form Number 14, and is approved in all respects.

6. Confirmation of the Combined Plan and Disclosure Statement. The Combined Plan and Disclosure Statement, attached hereto as Exhibit A, and all exhibits thereto, including the Creditor Trust Agreement, are approved in all respects. The terms of the Combined Plan and Disclosure Statement are an integral part of this Confirmation Order.

7. Objections Resolved or Overruled. All objections, responses, statements, and comments in opposition to the Combined Plan and Disclosure Statement, other than those withdrawn with prejudice, waived, or settled prior to, or on the record at, the Combined Hearing, shall be, and hereby are, overruled in their entirety.

8. Binding Effect. On the date of and following entry of this Confirmation Order and subject to the occurrence of the Effective Date, the provisions of the Combined Plan and Disclosure Statement shall be binding on the Debtor, the Estate, all Holders of Claims and Equity Interests (irrespective of whether such Claims or Equity Interests are impaired under the Combined Plan and Disclosure Statement or whether the Holders of such Claims or Equity Interests have accepted the Combined Plan and Disclosure Statement), any and all non-Debtor parties to executory contracts and unexpired leases with the Debtor, any other parties in interest in the Chapter 11 Case, and the respective heirs, executors, administrators, successors, or assigns, if any, of any of the foregoing.

9. Vesting of Assets. As of the Effective Date, pursuant to Bankruptcy Code section 1141(b) and (c), the Creditor Trust Assets shall vest in the Creditor Trust free and clear of all Claims liens, encumbrances, charges, membership interests, and other interests, except as

otherwise provided in the Combined Plan and Disclosure Statement or this Confirmation Order, and subject to the terms and conditions of the Combined Plan and Disclosure Statement and this Confirmation Order. The Debtor, the Committee, and the Creditor Trustee shall have the power and authority to enter into the Creditor Trust Agreement on the Effective Date.

10. Implementation of the Combined Plan and Disclosure Statement. The Debtor and the Creditor Trustee are hereby authorized to execute deliver, file, or record such documents, contracts, instruments, releases, and other agreements, and take such other actions as may be necessary to effectuate, implement, and further evidence the terms and conditions of the Combined Plan and Disclosure Statement.

11. Creditor Trust. On the Effective Date, the Creditor Trust will be established pursuant to and in accordance with the terms of the Combined Plan and Disclosure Statement, and the Creditor Trust Agreement. Howley Law PLLC is appointed as the Creditor Trustee. The Creditor Trustee shall have such powers, duties, and responsibilities as is provided for in the Combined Plan and Disclosure Statement and the Creditor Trust Agreement and shall be compensated in accordance with the Combined Plan and Disclosure Statement and the Creditor Trust Agreement.

12. Insurance Policies. The Creditor Trustee shall be granted standing, authority, power and right to assert, prosecute and/or settle the Estate Causes of Action and/or make a claim under any primary director and officer liability, employment practices liability, or fiduciary liability insurance policies based upon its powers as a Court-appointed representative of the Estate with the same or similar abilities possessed by insolvency trustees, receivers, examiners, conservators, liquidators, rehabilitators, or similar officials.

13. Rejection of Executory Contracts. Except as set forth in the Combined Plan and Disclosure Statement, as of the Effective Date, each Executory Contract and Unexpired Lease to which the Debtor is a party is hereby rejected as of the Effective Date unless (i) previously assumed and/or assigned, (ii) subject to a pending motion to assume and/or assign, or (iii) rejected before the Effective Date.

14. Conditions to Effectiveness. The Combined Plan and Disclosure Statement shall not become effective unless the conditions set forth in Article IX of the Combined Plan and Disclosure Statement have been satisfied or waived.

15. Professional Compensation. Except as provided in the Combined Plan and Disclosure Statement, all Professionals shall file with the Court applications for compensation within sixty (60) days after the Effective Date. Upon the Effective Date, any requirement that Professionals comply with Bankruptcy Code sections 327 through 331 in seeking retention or compensation for services rendered after such date shall terminate, and Professionals may be employed and paid in the ordinary course of business without any further notice to, or action, order, or approval of, the Court. Professional Fee Claims shall be paid after the Effective Date by the Creditor Trust in accordance with Article IV.L of the Combined Plan and Disclosure Statement.

16. Binding Exculpation Provision. All exculpation provisions contained herein and/or in the Combined Plan and Disclosure Statement, including, but not limited to those contained in Article X.B of the Combined Plan and Disclosure Statement, are approved and are effective and binding on all persons and entities, to the extent provided therein.

17. Binding Release Provisions. All release provisions contained herein and/or in the Combined Plan and Disclosure Statement, including, but not limited to those contained in Articles X.C and X.D of the Combined Plan and Disclosure Statement, are approved and are effective and

binding on all persons and entities, to the extent provided therein; *provided, however*, that no provision of the Combined Plan and Disclosure Statement or this Confirmation Order shall be construed to grant a discharge pursuant to Bankruptcy Code section 1141(d).

18. Injunctions. Except as otherwise provided in the Combined Plan and Disclosure Statement or to the extent necessary to enforce the terms and conditions of the Combined Plan and Disclosure Statement, this Confirmation Order, or a separate order of the Bankruptcy Court, all entities who have held, hold, or may hold Claims against or Equity Interests in the Debtor shall be permanently enjoined from taking any of the following actions against any property that is to be distributed under the terms of the Combined Plan and Disclosure Statement on account of any such Claims or Equity Interests: (a) commencing or continuing, in any manner or in any place, any action or other proceeding; (b) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order; (c) creating, perfecting, or enforcing any lien or encumbrance; (d) asserting a setoff right, subrogation, or recoupment of any kind against any debt, liability, or obligation due to the Debtor; and (e) commencing or continuing, in any manner or in any place, any action that does not comply with or is inconsistent with the provisions of this Combined Plan and Disclosure Statement; *provided, however*, that such entities shall not be precluded from exercising their rights pursuant to and consistent with the terms of the Combined Plan and Disclosure Statement or the Confirmation Order; *provided, further*, that the foregoing shall not apply to any acts, omissions, claims, causes of action or other obligations expressly set forth in and preserved by the Combined Plan and Disclosure Statement or any defenses thereto.

19. Preservation of Causes of Action. Pursuant to the Combined Plan and Disclosure Statement, the Estate Causes of Action shall be and are hereby preserved, except as provided otherwise in the Combined Plan and Disclosure Statement or any Final Order of this Court.

20. Reservation of Rights. Except as expressly set forth herein, the Combined Plan and Disclosure Statement shall have no force or effect until the Effective Date. None of the filing of the Combined Plan and Disclosure Statement, any statement or provision contained herein, or the taking of any action by the Debtor with respect to the Combined Plan and Disclosure Statement shall be or shall be deemed to be an admission or waiver of any rights of the Debtor or any Holder of Claims or Equity Interests before the Effective Date.

21. Payment of Statutory Fees. All fees payable pursuant to 28 U.S.C. § 1930 and/or 31 U.S.C. § 3717, as determined by the Court, shall be paid for each quarter (including any fraction thereof) by the Debtor or Creditor Trust, as applicable, until the earlier of the time that the Chapter 11 Case is converted, dismissed, or closed.

22. Retention of Jurisdiction. On and after the Effective Date, the Court shall retain jurisdiction, to the fullest extent possible under law, over all matters arising in, arising under, and related to the Chapter 11 Case, the Combined Plan and Disclosure Statement, and the Creditor Trust Agreement for, among other things:

- a. to hear and determine any objections to Claims and to address any issues relating to Disputed Claims;
- b. to enter and implement such orders as may be appropriate in the event this Confirmation Order is for any reason stayed, revoked, modified, or vacated;
- c. to issue such orders in aid of execution and consummation of the Combined Plan and Disclosure Statement, to the extent authorized by Bankruptcy Code section 1142;
- d. to consider any amendments to or modifications of the Combined Plan and Disclosure Statement, to cure any defect or omission, or to reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation, this Confirmation Order;
- e. to hear and determine all requests for compensation and reimbursement of expenses to the extent allowed by the Bankruptcy Court under Bankruptcy Code sections 330 or 503;

- f. to hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Combined Plan and Disclosure Statement;
- g. to hear and determine matters concerning state, local, and federal taxes in accordance with Bankruptcy Code sections 346, 505, and 1146;
- h. to hear any other matter not inconsistent with the Bankruptcy Code;
- i. to enter the Final Decree;
- j. to ensure that Distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of the Combined Plan and Disclosure Statement;
- k. to decide or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters and grant or deny any applications involving the Debtor that may be pending on the Effective Date;
- l. to issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Person or Entity with the occurrence of the Effective Date or enforcement of the Combined Plan and Disclosure Statement, except as otherwise provided herein;
- m. to determine any other matters that may arise in connection with or related to the Combined Plan and Disclosure Statement, this Confirmation Order, or any contract, instrument, release, indenture, or other agreement or document created or implemented in connection with the Combined Plan and Disclosure Statement;
- n. to enforce, interpret, and determine any disputes arising in connection with any stipulations, orders, judgments, injunctions, exculpations, and rulings entered in connection with the Chapter 11 Case;
- o. to resolve disputes concerning any reserves with respect to Disputed Claims or the administration thereof; and
- p. to resolve any disputes concerning whether a Person or Entity had sufficient notice of the Chapter 11 Case, the Bar Date, or the Confirmation Hearing for the purpose of determining whether a Claim or Equity Interest is discharged hereunder, or for any other purpose.

23. Resignation of the Debtor's Board and Officers. The Board shall remain intact until the Debtor is dissolved. On the date of dissolution of the Debtor, the members of the Board and executive officer(s) of the Debtor shall be deemed to have resigned to the extent permissible under

applicable law. On the Effective Date or as soon as practicable thereafter, the Debtor and its Professionals are authorized and directed to cause to be filed a certificate of dissolution for the Debtor with the appropriate state agency.

24. Provisions of the Combined Plan and Disclosure Statement and Confirmation Order Non-Severable and Mutually Dependent. The provisions of the Combined Plan and Disclosure Statement and this Confirmation Order, including the findings of fact and conclusions of law as set forth herein, are non-severable and mutually dependent.

25. Governing Law. Except to the extent that the Bankruptcy Code or federal law is applicable, the rights, duties, and obligations arising under the Combined Plan and Disclosure Statement shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without giving effect to the principles or conflicts of law thereof.

26. Applicable Non-bankruptcy Law. Pursuant to Bankruptcy Code section 1123(a) and 1142(a), the provisions of this Confirmation Order, the Combined Plan and Disclosure Statement, and related documents (or any amendments or modifications thereto) shall apply and be enforceable notwithstanding any otherwise applicable non-bankruptcy law.

27. Documents and Instruments. Each federal, state, commonwealth, local, foreign, or other governmental agency is hereby authorized to accept any and all documents and instruments necessary or appropriate to effectuate, implement, or consummate the transactions contemplated by the Combined Plan and Disclosure Statement and this Confirmation Order.

28. Governmental Approvals Not Required. This Confirmation Order shall constitute all approvals and consents required, if any, by the laws, rules, or regulations of any state or other governmental authority with respect to the implementation or consummation of the Combined Plan and Disclosure Statement, any documents, instruments, or agreements, and any amendments or

modifications thereto, and any other acts referred to in, or contemplated by, the Combined Plan and Disclosure Statement.

29. Notice of Entry of Confirmation Order and Effective Date. The form of notice of Effective Date and entry of this Confirmation Order, attached hereto as Exhibit B (the “**Effective Date Notice**”), provides adequate and reasonable notice and is hereby approved. On or within two (2) Business Days of the Effective Date, the Debtor shall file and serve the Effective Date Notice on the following parties: (i) all parties filing a notice of appearance and request for service pursuant to Bankruptcy Rule 2002 in the Chapter 11 Case; (ii) state and local taxing authorities in which the Debtor did business; (iii) the Internal Revenue Service; (iv) the Securities and Exchange Commission; (v) the United States Attorney for the District of Delaware; (vi) Holders of Claims or Equity Interests; (vii) all counterparties to executory contracts and unexpired leases with the Debtor; (viii) the U.S. Trustee; and (ix) all persons or entities listed on the Debtor’s creditor mailing matrix.

30. Waiver of Stay. The stay of this Confirmation Order provided by any Bankruptcy Rule (including, without limitation, Bankruptcy Rules 3020(e), 6004(h), and 6006(d)), whether for fourteen (14) days or otherwise, is hereby waived, and this Confirmation Order shall be effective and enforceable immediately upon its entry by the Court.

31. Inconsistency. To the extent of any inconsistency between this Confirmation Order and the Combined Plan and Disclosure Statement, this Confirmation Order shall govern

32. No Waiver. The failure to specifically include any particular provision of the Combined Plan and Disclosure Statement in this Confirmation Order shall not diminish the effectiveness of such provision nor constitute a waiver thereof, it being the intent of this Court that

the Combined Plan and Disclosure Statement is confirmed in its entirety and incorporated herein by reference.

33. Texas Comptroller. Notwithstanding anything else to the contrary in the Combined Plan and Disclosure Statement or this Confirmation Order, the Texas Comptroller of Public Accounts (the “**Texas Comptroller**”) reserves the following rights: (1) any statutory or common law setoff rights in accordance with 11 U.S.C. § 553; (2) any rights to pursue any non-debtor third parties for tax debts or claims; (3) the payment of interest on the Texas Comptroller’s administrative expense tax claims, if any; (4) to the extent that interest is payable with respect to any administrative expense, priority, or secured tax claim of the Texas Comptroller, the statutory rate of interest pursuant to Texas Tax Code 111.060; and (5) the Texas Comptroller is not required to file a motion or application for payment of administrative expense claims pursuant to 11 U.S.C. § 503(b)(1)(D).

34. Priority tax claims owed to the Texas Comptroller shall be paid in full: (1) on the Effective Date; (2) in equal monthly installments of principal and interest no later than sixty (60) months of the Debtor’s bankruptcy petition date; or (3) as otherwise agreed to by the Texas Comptroller. The Texas Comptroller’s priority tax claims shall accrue interest at the statutory rate of interest from the Effective Date until paid in full.

35. Final Tax Returns. The Creditor Trust shall have sole authority and responsibility for the preparation and filing of any final tax returns (the “Returns”) required to be filed on behalf of the Debtor after the Effective Date. The Creditor Trust may engage and compensate professionals and such other persons as may be needed, and shall reserve such funds as are necessary, in order to prepare and file the Returns.

36. Other Texas Taxing Authorities. Notwithstanding anything to the contrary in the Combined Plan and Disclosure Statement or this Confirmation Order, with respect to Allowed Claims of the Texas Taxing Authorities (the “**Texas Taxing Authority Claims**”), (a) to the extent the Texas Property Tax Code provides for interest and/or penalties with respect to any portion of the Texas Taxing Authority Claims and such Claims are Allowed, such interest and/or penalties shall be included in the Texas Taxing Authority Claims, (b) the liens securing the Texas Taxing Authority Claims shall be retained until the applicable Texas Taxing Authority Claims are paid in full, and (c) the Debtor or Creditor Trust, as applicable, shall pay Allowed Texas Taxing Authority Claims on the later of (i) the date the Texas Taxing Authority Claims become Allowed and due pursuant to the Texas Property Tax Code and in the ordinary course of business (subject to any applicable extensions, grace periods, or similar rights under the Texas Property Tax Code) and (ii) the Effective Date (or as soon as reasonably practicable thereafter). All rights and defenses of the Debtor and the Creditor Trust under non-bankruptcy law are reserved and preserved with respect to such Texas Taxing Authority Claims.

Dated: November 18th, 2021
Wilmington, Delaware


BRENDAN L. SHANNON
UNITED STATES BANKRUPTCY JUDGE

Exhibit A

Combined Plan and Disclosure Statement

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

In re:

WB SUPPLY LLC,

Debtor.¹

Chapter 11

Case No. 21-10729 (BLS)

**FIRST AMENDED COMBINED DISCLOSURE STATEMENT
AND CHAPTER 11 PLAN OF LIQUIDATION OF WB SUPPLY LLC**

Dated: October 19, 2021
Wilmington, Delaware

CHIPMAN BROWN CICERO & COLE, LLP

William E. Chipman, Jr. (No. 3818)
Robert A. Weber (No. 4013)
Mark D. Olivere (No. 4291)
Hercules Plaza
1313 North Market Street, Suite 5400
Wilmington, Delaware 19801
Telephone: (302) 295-0191
Facsimile: (302) 295-0199
Email: chipman@chipmanbrown.com
weber@chipmanbrown.com
olivere@chipmanbrown.com

*Counsel for the Debtor and the
Debtor-in-Possession*

**THIS COMBINED DISCLOSURE STATEMENT AND CHAPTER 11 PLAN HAS NOT
YET BEEN APPROVED BY THE BANKRUPTCY COURT FOR CIRCULATION TO
ALL CREDITORS AND EQUITY INTEREST HOLDERS OR FOR THE USE IN
SOLICITATION OF VOTES**

¹ The Debtor in this chapter 11 case, along with the last four digits of its tax identification number, is as follows: WB Supply LLC (2066). The address of the Debtor's corporate headquarters is: 111 Naida Street, Pampa, Texas 79065-6901.

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PLAN EXHIBITS

Exhibit A: Liquidation Analysis

NOTICE

THERE HAS BEEN NO INDEPENDENT AUDIT OF THE FINANCIAL INFORMATION CONTAINED IN THIS COMBINED PLAN AND DISCLOSURE STATEMENT EXCEPT AS EXPRESSLY INDICATED HEREIN. THIS COMBINED PLAN AND DISCLOSURE STATEMENT WAS COMPILED FROM INFORMATION OBTAINED FROM NUMEROUS SOURCES BELIEVED TO BE ACCURATE TO THE BEST OF THE DEBTOR' KNOWLEDGE, INFORMATION, AND BELIEF. NO GOVERNMENTAL AUTHORITY HAS PASSED ON, CONFIRMED, OR DETERMINED THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED HEREIN.

NOTHING STATED HEREIN SHALL BE DEEMED OR CONSTRUED AS AN ADMISSION OF ANY FACT OR LIABILITY BY ANY PARTY, OR BE ADMISSIBLE IN ANY PROCEEDING INVOLVING THE DEBTOR OR ANY OTHER PARTY, OR BE DEEMED CONCLUSIVE EVIDENCE OF THE TAX OR OTHER LEGAL EFFECTS OF THE COMBINED PLAN AND DISCLOSURE STATEMENT ON THE DEBTOR OR HOLDERS OF CLAIMS OR EQUITY INTERESTS. CERTAIN STATEMENTS CONTAINED HEREIN, BY NATURE, ARE FORWARD-LOOKING AND CONTAIN ESTIMATES AND ASSUMPTIONS. THERE CAN BE NO ASSURANCE THAT SUCH STATEMENTS WILL REFLECT ACTUAL OUTCOMES.

THE STATEMENTS CONTAINED HEREIN ARE MADE AS OF THE DATE HEREOF, UNLESS ANOTHER TIME IS SPECIFIED. THE DELIVERY OF THIS COMBINED PLAN AND DISCLOSURE STATEMENT SHALL NOT BE DEEMED OR CONSTRUED TO CREATE ANY IMPLICATION THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AT ANY TIME AFTER THE DATE HEREOF.

HOLDERS OF CLAIMS AND EQUITY INTERESTS SHOULD NOT CONSTRUE THE CONTENTS OF THIS COMBINED PLAN AND DISCLOSURE STATEMENT AS PROVIDING ANY LEGAL, BUSINESS, FINANCIAL, OR TAX ADVICE. THEREFORE, EACH SUCH HOLDER SHOULD CONSULT WITH ITS OWN LEGAL, BUSINESS, FINANCIAL, AND TAX ADVISORS AS TO ANY SUCH MATTERS CONCERNING THE COMBINED PLAN AND DISCLOSURE STATEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY.

I. INTRODUCTION¹

The Debtor proposes this Combined Plan and Disclosure Statement pursuant to Bankruptcy Code sections 105, 1125, and 1129. The Debtor is the “proponent” of the Combined Plan and Disclosure Statement within the meaning of Bankruptcy Code section 1129. The Official Committee of Unsecured Creditors (the “**Committee**”) supports confirmation of the Combined Plan and Disclosure Statement and urges all creditors to vote to accept the Combined Plan and Disclosure Statement.

The Combined Plan and Disclosure Statement reflects substantial negotiations among the Debtor, the Committee, and Basin Holdings LLC (“**Basin Holdings**”) and is predicated upon and incorporates the Basin Settlement between and among the Debtor, the Committee and Basin Holdings approved by the Bankruptcy Court on September 10, 2021 [Docket No. 318].

Copies of this Combined Plan and Disclosure Statement and all other documents related to this Chapter 11 Case are available for review without charge through the Debtor’s claims, noticing agent, Stretto, at <https://cases.stretto.com/wbsupply/> and with charge at <https://www.pacer.gov/>.

The Combined Plan and Disclosure Statement is a liquidating chapter 11 plan. The Combined Plan and Disclosure Statement provides, in summary, that upon the Effective Date: (i) all Creditor Trust Assets will be transferred to the Creditor Trust; and (ii) after completing all of its ordinary course business operations and fiduciary obligations, the Debtor will be dissolved. Thereafter, the Creditor Trust Assets will be administered and distributed as soon as practicable pursuant to the terms of the Combined Plan and Disclosure Statement.

Each Holder of a Claim against the Debtor entitled to vote to accept or reject the Combined Plan and Disclosure Statement is encouraged to read the Combined Plan and Disclosure Statement in its entirety before voting.

Subject to the restrictions on modifications as set forth in Bankruptcy Code section 1127, Bankruptcy Rule 3019, and in this Combined Plan and Disclosure Statement, the Debtor expressly reserve the right to alter, amend, or modify the Combined Plan and Disclosure Statement one or more times before its substantial consummation. **The Debtor and the Committee urge you to vote in favor of the Plan.**

II. IMPORTANT DATES

Voting Procedures Hearing Objection Deadline	October 20, 2021 at 10:30 a.m. (ET).
Voting Procedures and Interim Disclosure Statement Hearing	October 20, 2021 at 10:30 a. m. (ET).

¹ All capitalized terms used but not defined in the Introduction shall have the meanings ascribed to them in Article II of the Combined Plan and Disclosure Statement.

Voting Record Date	The date of entry of the Interim Approval and Procedures Order.
Solicitation Commencement Date	Within five (5) business days after entry of the Interim Approval and Procedures Order.
Deadline for Creditors to File Rule 3018 Motions	November 10, 2021 at 4:00 p.m. (ET).
Deadline for Debtor to Respond to Rule 3018 Motions	November 12, 2021 at 4:00 p.m. (ET).
Voting Deadline for the Combined Plan and Disclosure Statement	November 15, 2021 at 4:00 p.m. (ET).
Combined Plan and Disclosure Statement Objection Deadline	November 12, 2021 at 4:00 p.m. (ET).
Deadline to File Confirmation Brief and Other Evidence Supporting the Combined Plan and Disclosure Statement	November 16, 2021 at 4:00 p.m. (ET).
Deadline to File Voting Tabulation Affidavit	November 17, 2021 at 4:00 p.m. (ET).
Combined Hearing	November 18, 2021 at 10:00 a.m. (ET).

III. DEFINITIONS AND CONSTRUCTION OF TERMS

A. Definitions

“**Administrative Expense Bar Date**” means the date that is 30 calendar days after the Effective Date.

“**Administrative Expense Claim**” means any right to payment constituting actual and necessary costs and expenses of preserving the Estate under Bankruptcy Code sections 503(b) and 507(a)(2) including, without limitation: (a) Professional Fee Claims, (b) any fees or charges assessed against the Estate under section 1930 of title 28 of the United States Code, and (c) all Claims arising under Bankruptcy Code section 503(b)(9), including without limitation the ERP Allowed Administrative Claim.

“**Affiliate**” means an “affiliate” as defined in Bankruptcy Code section 101(2).

“**Allowed**” means, with reference to any Claim, proof of which was timely and properly Filed or, if no Proof of Claim was Filed, that has been or hereafter is listed by the Debtor on its Schedules as liquidated in amount and not disputed or contingent and, in each case, as to which: (a) no objection to allowance has been interposed within the applicable period fixed by the Combined Plan and Disclosure Statement, the Bankruptcy Code, the Bankruptcy Rules, the Local

Rules, or the Bankruptcy Court; or (b) an objection has been interposed and such Claim has been allowed, in whole or in part, by a Final Order.

“**Allowed Basin Holdings Secured Claim**” has the meaning set forth in the Basin Settlement Stipulation.

“**Allowed Basin Unsecured Claims**” has the meaning set forth in the Basin Settlement Stipulation.

“**Avoidance Actions**” means any and all Causes of Action and rights to recover or avoid transfers or to avoid any lien under chapter 5 of the Bankruptcy Code or applicable state law or otherwise.

“**Ballot**” means the voting form distributed to each Holder of an Impaired Claim entitled to vote on the Combined Plan and Disclosure Statement, on which the Holder is to indicate acceptance or rejection of the Combined Plan and Disclosure Statement in accordance with the voting instructions and make any other elections or representations required pursuant to the Combined Plan and Disclosure Statement.

“**Bankruptcy Code**” means title 11 of the United States Code, 11 U.S.C. §§ 101-1532.

“**Bankruptcy Court**” means the United States Bankruptcy Court for the District of Delaware, having jurisdiction over the Chapter 11 Case or, if such Court ceases to exercise jurisdiction over the Chapter 11 Case, such court or adjunct thereof that exercises jurisdiction over the Chapter 11 Case in lieu of the United States Bankruptcy Court for the District of Delaware.

“**Bankruptcy Exception**” means the exception defined in Internal Revenue Code § 108(a).

“**Bankruptcy Rules**” means the Federal Rules of Bankruptcy Procedure, as promulgated by the United States Supreme Court under section 2075 of title 28 of the United States Code, as amended from time to time.

“**Bar Date**” means, with respect to any particular Claim, the specific date established by the Bankruptcy Court as the last day for filing Proofs of Claim against the Debtor or requests in the Chapter 11 Case for that specific Claim.

“**Bar Date Order**” means the *Order Pursuant to Bankruptcy Rule 3003(C)(3) and Local Rule 2002-1(E) Establishing Bar Dates and Related Procedures for Filing Proofs of Claim (Including for Administrative Expense Claims Arising Under Section 503(B)(9) of the Bankruptcy Code) and Approving the Form and Manner of Notice Thereof* [Docket No. 184].

“**Basin Holdings**” means Basin Holdings, LLC.

“**Basin Released Parties**” has the meaning set forth in the Basin Settlement Stipulation.

“**Basin Second Lien Debt**” means the prepetition junior secured debt owed to Basin Holdings pursuant to the Basin Second Lien Loan Documents.

“Basin Second Lien Loan Documents” means that certain Senior Secured Promissory Note (Second Lien), dated as of September 11, 2020 between Basin Holdings and the Debtor, as amended, restated, supplemented or otherwise modified from time to time, along with any other agreements and documents executed or delivered in connection therewith.

“Basin Settlement” means the settlement by and among the Debtor, the Committee and Basin Holdings evidenced by the Basin Settlement Stipulation and the Basin Settlement Approval Order.

“Basin Settlement Approval Order” means the *Order Approving Settlement Stipulation Among the Debtor, the Official Committee of Unsecured Creditors, and Basin Holdings LLC* entered in the Chapter 11 Case on September 10, 2021 and docketed at D.I. 318.

“Basin Settlement Stipulation” means the *Settlement Stipulation Among the Debtor, the Official Committee of Unsecured Creditors, and Basin Holdings LLC* attached as Exhibit 1 to the Basin Settlement Approval Order.

“Board” means the Debtor’s current and former manager(s) or member(s), as applicable.

“Business Day” means any day other than a Saturday, Sunday, or any other day on which commercial banks in New York, New York are required or authorized to close by law or executive order.

“Cash” means legal tender of the United States of America or equivalents thereof, including, without limitation, payment in such tender by check, wire transfer, or any other customary payment method.

“Cause of Action” means any Claim, cause of action, controversy, right of setoff, cross claim, counterclaim, or recoupment and any claim on contracts or for breaches of duties imposed by law or in equity, demand, right, action, lien, indemnity, guaranty, suit, obligation, liability, damage, judgment, account, defense, power, privilege, license, or franchise of any kind or character whatsoever, known, unknown, fixed or contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively, whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity, or pursuant to any other theory of law.

“Chapter 11 Case” means the Chapter 11 Case initiated by the Debtor’s filing on the Petition Date of a voluntary petition for relief in the Bankruptcy Court under chapter 11 of the Bankruptcy Code, captioned *In re WB Supply LLC*, Case No. 21-10729 (BLS).

“Claim” shall have the meaning set forth in Bankruptcy Code section 101(5).

“Claims Register” means the official register of Claims maintained on <https://www.pacer.gov/>

“Class” means any group of substantially similar Claims or Equity Interests classified by the Combined Plan and Disclosure Statement pursuant to Bankruptcy Code sections 1122 and 1123(a)(1).

“**Clerk**” means the Clerk of the Bankruptcy Court.

“**COD**” means cancellation of indebtedness.

“**COD Income**” means income from discharge of indebtedness as defined by Internal Revenue Code §61(a)(11).

“**Combined Plan and Disclosure Statement**” means this combined disclosure statement and chapter 11 plan of liquidation, as the same may be amended or modified, including, without limitation, all exhibits, supplements, appendices, and schedules hereto, either in their present form or as the same may be altered, amended, or modified from time to time.

“**Committee Solicitation Letter**” means the letter from the Committee included in the Voting Package urging Holders of Claims in Class 5 to vote in favor of the Combined Plan and Disclosure Statement.

“**Company**” means WB Supply LLC.

“**Confirmation Date**” means the date on which the Confirmation Order is entered on the Bankruptcy Court Docket in this Chapter 11 Case.

“**Confirmation Hearing**” means the hearing held by the Bankruptcy Court to consider (a) approval of the Combined Plan and Disclosure Statement as providing adequate information pursuant to Bankruptcy Code section 1125, and (b) confirmation of the Combined Plan and Disclosure Statement pursuant to Bankruptcy Code section 1129, as such hearing may be adjourned or continued from time to time.

“**Confirmation Hearing Notice**” means the notice of the Confirmation Hearing.

“**Confirmation Order**” means the order of the Bankruptcy Court confirming the Combined Plan and Disclosure Statement pursuant to Bankruptcy Code section 1129.

“**Confirmation**” means confirmation of the Combined Plan and Disclosure Statement pursuant to Bankruptcy Code section 1129.

“**Creditor Trust Agreement**” means the trust agreement that documents the powers, duties, and responsibilities of the Creditor Trustee, and which agreement will be materially consistent with the Combined Plan and Disclosure Statement and otherwise reasonably acceptable to the Debtor and the Committee in the substance and form included in the Plan Supplement. All Creditor Trust governance issues shall be determined by the Committee in consultation with the Debtor.

“**Creditor Trust Assets**” means the Estate Causes of Action and the proceeds thereof, the Trust Funding and the Residual Assets. For the avoidance of doubt, the Creditor Trust Assets shall not include reserves established under this Combined Plan and Disclosure Statement for administrative or priority claims or the Senior Lender Reserve as of the Effective Date; provided, however, on the first anniversary of the Effective Date, if no DIP Facility Claims or Prepetition Senior Obligations in Class 2.1 remain outstanding on such date, any amounts remaining in the

Senior Lender Reserve after satisfaction of all contingent DIP Facility Claims and Prepetition Senior Obligations in Class 2.1 shall revert to the Creditor Trust. No Claims or Causes of Action released pursuant to the Final DIP Order, the Basin Settlement or this Combined Plan and Disclosure Statement shall be Creditor Trust Assets.

“**Creditor Trust**” means a creditor recovery trust to be established on the Effective Date pursuant to the terms of the Creditor Trust Agreement and the Combined Plan and Disclosure Statement.

“**Creditor Trustee**” means Howley Law PLLC, the Person selected by the Committee to administer the Creditor Trust under the Creditor Trust Agreement and identified in the Plan Supplement.

“**Creditor**” means any Person that is the Holder of a Claim against the Debtor.

“**Debtor**” means WB Supply LLC in its capacity as the debtor in the Chapter 11 Case unless otherwise noted.

“**Deficiency Claim**” means a General Unsecured Claim for the difference between (a) the aggregate amount of a Secured Claim and (b) the value received on account of the portion of such Allowed Claim that is a Secured Claim.

“**DIP Facility**” means the senior secured superpriority loan as approved by the Final DIP Order.

“**DIP Facility Claims**” means all Claims asserted against the Debtor by the DIP Lender, including, without limitation, principal, accrued and unpaid interest, any reimbursement obligations (contingent or otherwise), all fees, expenses, and disbursements (including, without limitations, attorneys’ fees, financial advisors’ fees, and related expenses and disbursements incurred by, or on behalf of, the DIP Lender), indemnification obligations, all other charges, amounts, and costs of whatever nature owing, whether or not contingent, whenever arising, accrued, accruing, due, owing or chargeable in respect thereof.

“**DIP Lender**” means Wells Fargo N.A. in its capacity as postpetition financier in the Chapter 11 Case.

“**DIP Lender Released Parties**” means the DIP Lender and all other persons and entities that received a release pursuant to the Final DIP Order.

“**DIP Liens**” means the senior secured superpriority liens granted to the DIP Lender in the Debtor’s Assets under the Final DIP Order.

“**Disallowed**” means, when used in reference to a Claim, all or that portion, as applicable, of any Claim that has been disallowed under the Combined Plan and Disclosure Statement, the Bankruptcy Code, applicable law, or by Final Order.

“**Disputed**” means any Claim or Equity Interest, or any portion thereof, that is (a) listed on the Schedules as unliquidated, disputed, and/or contingent for which no Proof of Claim in a

liquidated and non-contingent amount has been Filed, or (b) the subject of an objection or request for estimation Filed by the Debtor or the Creditor Trustee or any other party in interest in accordance with applicable law and which objection has not been withdrawn, resolved, or overruled by a Final Order.

“**Distribution**” means any distribution to the Holders of Allowed Claims.

“**Distribution Record Date**” means the date for determining which Holders of Claims and Equity Interests are eligible to receive distributions under the Plan, which date shall be the Effective Date.

“**Docket**” means the docket in the Chapter 11 Case maintained by the Clerk.

“**Effective Date**” means the date on which the conditions specified in Article X.B of the Combined Plan and Disclosure Statement have been met or satisfied.

“**Effective Date Distributions**” means all the Distributions required to be made on the Effective Date of the Combined Plan and Disclosure Statement to the Holders of Claims that are Allowed as of the Effective Date.

“**Entity**” means an “entity” as defined in Bankruptcy Code section 101(15).

“**Equity Interests**” means all equity interests in the Debtor, including, but not limited to, all issued, unissued, authorized, or outstanding shares or membership interests together with any warrants, options, or contract rights to purchase or acquire such interests at any time.

“**ERP Allowed Administrative Claim**” means the administrative Claim allowed in the amount of \$7,364.52 in favor of ERP Industrials IV, LLC pursuant to that certain Order Approving Stipulation Between Debtor and ERP Industrials IV, LLC [Docket No. 274].

“**Estate Causes of Action**” means any and all Causes of Action of the Debtor, including, but not limited to, the (1) the Avoidance Actions; (2) commercial tort claims as defined in Article 9 of the UCC; (3) Causes of Action against any Person whether sounding in tort, contract, equity, statute or any other legal or equitable theory of recovery; (4) the non-exclusive right to seek a determination by the Bankruptcy Court of any tax, fine or penalty relating to a tax, or any addition to a tax, under Bankruptcy Code section 505; and (5) all other rights, Claims or Causes of Action. Estate Causes of Action shall include, for the avoidance of doubt, direct or derivative Claims or Causes of Action against (a) any other Person who transacted business or engaged in conduct with the Debtor to its detriment; and (b) any Affiliates of the Persons within subsection (a) of this paragraph, but shall not include Claims or Causes of Action against (i) any Basin Released Parties, or (ii) any current or former officers, directors, shareholders, members, managers, employees, Affiliates, or insiders of the Debtor, including but not limited to Claims or Causes of Action for breach of fiduciary duty or aiding and abetting breach of fiduciary duty, contract, tort, equity or under and pursuant to any D&O or fiduciary insurance policies (including for bad faith) maintained by the Debtor.

“Estate Portion of Litigation Proceeds” means the portion of Litigation Proceeds to be distributed to the Holders of Allowed Claims in accordance with this Combined Plan and Disclosure Statement.

“Estate” means the estate of the Debtor created upon the commencement of the Chapter 11 Case pursuant to Bankruptcy Code section 541.

“Exculpated Parties” means, individually and collectively, in each case solely in their capacity as such, each and all of: (a) the Debtor and its Professionals; and (b) the Committee, the members of the Committee in their capacity as members of the Committee, and the Committee’s Professionals, including each and all of their respective direct and indirect current and former Affiliates, subsidiaries, partners (including general partners and limited partners), investors, managing members, members, officers, directors, principals, employees, managers, controlling persons, agents, attorneys, investment bankers, Professionals, advisors, and representatives, each in their capacity as such.

“Executory Contract” means any executory contract or unexpired lease as of the Petition Date between the Debtor and any other Person or Persons, specifically excluding contracts and agreements entered into pursuant to this Combined Plan and Disclosure Statement.

“File, Filed, or Filing” means file, filed, or filing with the Bankruptcy Court in the Chapter 11 Case.

“Final Decree” means the order entered pursuant to Bankruptcy Code section 350, Bankruptcy Rule 3022, and Local Rule 5009-1 closing the Chapter 11 Case.

“Final DIP Order” means the *Final Order (I) Authorizing the Debtor to Obtain Post-Petition Secured Financing Pursuant to 11 U.S.C. § 364, (II) Authorizing the Debtor’s Limited Use of Cash Collateral Pursuant to 11 U.S.C. § 363, (III) Granting Adequate Protection to Prepetition Senior Lenders Pursuant to 11 U.S.C. §§ 361, 362, 363 and 364, (IV) Granting Liens and Providing Superpriority Administrative Expense Status, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 129].

“Final Order” means an order or judgment of the Bankruptcy Court or any other court of competent jurisdiction that has been entered on the Docket in the Chapter 11 Case (or the docket of such other court) that is not subject to a stay and has not been modified, amended, reversed or vacated and as to which (a) the time to appeal, petition for certiorari or move for a new trial, reargument or rehearing pursuant to Bankruptcy Rule 9023 has expired and as to which no appeal, petition for certiorari or other proceedings for a new trial, reargument or rehearing shall then be pending, or (b) if an appeal, writ of certiorari, new trial, reargument or rehearing thereof has been sought, such order or judgment shall have been affirmed by the highest court to which such order was timely and properly appealed, or certiorari shall have been denied or a new trial, reargument or rehearing shall have been denied or resulted in no modification of such order, and the time to take any further appeal, petition for certiorari or move for a new trial, reargument or rehearing shall have expired.

“First Day Declaration” means the *Declaration of Edward Hostmann In Support of Chapter 11 Petition and First Day Pleadings* [Docket No. 2].

“**First Day Motions**” means the Debtor’s motions filed upon the commencement of the Chapter 11 Case, Docket Nos. 4, 5, 6, 7, 8, 9, and 10.

“**First Lien Claims**” means the Claims held by Wells Fargo N.A. in its capacity as Prepetition Lender, including the Senior Secured Claims and excluding the DIP Facility Claims.

“**General Bar Date**” means July 30, 2021, the date established by the Bankruptcy Court pursuant to the Bar Date Order for the submission of Proofs of Claim against the Debtor.

“**General Unsecured Claims**” means any unsecured Claim against the Debtor which is not a Priority Claim, Administrative Expense Claim, Professional Fee Claim, Priority Tax Claim, DIP Facility Claim, First Lien Claim, or Other Secured Claim and is not entitled to a priority under the Bankruptcy Code or any order of the Bankruptcy Court.

“**Governmental Bar Date**” means October 27, 2021, the date established by the Bankruptcy Court pursuant to the Bar Date Order for the submission of Proofs of Claim by Governmental Units against the Debtor.

“**Governmental Unit**” means a “governmental unit” as defined in Bankruptcy Code section 101(27).

“**Holder**” means the beneficial holder of any Claim or Equity Interest.

“**Impaired**” means, with respect to any Class, a Class that is impaired within the meaning of Bankruptcy Code sections 1123(a)(4) and 1124.

“**Interim Approval and Procedures Order**” means the order of the Bankruptcy Court conditionally approving the Combined Plan and Disclosure Statement for solicitation purposes only and authorizing the Debtor to solicit the Combined Plan and Disclosure Statement.

“**Litigation Proceeds**” means the proceeds collected from an Estate Cause of Action by the Creditor Trustee after payment of the Creditor Trustee’s fees and expenses incurred in connection with litigating such Estate Cause of Action.

“**Local Rules**” means the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware.

“**OFCI**” means Oil Field Components, Inc.

“**Other Secured Claims**” means any Secured Claim other than the DIP Facility Claims, the First Lien Claims or the Allowed Basin Holdings Secured Claim.

“**Ovinity**” means Ovintiv USA, Inc.

“**Person**” means a “person” as defined in Bankruptcy Code section 101(41).

“**Petition Date**” means April 20, 2021, the date on which the Debtor filed its voluntary petition for relief under chapter 11 of the Bankruptcy Code.

“Plan Documents” means the Combined Plan and Disclosure Statement, the Creditor Trust Agreement, the Committee Solicitation Letter, and the Plan Supplement.

“Plan Supplement” means the appendix of schedules and exhibits to be Filed with the Bankruptcy Court at least seven (7) days before the Confirmation Hearing.

“Plan Transactions” means the Transactions described in Article VIII.F.

“Prepetition Lender” means Wells Fargo N.A. in its capacity as prepetition lender under the Prepetition Loan Documents.

“Prepetition Loan Documents” means the Amended and Restated Credit Agreement, dated as of December 20, 2013, as amended, restated, supplemented or otherwise modified from time to time, between the Debtor and Wells Fargo, N.A., as administrative agent for itself and other prepetition senior lenders identified therein, along with any other agreements and documents executed or delivered in connection therewith.

“Prepetition First Priority Liens” means the first-priority liens granted by Debtor to the Prepetition Lender on substantially all of the Debtor’s assets, as more specifically set forth in the Prepetition Loan Documents.

“Prepetition Senior Obligations” means the prepetition debt owed by the Debtor pursuant to the Prepetition Loan Documents.

“Priority Claims” means any Claim entitled to priority pursuant to Bankruptcy Code section 507(a) other than Administrative Expense Claims and Priority Tax Claims. Unless otherwise indicated, “Priority Claims” does not include Priority Tax Claims.

“Priority Tax Claims” means Claims of a Governmental Unit against the Debtor entitled to priority pursuant to Bankruptcy Code section 507(a)(8) or specified section of Bankruptcy Code section 502(i).

“Pro Rata” means the proportion that an Allowed Claim in a particular Class bears to the aggregate amount of Allowed Claims in the same Class.

“Professional Fee Claims Bar Date” means the date that is 60 days after the Effective Date for Professional Fee Claims to be Filed.

“Professional Fee Claims” means all Claims for compensation and reimbursement of expenses by Professionals to the extent Allowed by the Bankruptcy Court.

“Professional” means any professional Person employed in the Chapter 11 Case pursuant to Bankruptcy Code section 327, 328, 363, or 1103 pursuant to an Order of the Bankruptcy Court who is to be compensated for services rendered pursuant to Bankruptcy Code sections 327, 328, 329, 330, 331, or 363.

“Proof of Claim” means a proof of Claim Filed against the Debtor in accordance with the order establishing the Bar Date or any other Order by the Court requiring for the fixing of Claims.

“Rejection Claims” means any Claim arising from, or relating to, the rejection of an Executory Contract or unexpired lease pursuant to Bankruptcy Code section 365(a) by the Debtor, as limited, in the case of a rejected unexpired lease, by Bankruptcy Code section 502(b)(6).

“Release by Debtor” means the release given by the Debtor to the Released Parties as set forth in Article XI.C.

“Released Parties” means, individually and collectively, in each case solely in their capacity as such, each and all of: (a) the Debtor’s Professionals; (b) the Committee, members of the Committee in their capacity as members of the Committee, and the Committee’s Professionals, each in their capacity as such; (c) the DIP Lender Released Parties; and (d) the Basin Released Parties; and as to each of the foregoing subsections (a) – (d), each and all of their respective direct and indirect current and former Affiliates, subsidiaries, partners (including general partners and limited partners), investors, managing members, members, officers, directors, principals, employees, managers, controlling persons, agents, attorneys, investment bankers, professionals, advisors, and representatives, each in their capacity as such.

“Releasing Parties” means, individually and collectively, (a) each Holder of a Claim that (i) votes to accept or reject the Combined Plan and Disclosure Statement and does not opt out of the releases, or (ii) is conclusively deemed to have accepted the Combined Plan and Disclosure Statement, and does not opt out of the releases, and (b) as to each of the Entities in the foregoing clause (a), each such Entities’ and their Affiliates’ current and former officers, directors, principals, members, partners, managers, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives and all other professionals and retained Professionals (in each case as to the foregoing Entities and their Affiliates in clause (a), solely in their capacity as such).

“Residual Assets” means all Cash and other assets of the Debtor remaining as of the Effective Date after payment of amounts to be funded by the Debtor on the Effective Date, other than Claims and Causes of Action released pursuant to the terms of a Final Order or this Combined Plan and Disclosure Statement.

“Rule 3018 Motion” means a motion for temporary allowance of a Claim for the purpose of voting on this Combined Plan and Disclosure Statement.

“Schedules” means the schedules of assets and liabilities, the list of Holders of Equity Interests, and the statements of financial affairs Filed by the Debtor under Bankruptcy Code section 521 and Bankruptcy Rule 1007, and all amendments and modifications thereto.

“Secured Claims” means Claims which are: (a) secured by a valid and perfected lien in collateral which is enforceable pursuant to applicable law, the amount of which is equal to or less than the value of such collateral (i) as set forth in this Combined Plan and Disclosure Statement, (ii) as agreed to by the Holder of such Claim and the Debtor, or (iii) as determined by a Final Order in accordance with Bankruptcy Code section 506(a); or (b) subject to a valid right of setoff under Bankruptcy Code section 553.

“Senior Lender Reserve” means an amount not less than \$75,000 to be reserved by the Debtor, which amount shall be held by Greenberg Traurig, LLC, counsel for the Prepetition Senior

Lender and DIP Lender, and shall be funded by the Debtor on or prior to the Effective Date and used solely to satisfy contingent DIP Facility Claims and contingent Prepetition Senior Obligations in Class 2.1.

“**Solicitation Package**” means the packages to be distributed to creditors for solicitation of votes on this Combined Plan and Disclosure Statement.

“**Statutory Fees**” means all fees payable to the U.S. Trustee pursuant to 28 U.S.C. § 1930, and any interest thereupon.

“**Store Closing Orders**” are the interim and final orders authorizing the Debtor to close stores, conduct certain auctions, and liquidate certain assets, Docket No. 34 (interim) and Docket No. 128 (final).

“**Tax Code**” means the United States Internal Revenue Code, as amended.

“**Treasury Regulations**” means the regulations, including temporary regulations or any successor regulations, promulgated under the United States Internal Revenue Code, as amended from time to time.

“**Trust Expense**” means all actual and necessary fees, costs, expenses, and obligations incurred or owed by the Creditor Trustee or his or her agents, employees, attorneys, advisors or other professionals in administering this Combined Plan and Disclosure Statement and the Creditor Trust (including, without limitation, reasonable compensation for services rendered, and reimbursement for actual and necessary expense incurred, by the Creditor Trustee and his or her agents, employees and professionals) arising after the Effective Date through and including the date upon which the Bankruptcy Court enters a Final Decree closing the Chapter 11 Case, which shall be solely payable from the Creditor Trust Assets.

“**Trust Funding**” means Cash currently estimated in the approximately amount of \$1.3 million to \$1.6 million, inclusive of all reserves to be established under the Combined Plan and Disclosure Statement, to be provided by the Debtor to the Trust on the Effective Date to fund the administration of the Creditor Trust, pay all Trust Expenses and, thereafter, to fund Distributions to Holders of Allowed Claims in accordance with the terms of the Combined Plan and Disclosure Statement.

“**U.S. Trustee**” means the Office of the United States Trustee for the District of Delaware.

“**Unclaimed Distribution**” means a Distribution that is not claimed by a Holder of an Allowed Claim on or prior to the Unclaimed Distribution Deadline.

“**Unexpired Lease**” means a lease to which the Debtor is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

“**Voting Class**” means Class 5.

“**Voting Deadline**” means November 15, 2021.

“**Voting Package**” means the package to be sent to Holders of Claims in the Voting Class containing the Combined Plan and Disclosure Statement, ballot, and Committee Solicitation Letter.

“**Voting Record Date**” means the date established by the Bankruptcy Court pursuant to the Interim Approval and Procedures Order.

B. Interpretation; Application of Definitions and Rules of Construction

The following rules of construction, interpretation, and application shall apply:

- (1) Wherever from the context it appears appropriate, each term stated in either the singular or the plural shall include both the singular and the plural and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and neuter genders.
- (2) Unless otherwise specified, each section, article, schedule, or exhibit reference in the Combined Plan and Disclosure Statement is to the respective section in, article of, schedule to, or exhibit to the Combined Plan and Disclosure Statement.
- (3) The words “herein,” “hereof,” “hereto,” “hereunder,” and other words of similar import refer to the Combined Plan and Disclosure Statement as a whole and not to any particular section, subsection, or clause contained in the Combined Plan and Disclosure Statement.
- (4) The rules of construction contained in Bankruptcy Code section 102 shall apply to the construction of the Combined Plan and Disclosure Statement.
- (5) A term used herein that is not defined herein but that is used in the Bankruptcy Code shall have the meaning ascribed to that term in the Bankruptcy Code.
- (6) The headings in the Combined Plan and Disclosure Statement are for convenience of reference only and shall not limit or otherwise affect the provisions of the Combined Plan and Disclosure Statement.
- (7) Unless otherwise provided, any reference in the Combined Plan and Disclosure Statement to an existing document, exhibit, or schedule means such document, exhibit, or schedule as may be amended, restated, revised, supplemented, or otherwise modified.
- (8) In computing any period of time prescribed or allowed by the Combined Plan and Disclosure Statement, the provisions of Bankruptcy Rule 9006(a) shall apply.

IV. DISCLOSURES

A. General Background

1. Overview of Business Operations

The Debtor is a privately held pipe and supply company and is organized as a Delaware limited liability company. Founded in 1971, the Debtor's business grew to more than a dozen locations in multiple states, including Texas, Oklahoma, Colorado, and New Mexico. The Debtor's business catered principally to the oil and gas industry. The Debtor positioned itself as a "one stop shop," supplying both products and technical services to the oil and gas industry. The Debtor served its customers through a network of strategically located stores, pump shops, pipe yards, mobile supply stores, and sales offices. The Debtor was an innovator in implementing remote warehousing and onsite supply services, including conexes (sea cans or cargo containers) and mobile hookup trailers, facilitating rapid access to inventory for customers in remote, under-served locations.

Although the Debtor's business experienced success and growth during much of its five-decade history, the significant declines and turbulence in the oil and gas industry in recent years directly led to the deterioration of the Debtor's business, causing payment delays and defaults across the Debtor's customer base and severe liquidity constraints for the Debtor. The Debtor's liquidity constraints, in turn, caused the Debtor to default on its senior secured credit facility and its own payment obligations, resulting in numerous lawsuits filed against the Debtor and limitations on the Debtor's ability to pay its creditors and acquire new inventory. The Debtor undertook significant cost-cutting and cash management measures in an effort to avoid filing for bankruptcy, including the closure of certain locations, but those efforts were not successful. The Debtor filed its chapter 11 petition in the Bankruptcy Court on April 20, 2021 and has liquidated its business operations during the course of the Chapter 11 Case.

2. Capital Structure of the Company

Equity

The Debtor is privately held. The Debtor's sole managing member is Basin WB Supply LLC, a Delaware limited liability company that owns 96.3883% of the Debtor's Equity Interests. The ultimate owner of Basin WB Supply LLC is Basin Holdings. The remainder of the Debtor's Equity Interests are held by individuals previously employed by or affiliated with the Debtor.

Secured Debt

As of the Petition Date and as further described below, the Debtor was a party to two principal secured debt agreements: (i) the Prepetition Senior Obligations, a senior secured financing arrangement with Wells Fargo, and (ii) a junior secured loan with the Debtor's ultimate equity holder, Basin Holdings. In addition, the Debtor from time to time entered into financing agreements with third party financiers for specific items of equipment.

A. Wells Fargo Secured Facility

Pursuant to the Prepetition Loan Documents, Wells Fargo, as administrative agent for itself and other prepetition senior lenders identified therein agreed to extend loans to, issue letters of credit for, and provide services and other credit accommodations to, the Debtor and its member, Basin WB Supply, which was a guarantor, and granted a first priority security interest in substantially all of the Debtor's assets and property. Certain events of default under the Prepetition Loan Documents occurred in 2019 and 2020, resulting in a series of forbearance agreements prior to the Petition Date. As of the Petition Date the Debtor was indebted to the Prepetition Senior Agent and Prepetition Senior Lenders for the Prepetition Senior Obligations pursuant to the Prepetition Senior Loan Documents in the aggregate principal amount of not less than \$10,145,244.83 in respect of loans made by the Prepetition Senior Agent and Prepetition Senior Lenders, plus all accrued unpaid interest thereon and any additional fees and expenses.

B. Basin Holdings Secured Debt

In addition to the Prepetition Senior Obligations, the Debtor was obligated to Basin Holdings pursuant to the Basin Second Lien Loan Documents. In its proof of claim filed in the Chapter 11 Case, Basin Holdings contended that, as of the Petition Date, the Debtor owed Basin Holdings approximately \$4,083,363.40 on account of the Basin Second Lien Debt, secured by a second lien on most of the Debtor's assets, in addition to other Claims asserted by Basin Holdings. This Claim has been materially compromised pursuant to the terms of the Basin Settlement discussed below.

C. Sales Tax, Gross Receipts Tax, Income Tax, and Ad Valorem Tax Liabilities

In the ordinary course of business, the Debtor's operations gave rise to sales tax, gross receipts tax, income tax, and *ad valorem* tax liabilities in the various state and local jurisdictions in which the Debtor operated. As of the Petition Date, certain such taxes were overdue and were subject to interest, penalties and costs. The Debtor had entered into repayment agreements for certain unpaid and delinquent sales taxes in certain states. The Debtor obtained authority from the Bankruptcy Court to pay such taxes by order entered on August 11, 2021. [Docket No. 259] In addition, as described further below, certain of the Debtor's *ad valorem* tax liabilities were determined to constitute secured claims and, with the Bankruptcy Court's approval, have been or will be satisfied from designated sales proceeds generated by certain of the Debtor's store closing sales that the applicable tax authorities asserted were subject to liens securing such taxes.

Unsecured Debt and Trade Creditors

The Debtor's review and reconciliation of Filed Proofs of Claim is ongoing. Except as noted below, amounts disclosed are taken from the Debtor's Schedules.

A. Unsecured Bank Debt

Pursuant to the United States Paycheck Protection Program, established under the Coronavirus Aid, Relief and Economic Security Act, administered by the United States Small Business Administration, the Debtor borrowed \$3,038,727.00 on an unsecured basis on or about April 10, 2020 through Happy State Bank. Pursuant to a Proof of Claim filed by Happy State

Bank (Claim No. 215), the total amount owed on the loan was \$3,069,941.42 as of the Petition Date. The Debtor understands that the loan has been forgiven in its entirety and that no amounts are owed on account of the loan at all.

B. Additional Fixed Debt Obligations.

In addition to the above-referenced secured debt and unsecured bank debt, the Debtor is a party to various other debt instruments and obligations that, as of the Petition Date, totaled in excess of approximately \$19 million, including, among others, an outstanding promissory note obligation to Hess Family Limited Partnership of approximately \$11,385,345 (including accrued but unpaid interest), an outstanding promissory note obligation to Beck Resources, Inc., of approximately \$3,673,492.00, and a promissory note obligation to BDM, Inc., and certain individuals of approximately \$3,371,050.42 (including accrued but unpaid interest).

C. Trade and Other Unsecured Debt

The Debtor's Schedules reflect trade and other unsecured debt (excluding amounts noted above) as of the Petition Date in the approximate amount of \$14.5 million.

D. Priority Claims and Priority Tax Claims

The Debtor's Schedules reflect Priority Claims as of the Petition Date in the approximate amount of \$731,000, and Priority Tax Claims filed in the approximate amount of \$2.8 million. During the course of the Chapter 11 Case, pursuant to authority granted by the Bankruptcy Court, the Debtor has paid approximately \$1,174,000 in undisputed Priority Tax Claims.

E. Summary

As of the Petition Date, as reflected by the Debtor's Schedules, the aggregate amount owed to all of the Debtor's prepetition secured and unsecured debtholders was approximately \$53 million.

3. Events Precipitating the Chapter 11 Filing

As a result of the significant downturn in the oil and gas industry, the Company experienced financial difficulties for several years prior to the Petition Date. The Company's challenges included significant reductions in operating revenue, net losses, and resulting liquidity constraints that left the Company unable to purchase new inventory or pay amounts owed to lenders, suppliers and other creditors. The Company was in default of its senior debt facility with Wells Fargo for more than a year prior to the Petition Date, was being sued by numerous vendors in Texas and other states and had closed several of its retail locations. The Company's principal equity holder, Basin Holdings, endeavored to arrange a going concern sale for the Company to prospective purchasers prior to the Petition Date, but such purchasers failed to execute a binding letter of intent at that time. Pursuant to the terms of the applicable Wells Fargo forbearance agreement, the Company engaged Edward Hostmann of EHI LLC as the Company's Chief Restructuring Officer. Mr. Hostmann continued to negotiate with prospective purchasers for a going concern transaction while taking steps to prepare the Company for a possible Chapter 11 filing, including negotiating

the terms of the DIP Facility with Wells Fargo. The Company filed for Chapter 11 on April 20, 2021.

B. The Chapter 11 Case

1. First Day Orders

On the Petition Date, the Debtor Filed the First Day Motions to transition into operations during the Chapter 11 Case, stabilize operations, and preserve relationships with vendors, clients, and employees.

The First Day Motions requested relief from the Bankruptcy Court to, among other things: (a) pay employee wages; (b) maintain the Debtor's cash management system; (c) obtain postpetition financing; (d) authorize the Debtor's proposed store closing sales, including the engagement of a liquidator, Great American Global Partners LLC, and (e) establish adequate protection for utility providers. In support of the motions, the Debtor relied upon the First Day Declaration. The Bankruptcy Court held a hearing on the First Day Motions on April 22, 2021 and granted the relief sought in the First Day Motions on an interim basis. In the absence of objections, no hearing was necessary for final approval of the First Day Motions. The Bankruptcy Court entered final orders on the First Day Motions on or about May 17, 2021.

2. Retention of Professionals

The Debtor, through various applications that were subsequently approved by the Bankruptcy Court, employed Chipman Brown Cicero & Cole LLP as counsel [Docket No. 116] and EHI LLC to provide Edward Hostmann as the Debtor's Chief Restructuring Officer ("CRO") and to provide supporting services [Docket No. 119].

3. Appointment of the Committee

On April 29, 2021, the U.S. Trustee officially appointed the Committee [Docket No. 60] and on May 12, 2021, subsequently expanded its membership [Docket No. 93]. The Committee is made up of the following parties: C.I.S. Investments, L.L.C. dba Triangle Metals; Texas Pipe and Supply Company. Ltd.; Scheele Engineering Corporation dba SECOR; ThyssenKrupp Materials NA; and Beck Resources.

The Committee selected three law firms to act as co-counsel in the Chapter 11 Case: Chamberlain, Hrdlicka, White, Williams & Aughtry, P.C.; Jones Murray & Beatty LLP; and Sullivan Hazeltine Allinson LLC. The Committee selected Carl Marks Advisory Group LLC as its financial advisor. The Bankruptcy Court later approved each of these retentions. *See* Docket Nos. 181-183, 208.

4. Store Closings and Auction Sales

Pursuant to the Store Closing Orders, the Debtor and its liquidating agent, Great American Global Partners, conducted store closing sales and auctions at various locations during the first two months of the Chapter 11 Case. In addition, location sales were conducted for several of the Debtor's operating store locations. Through these sales, the bulk of the Debtor's physical assets

were sold during the Chapter 11 Case. In addition, substantially all of the Debtor's remaining employees were offered employment by the purchasers of the sold locations.

As part of the Debtor's sale of assets, and in resolution of certain objections filed by *ad valorem* tax creditors located in the State of Texas, a portion of the sales proceeds (approximately \$567,000) were set aside in a fund earmarked for distribution to such objecting creditors following the Debtor's review of the underlying tax liabilities and Proofs of Claim. At this time, the Debtor has reconciled, approved and paid approximately \$328,000 of the referenced Texas *ad valorem* taxes. The Debtor believes that sufficient funds have been set aside to fully satisfy the remaining claims of the Texas tax authorities.

5. DIP Financing/Cash Collateral

Prior to the filing of the Chapter 11 Case, the Debtor sought and obtained a proposal for DIP financing from Wells Fargo Bank National Association, for itself and as agent for the other prepetition senior secured lenders. On April 21, 2021, the Debtor filed its *Motion for Interim and Final Orders (I) Authorizing the Debtor to Obtain Post-Petition Secured Financing Pursuant to 11 U.S.C. § 364, (II) Authorizing the Debtor's Limited Use of Cash Collateral Pursuant to 11 U.S.C. § 363, (III) Granting Adequate Protection to Prepetition Senior Lenders Pursuant to 11 U.S.C. §§ 361, 362, 363 and 364, (IV) Granting Liens and Providing Superpriority Administrative Expense Status, (V) Modifying Automatic Stay, (VI) Scheduling Final Hearing Pursuant to Bankruptcy Rule 4001, and (VII) Granting Related Relief* [Docket No. 13]. On April 22, 2021, the Bankruptcy Court entered the *Interim Order (I) Authorizing the Debtor to Obtain Post-Petition Secured Financing Pursuant to 11 U.S.C. § 364, (II) Authorizing The Debtor's Limited Use of Cash Collateral Pursuant to 11 U.S.C. § 363, (III) Granting Adequate Protection to Prepetition Senior Lenders Pursuant to 11 U.S.C. §§ 361, 362, 363 and 364, (IV) Granting Liens and Providing Superpriority Administrative Expense Status, (V) Modifying Automatic Stay, (VI) Scheduling Final Hearing Pursuant to Bankruptcy Rule 4001, And (VII) Granting Related Relief* [Docket No. 31]. On May 18, 2021, the Bankruptcy Court entered the *Final Order (I) Authorizing the Debtor to Obtain Post-Petition Secured Financing Pursuant to 11 U.S.C. § 364, (II) Authorizing The Debtor's Limited Use of Cash Collateral Pursuant to 11 U.S.C. § 363, (III) Granting Adequate Protection to Prepetition Senior Lenders Pursuant to 11 U.S.C. §§ 361, 362, 363 and 364, (IV) Granting Liens and Providing Superpriority Administrative Expense Status, (V) Modifying Automatic Stay, (VI) Scheduling Final Hearing Pursuant to Bankruptcy Rule 4001, And (VII) Granting Related Relief* [Docket No. 129]. Over the course of the Chapter 11 Case, the Debtor satisfied the outstanding amounts borrowed under the DIP loan. The Debtor remains obligated to the DIP Lender for certain contingent indemnification claims under the DIP Facility.

On August 2, 2021, the Debtor filed its *Motion for Interim and Final Orders (A) Authorizing the Debtor to Use Cash Collateral; (B) Granting Adequate Protection; (C) Modifying Automatic Stay; and (D) Scheduling a Final Hearing* [Docket No. 231]. On August 5, 2021, the Bankruptcy Court entered the *Interim Order Authorizing the Debtor to Use Cash Collateral; (B) Granting Adequate Protection; (C) Modifying Automatic Stay; and (D) Scheduling a Final Hearing* [Docket No. 244]. Pursuant to the Basin Settlement (as described further below), Basin Holdings' interest in cash collateral was resolved on an agreed final basis, obviating the need for a separate final cash collateral order.

6. Monthly Reporting, Schedules and SOFAs, and Meeting of Creditors.

The Debtor has timely filed all monthly operating reports. [Docket Nos. 141, 186, 217, 276, 328] and timely filed its schedules and statements on April 21, 2021, with an amendment filed on May 26, 2021. On May 20, 2021, the U.S. Trustee conducted the meeting of creditors pursuant to Bankruptcy Code section 341.

7. Claims Process and Bar Date

The Bankruptcy Court entered a Bar Date Order on June 18, 2021 [Docket No. 184]. The General Bar Date was July 30, 2021, and the Governmental Bar Date is October 27, 2021. The Debtor provided notice of the bar dates established by the Bar Date Order as required thereby, including publication notice.

All creditors holding or wishing to assert unsecured or secured, priority or nonpriority Claims (as defined in Bankruptcy Code section 101(5)) against the Debtor or the Debtor's Estate, accruing prior to the Petition Date, including Claims arising under Bankruptcy Code section 503(b)(9), were required to file a separate, completed, and executed Proof of Claim Form on account of each such Claim, together with accompanying documentation by the General Bar Date. Governmental Units, as defined by Bankruptcy Code section 101(27), must also submit Claims by the Governmental Bar Date.

As of the date of this Combined Plan and Disclosure Statement, a total of 389 Proofs of Claim had been Filed. The Debtor and its Professionals have commenced the Claims review and reconciliation process. At this time, the Debtor believes that the total dollar amount of Filed Proofs of Claim exceeds the Debtor's actual liability to its creditors. The Debtor believes that after the reconciliation and Claims objection process is complete, the Debtor's total General Unsecured Claims liability should be not more than approximately \$64 million in the aggregate. However, the Debtor's Claims review is ongoing and its assessments are subject to change.

8. Enterprise Settlement

Prior to the Petition Date, the Debtor had entered into an agreement with Enterprise FM Trust to lease a fleet of 38 pickup trucks for use in the Debtor's operations. Under the terms of the agreement, the Debtor was entitled to receive certain surplus moneys generated after the surrender of the leased vehicles to the lessor and a subsequent sale. Pursuant to a stipulation approved by the Bankruptcy Court on July 6, 2021, the Debtor and lessor agreed to the surrender of the leased vehicles. The Debtor anticipates receiving a total of approximately \$265,000 from the lessor on account of the sold vehicles pursuant to the stipulation.

9. Basin Holdings Settlement

On August 31, 2021, the Debtor, the Committee and Basin Holdings executed a stipulation providing for a comprehensive settlement of the secured and unsecured Claims asserted by Basin Holdings and its non-Debtor subsidiaries in the Chapter 11 Case. That settlement is evidenced by the Basin Settlement Stipulation and Basin Settlement Approval Order and described in detail in the Debtor's motion for approval of the Basin Settlement, filed in the Chapter 11 Case at D.I. 291. Under the Basin Settlement, Basin Holdings agreed to the treatment provided for the Allowed Basin Holdings Secured Claim and Allowed Basin Unsecured Claims reflected in Sections V.B.3 and V.B.4 of this Combined Plan and Disclosure Statement, and the Basin Released Parties (as defined in the Basin Settlement Stipulation) were granted broad releases of all Claims and Causes of Action by the Debtor, its Estate, and anyone claiming by, through or under right of or on behalf of any of them. The Basin Settlement was a key step in laying the foundation for this Combined Plan and Disclosure Statement, as it resolved substantial asserted secured Claims that, if allowed as filed, may have prevented any distribution at all to Holders of Allowed General Unsecured Claims in this Chapter 11 Case.

10. Ovintiv Settlement

Prior to the Petition Date, the Debtor had a business relationship with a customer, Ovintiv, including through Ovintiv's predecessor in interest, Encana Oil and Gas (USA), Inc. Ovintiv continued to purchase products from the Debtor both prior to and after the Petition Date but failed to pay all amounts due and owing. In addition, Ovintiv filed a Proof of Claim against the Debtor relating to certain pipe inventory that Ovintiv contends was owned by Ovintiv and being held by the Debtor. After arms' length negotiation, the Debtor and Ovintiv agreed to settle their claims against each other with a payment by Ovintiv of \$230,000 and the Debtor's abandonment of certain pipe claimed by Ovintiv located at a third party storage yard. The Court approved the Ovintiv settlement on September 10, 2021 and the settlement closed shortly thereafter. [Docket No. 317].

11. OFCI's Motion and Settlement of Same

On August 10, 2021, OFCI filed a *Motion for Relief from DIP Financing Order, Limited Objection to Debtor's Motion for Final Order Authorizing the Debtor to Use Cash Collateral, and for Related Relief* [Docket No. 257]. OFCI's Motion asserted, among other things, that OFCI was the owner of certain inventory consigned to the Debtor, that OFCI had not received notice of the Debtor's DIP financing, and that OFCI was entitled to relief from the Debtor, Wells Fargo Bank and purchasers from the Debtor in respect of OFCI's consigned inventory. OFCI asserts an amount owed of approximately \$270,000. Objections to the Motion were filed by the Debtor, Wells Fargo Bank, and the Committee. [Docket Nos. 266, 267 and 271]. OFCI adjourned the hearing on its Motion to September 29, 2021. [Docket No. 265] Pursuant to a stipulation approved by the Bankruptcy Court on September 23, 2021 [Docket No. 337], the Debtor settled OFCI's Motion with an agreed payment of \$3,500 to OFCI.

C. Summary of Assets

The Creditor Trust Assets shall be comprised of the Estate Causes of Action, the Trust Funding, which amounts will be the source of Distributions to Holders of Allowed Class 5 Claims

and the Holder of the Class 2.2 Claim, and any remaining other Estate assets that have yet to be liquidated or released as of the Effective Date, all of which will be transferred to and vest in the Creditor Trust on the Effective Date to be liquidated by the Creditor Trustee. Litigation Proceeds will be distributed in accordance with this Combined Plan and Disclosure Statement.

D. Summary of Treatment of Claims and Interests Under the Combined Plan and Disclosure Statement

The following chart summarizes the classification and treatment of the Classes:

Class	Estimated Allowed Claims²	Treatment	Estimated Recovery to Holders of Allowed Claims³
Class 1 – [Reserved]			
Class 2.1 – Prepetition Senior Obligations	\$0	Unimpaired, deemed to accept	100%
Class 2.2 – Allowed Basin Holdings Secured Claim	\$4,154,482.28	Unimpaired, deemed to accept	100% of treatment provided for in Basin Settlement
Class 2.3 – Allowed Basin Unsecured Claims	\$2,228,133.20	Unimpaired, deemed to accept	0% (100% of treatment provided for in Basin Settlement, which subordinates Allowed Basin Unsecured Claims to Allowed Class 5 Claims)
Class 3 – Other Secured Claims	\$0.00	Unimpaired, deemed to accept	100%
Class 4 – Priority Claims	\$0.00	Unimpaired, deemed to accept	100%

² Except with respect to Classes 2.1, 2.2 and 2.3, the amounts listed represent estimated Allowed Claims and do not represent amounts actually asserted by creditors in Proofs of Claim or otherwise. The Debtor has not completed its analysis of Claims in the Chapter 11 Case, and objections to such Claims have not been Filed and/or fully litigated and may continue following the Effective Date. Therefore, there can be no assurances of the exact amount of the Allowed Claims at this time. Rather, the actual amount of the Allowed Claims may be greater or lower than estimated.

³ The estimated percentage recovery is based upon, among other things, an estimate of the Allowed Claims in the Chapter 11 Case. As set forth above, the actual amount of the Allowed Claims may be greater or lower than estimated. Thus, the actual recoveries may be higher or lower than projected depending upon, among other things, the amounts and priorities of Claims that are actually allowed by the Bankruptcy Court.

Class 5 – General Unsecured Claims	\$64 million ⁴	Impaired, entitled to vote	Unknown ⁵
Class 6 – Equity Interests	n/a	Impaired, deemed to reject	0%

E. Potential Claims and Causes of Action

The Bankruptcy Code preserves the Debtor’s rights to prosecute Claims and Causes of Action that exist outside of bankruptcy and also empowers the Debtor to prosecute certain Claims that are established by the Bankruptcy Code, including claims to, *inter alia*, avoid and recover certain preferential transfers and fraudulent conveyances. The Combined Plan and Disclosure Statement preserves all of the Debtor’s rights with respect to all Estate Causes of Action, transfers the Debtor’s rights in respect of such Estate Causes of Action to the Creditor Trustee, and empowers the Creditor Trustee on behalf of the beneficiaries of the Creditor Trust to investigate, prosecute, collect, and/or settle the Estate Causes of Action as deemed appropriate.

To date, the Debtor has identified certain Causes of Action that will be transferred to the Creditor Trustee as Estate Causes of Action pursuant to the terms of the Combined Plan and Disclosure Statement. The retention and preservation of known and unknown Estate Causes of Action, and their prosecution and liquidation by the Creditor Trustee, are an integral part of the Combined Plan and Disclosure Statement.

Except as otherwise provided in the Combined Plan and Disclosure Statement, all Estate Causes of Action, known or unknown, that the Debtor and Debtor’s Estate may hold against any Person or Entity shall, on the Effective Date, automatically vest in the Creditor Trustee, free and clear of all liens, claims, encumbrances, and interests. The Creditor Trustee, on behalf of the Creditor Trust and subject to the terms of the Creditor Trust Agreement, shall have the exclusive right, authority, and discretion to institute, prosecute, abandon, settle, or compromise any and all such Causes of Action without the consent or approval of any third party and without any further order of the Bankruptcy Court, except as otherwise provided herein or in the Creditor Trust Agreement. From and after the Effective Date, the Creditor Trustee shall serve as the representative of the Debtor’s Estate and shall retain and possess the sole and exclusive right to commence, pursue, settle, compromise, or abandon, as appropriate, any and all Estate Causes of Action, whether arising before or after the Petition Date, in any court or other tribunal.

⁴ The amount of Allowed General Unsecured Claims listed herein is equal to the amount set forth in the *Summary of Assets and Liabilities for Non-Individuals on Schedule E/F* [Docket No. 17] and Filed Proofs of Claim. However, other than an initial review for duplicate claims, Filed Proofs of Claim have not been reviewed for accuracy at this point in time.

⁵ The Trust Funding will not be sufficient to make a Distribution to unsecured creditors. Any Distribution to Holders of General Unsecured Claims will be contingent upon the successful prosecution of the Estate Causes of Action. As a result, the Debtor is unable to estimate the percentage recovery (if any) to Holders of General Unsecured Claims.

To date, the Debtor has identified the following potential Claims and Causes of Action that constitute Estate Causes of Action⁶:

1. Possible Avoidance Actions, including without limitation any avoidance Claims identified in the Schedules and Statements that have not been released pursuant to a Final Order or this Combined Plan and Disclosure Statement. Former trade vendors of the Debtor may have litigation risk relating to causes of action under 11 U.S.C § 547. These causes of action have not yet been fully investigated, and the recovery depends on many factors.
2. A judgment in the original amount of \$263,059.28, including principal and prejudgment interest, obtained in *WB Supply LLC v. Branch Energy and Environmental Services, LLC, et. al.*, Case No. 27-2015-CV-00321 (North Dakota District Court, Mckenzie County). With accrued post-judgment interest, the amount due is approximately \$370,000. The judgment has been recorded in Ohio against property owned by one of the defendants. The Debtor believes that the judgment is likely collectable.
3. Outstanding accounts receivable totaling approximately \$4.3 million, which includes approximately \$3.4 million owed by a former customer that filed for bankruptcy, and approximately \$700 thousand in receivables placed with a collection agency. The Debtor believes that the collectability of the foregoing amounts is highly uncertain.

Creditors, and in particular Holders of Claims in Class 5, should not assume that the absence of their name from the identified potential Claims and Causes of Action set forth above is indicative of an intent that potential Claims and Causes of Action against such creditor or Holder will not be prosecuted. This Combined Plan and Disclosure Statement preserves and transfers to the Creditor Trust all potential Claims and Causes of Action.

F. Certain Federal Income Tax Consequences

The following discussion is a summary of certain U.S. federal income tax consequences of the Combined Plan and Disclosure Statement to the Debtor and to Holders of Claims and Equity Interests. This discussion is based on the Tax Code, Treasury Regulations promulgated and proposed thereunder, judicial decisions and published administrative rules, and pronouncements of the IRS, all as in effect on the date hereof.

Due to the complexity of certain aspects of the Combined Plan and Disclosure Statement, the lack of applicable legal precedent, the possibility of changes in the law, the differences in the nature of the Claims, and each Holder's status and method of accounting and the potential for disputes as to legal and factual matters with the IRS, the tax consequences described herein are uncertain. No legal opinions have been requested from counsel with respect to any of the tax aspects of the Combined Plan and Disclosure Statement and no rulings have been or will be requested from the IRS with respect to the any of the issues discussed below. Further, legislative, judicial, or administrative changes may occur, perhaps with retroactive effect, which could affect

⁶ Again, this list is non-exclusive. The Debtor and the Committee continue to investigate potential Estate Causes of Action.

the accuracy of the statements and conclusions set forth below as well as the tax consequences to the Debtor and the Holders of Claims and Equity Interests.

This discussion does not purport to address all aspects of U.S. federal income taxation that may be relevant to the Debtor or the Holders of Claims or Equity Interests in light of their personal circumstances, nor does the discussion deal with tax issues with respect to taxpayers subject to special treatment under the U.S. federal income tax laws (including, for example, insurance companies, financial institutions, real estate investment trusts, tax-exempt organizations, small business investment companies, regulated investment companies, foreign taxpayers, persons whose functional currency is not the U.S. dollar, persons subject to the alternative minimum tax, and persons holding Claims or Equity Interests as part of a “straddle,” “hedge,” “constructive sale,” or “conversion transaction” with other investments). This discussion does not address the tax consequences to Holders of Claims who did not acquire such Claims at the issue price on original issue. No aspect of foreign, state, local, or estate and gift taxation is addressed.

EACH HOLDER OF A CLAIM OR EQUITY INTEREST IS URGED TO CONSULT WITH SUCH HOLDER’S TAX ADVISORS CONCERNING THE U.S. FEDERAL, STATE, LOCAL, FOREIGN, AND OTHER TAX CONSEQUENCES OF THE COMBINED PLAN AND DISCLOSURE STATEMENT.

1. Tax Consequences to the Debtor

Pursuant to the Tax Code and subject to certain exceptions, a taxpayer generally must recognize income from COD Income to the extent that such taxpayer’s indebtedness is discharged for an amount less than the indebtedness’ adjusted issue price determined in the manner described below. Generally, the amount of COD Income, subject to certain statutory and judicial exceptions, is the excess of (a) the adjusted issue price of the discharged indebtedness less (b) the sum of the fair market value (determined at the date of the exchange) of the consideration, if any, given in exchange for such discharged indebtedness.

The recognition of COD Income may be treated differently in the context of a confirmed chapter 11 plan. For example, under the Bankruptcy Exception, instead of recognizing COD Income, the taxpayer is required, pursuant to Tax Code section 108(b) to reduce certain of that taxpayer’s tax attributes to the extent of the amount of COD Income. The tax attributes of the taxpayer generally are reduced in the following order: net operating losses, general business and minimum tax credit carry forwards, capital loss carry forwards, the basis of the taxpayer’s assets and, finally, foreign tax credit carry forwards. If the amount of COD Income exceeds the amount of tax attributes available to be reduced, the excess still is excluded from income. Pursuant to Tax Code section 108(b)(4)(A), the reduction of tax attributes does not occur until the end of the taxable year after such tax attributes have been applied to determine the tax in the year of discharge or, in the case of asset basis reduction, the first day of the taxable year following the taxable year in which the COD Income is realized. Tax Code section 108(e)(2) provides a further exception to the recognition of COD Income upon the discharge of debt, providing that a taxpayer will not recognize COD Income to the extent that the taxpayer’s satisfaction of the debt would have given rise to a deduction for United States federal income tax purposes.

2. Tax Consequences for Holders of Claims

Generally, a Holder of a Claim should in most, but not all circumstances, recognize gain or loss equal to the difference between the “amount realized” by such Holder in exchange for its Claim and such Holder’s adjusted tax basis in the Claim. The “amount realized” is equal to the sum of the Cash and the fair market value of any other consideration received under a chapter 11 plan in respect of a Holder’s Claim. The tax basis of a Holder in a Claim will generally be equal to the Holder’s cost. To the extent applicable, the character of any recognized gain or loss (e.g., ordinary income, or short-term or long-term capital gain, or loss) will depend upon the status of the Holder, the nature of the Claim in the Holder’s hands, the purpose and circumstances of its acquisition, the Holder’s holding period of the Claim, and the extent to which the Holder previously claimed a deduction for the worthlessness of all or a portion of the Claim. Generally, if the Claim is a capital asset in the Holder’s hands, any gain or loss realized generally will be characterized as capital gain or loss, and will constitute long-term capital gain or loss if the Holder has held such Claim for more than one (1) year.

A Holder who received Cash (or potentially other consideration) in satisfaction of its Claims may recognize ordinary income or loss to the extent that any portion of such consideration is characterized as accrued interest. A Holder who did not previously include in income accrued but unpaid interest attributable to its Claim, and who receives a distribution on account of its Claim pursuant to the Combined Plan and Disclosure Statement, will be treated as having received interest income to the extent that any consideration received is characterized for United States federal income tax purposes as interest, regardless of whether such Holder realizes an overall gain or loss as a result of surrendering its Claim. A Holder who previously included in its income accrued but unpaid interest attributable to its Claim should recognize an ordinary loss to the extent that such accrued but unpaid interest is not satisfied, regardless of whether such Holder realizes an overall gain or loss as a result of the distribution it may receive under the Combined Plan and Disclosure Statement on account of its Claim.

G. Certain Risk Factors to Be Considered

Effect of Failure to Confirm the Combined Plan and Disclosure Statement. If the Combined Plan and Disclosure Statement is not confirmed by the requisite majorities in number and amount as required by Bankruptcy Code section 1126, or if any of the other confirmation requirements imposed by the Bankruptcy Code are not met, the Chapter 11 Case may not have sufficient funding to proceed, which may result in conversion to a case under chapter 7 of the Bankruptcy Code or dismissal.

“Cramdown.” While the Debtor believes that the requirements of Bankruptcy Code section 1129 have been met, the Bankruptcy Court is afforded discretion to determine whether dissenting Holders of Claims would receive more if the Debtor was liquidated under chapter 7 of the Bankruptcy Code.

Claims Estimation. While the Debtor has undertaken its best efforts to estimate the amount of Claims in each Class, the actual amount of allowed Claims may differ from the estimates.

Estate Causes of Action. Pursuant to the Combined Plan and Disclosure Statement, the Creditor Trust Assets, including the Estate Causes of Action, will be transferred to the Creditor Trust upon the establishment of the Creditor Trust upon the Effective Date. The Estate Causes of Action include Causes of Action which are not released, waived, or transferred pursuant to the Combined Plan and Disclosure Statement, or otherwise. There is no assurance that the Creditor Trust will be successful in prosecuting any Estate Causes of Action or generating sufficient proceeds from the Estate Causes of Action for Distribution. To the extent Distributions are possible from the Estate Causes of Action, the timing of any such Distribution is uncertain.

Delays. Any delay in Confirmation of the Combined Plan and Disclosure Statement or delay to the Effective Date, could result in additional Administrative Expense Claims and/or Creditor Trustee expenses. This may endanger the ultimate effectiveness of the Combined Plan and Disclosure Statement or result in a decreased recovery for Holders of Claims entitled to a Distribution.

Sufficient Cash for Creditor Trust Distributions. There is no assurance that the Creditor Trust Assets will be sufficient to fund the Creditor Trust's expenses to enable the Creditor Trust to hold and liquidate the Creditor Trust Assets as envisioned under the Combined Plan and Disclosure Statement. Accordingly, there is no assurance as to whether the Creditor Trust will make any Distributions, the amount, if any, or the timing on which such Distributions may be made.

H. Feasibility

The Bankruptcy Code requires that, in order for a plan to be confirmed, the Bankruptcy Court must find that confirmation of such plan is not likely to be followed by the liquidation or need for further reorganization of the debtor unless contemplated by the plan.

Here, the Combined Plan and Disclosure Statement provides for the liquidation and distribution of all of the Debtor's assets. Accordingly, the Debtor believes all chapter 11 plan obligations will be satisfied without the need for further reorganization of the Debtor.

I. Best Interests Test and Alternatives to the Combined Plan and Disclosure Statement

The Bankruptcy Code requires that the Bankruptcy Court determine that a plan accepted by the requisite number of creditors in an impaired class provides each such member of each impaired class of claims and interests a recovery that has value, on the effective date, at least equal to the value of the recovery that each such creditor would receive if the debtor was liquidated under chapter 7 of the Bankruptcy Code.

The Bankruptcy Code further requires that the Bankruptcy Court determine that a plan is in the best interests of each holder of a claim or interest in any such impaired class which has not voted to accept the plan. Thus, if an impaired class does not vote unanimously to confirm the plan, the best interests test requires that the Bankruptcy Court find that the plan provides to each member of such impaired class a recovery on account of the class member's claim or interest that has a value, on the effective date, at least equal to the value of the recovery that each such class member would receive if the debtor was liquidated under chapter 7 of the Bankruptcy Code.

Here, the Debtor believes the Combined Plan and Disclosure Statement satisfies the best interests test as the Liquidation Analysis, attached hereto as Exhibit A, demonstrates that the recoveries expected to be available to Holders of Allowed Claims under the Combined Plan and Disclosure Statement will be greater than the recoveries expected in a liquidation under chapter 7 of the Bankruptcy Code.

In a typical chapter 7 case, a trustee is elected or appointed to liquidate a debtor's assets for distribution to creditors in accordance with the priorities set forth in the Bankruptcy Code. Generally, secured creditors are paid first from the proceeds of sales of the properties securing their liens. If any assets are remaining in the bankruptcy estate after satisfaction of secured creditors' claims from their collateral, administrative expenses (including those incurred by a chapter 7 trustee) are next to receive payment. Unsecured creditors are paid from any remaining proceeds, according to their respective priorities. Unsecured creditors with the same priority share in proportion to the amount of their allowed claims in relationship to the total amount of allowed claims held by all unsecured creditors with the same priority. Finally, equity interest holders receive the balance that remains, if any, after all creditors are paid.

Substantially all of the Debtor's assets have already been sold and transferred to the purchaser pursuant to the various store closing and auction sales authorized by the Bankruptcy Court. While a liquidation under chapter 7 of the Bankruptcy Code would have the same goal, the Combined Plan and Disclosure Statement provides the best source of recovery for several reasons. First, liquidation under chapter 7 of the Bankruptcy Code would not provide for a timely distribution and likely no distribution at all. Second, Distributions would likely be smaller because of the fees and expenses incurred in a liquidation under chapter 7 of the Bankruptcy Code.

At this time, there are no alternative plans available to the Debtor. Following the various store closing and auction sales, the Debtor has few assets remaining. Therefore, the Debtor believes that the Combined Plan and Disclosure Statement provides the greatest possible value under the circumstances and has the greatest chance to be confirmed and consummated.

J. Releases by the Debtor

Article XII of this Combined Plan and Disclosure Statement contains certain releases, exculpations, and injunction language. Parties are urged to read these provisions carefully to understand how Confirmation and consummation of the Combined Plan and Disclosure Statement will affect any Claim, interest, right, or action with regard to the Debtor and certain third parties.

THE COMBINED PLAN AND DISCLOSURE STATEMENT SHALL BIND ALL HOLDERS OF CLAIMS AGAINST THE DEBTOR TO THE FULLEST EXTENT AUTHORIZED OR PROVIDED UNDER THE APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE AND ALL OTHER APPLICABLE LAW.

Under the voting procedures described in Article VII and Article VIII of this Combined Plan and Disclosure Statement, the Debtor believe that these releases, exculpations, and injunction language are considered consensual under applicable bankruptcy law.

The Combined Plan and Disclosure Statement provides releases for the Released Parties. The Debtor is not aware of any potential Claims or Causes of Action against the Released Parties.

The Debtor is also not aware of any Claims or Causes of Action against its current professionals, the Committee and members of the Committee, the Committee's Professionals, or any their respective direct and indirect current and former Affiliates, subsidiaries, partners (including general partners and limited partners), investors, managing members, members, officers, directors, principals, employees, managers, controlling persons, agents, attorneys, investment bankers, Professionals, advisors, and representatives, each in their capacity as such, but excluding all officers and directors of the Debtor who were not serving in that capacity as of the Effective Date.

K. Administrative Expense Claims

Requests for payment of Administrative Expense Claims must be Filed no later than the applicable Administrative Expense Bar Date. Holders of Administrative Expense Claims that do not File requests for the allowance and payment thereof on or before the applicable Administrative Expense Bar Date shall forever be barred from asserting such Administrative Expense Claims against the Debtor or its Estate. This provision does not apply to 28 U.S.C. § 1930 obligations, including U.S. Trustee fees and court costs, which are payable as a condition to confirmation.

Except to the extent that a Holder of an Allowed Administrative Expense Claim agrees to a less favorable treatment or has been paid by any applicable Debtor prior to the Effective Date, in full and final satisfaction, settlement, release, and discharge of and in exchange for release of each Allowed Administrative Expense Claim, each Holder of an Allowed Administrative Expense Claim will be paid the full unpaid amount of such Allowed Administrative Expense Claim in Cash (a) on the Effective Date or as soon thereafter as is reasonably practicable or, if not then due, when such Allowed Administrative Expense Claim is due or as soon thereafter as is reasonably practicable, (b) if an Administrative Expense Claim is Allowed after the Effective Date, on the date such Administrative Expense Claim is Allowed or as soon thereafter as is reasonably practicable or, if not then due, when such Allowed Administrative Expense Claim is due, or (c) at such time and upon such terms as set forth in an order of the Bankruptcy Court. Any Allowed Administrative Expense Claims that are not paid in full in Cash on the Effective Date will become Allowed Claims against the Creditor Trust before other Allowed Claims are paid from the Creditor Trust, in accordance with this Combined Plan and Disclosure Statement.

L. Professional Fee Claims

All Professionals or other Persons requesting compensation or reimbursement of Professional Fee Claims for services rendered before the Effective Date (including compensation requested by any Professional or other entity for making a substantial contribution in the Chapter 11 Case) shall File an application for final allowance of compensation and reimbursement of expenses no later than the Professional Fee Claims Bar Date.

The Final Fee Hearing to determine the allowance of Professional Fee Claims shall be held as soon as practicable after the Professional Fee Claims Bar Date. The Debtor's counsel shall File a notice of the Final Fee Hearing. Such notice shall be served upon counsel for the Committee, all Professionals, the U.S. Trustee, and all parties on the Debtor's Bankruptcy Rule 2002 service list.

Allowed Professional Fee Claims of the Professionals shall be paid (a) as soon as is reasonably practicable following the later of (i) the Effective Date and (ii) the date upon which the order relating to any such Allowed Professional Fee Claims is entered by the Bankruptcy Court, or (b) upon such other terms as agreed by the Holder of such an Allowed Professional Fee Claims. Any Allowed Professional Fee Claims that are not paid in full in cash on the Effective Date will become Allowed Claims against the Creditor Trust and will be paid before other Allowed Claims are paid from the Creditor Trust, in accordance with this Combined Plan and Disclosure Statement.

M. DIP Facility Claims

DIP Facility Claims are deemed Allowed Claims. On the Effective Date, the Debtor shall fund the Senior Lender Reserve, which shall be used solely to satisfy any contingent DIP Facility Claims and contingent Prepetition Senior Obligations that arise after the Effective Date, including all fees, costs, expenses and other charges that are indemnifiable under the terms of the Postpetition Loan Documents. Such DIP Facility Claims shall not be subject to Court approval or U.S. Trustee guidelines; provided, that as to any such fees, costs and expenses incurred after the Effective Date, the DIP Lender shall submit summaries of its professional fee invoices to the Creditor Trust. Debtor, the U.S. Trustee and counsel for the Creditors' Committee. Such summary invoices may be redacted to the extent necessary to delete any information subject to the attorney-client privilege, any information constituting attorney work product, or any other confidential information, and the provision of such summaries shall not constitute any waiver of the attorney-client privilege or of any benefits of the attorney work product doctrine. The Creditor Trust may object to the reasonableness of the fees, costs and expenses included in any professional fee summary invoice submitted by the DIP Lender; provided that, (i) any portion of any such summary invoice that is not the subject of any objection shall be paid immediately from the Senior Lender Reserve, and (ii) any objection shall be forever waived and barred unless (A) it is filed with the Court and served on counsel to the DIP Lender no later than ten (10) days after the Creditor Trust's receipt of the applicable professional fee summary invoice, and (B) it describes with particularity the items or categories of fees, costs and expenses that are the subject of the objection and provides the specific basis for the objection to each such item or category of fees, costs and expenses. Any hearing on an objection to payment of any fees, costs and expenses of the DIP Lender set forth in a professional fee summary invoice shall be limited to the reasonableness or necessity of the particular items or categories of the fees, costs and expenses which are the subject of such objection. On the first anniversary of the Effective Date, if no DIP Facility Claims or Prepetition Senior Obligations remain outstanding on such date, any amounts remaining in the Senior Lender Reserve shall revert to the Creditor Trust.

N. Priority Tax Claims

Except to the extent the Debtor, with the consent of the Committee or Creditor Trustee, as applicable, and the Holder of an Allowed Priority Tax Claim agree to a different and less favorable treatment, the Debtor shall pay, in full satisfaction and release of such Claim, to each holder of a Priority Tax Claim, Cash, in an amount equal to such Allowed Priority Tax Claim, on the later of: (a) the Effective Date and (b) the first Business Day after the date that is 30 calendar days after the date on which such Priority Tax Claim becomes an Allowed Priority Tax Claim, or as soon thereafter as is reasonably practicable. The Debtor shall establish a reserve prior to the Effective Date for Allowed Priority Tax Claims, which shall be administered by the Creditor Trust. Upon

the resolution of all Priority Tax Claims, any excess funds remaining in the reserve authorized hereunder shall revert to the Creditor Trust.

The Debtor estimates that the aggregate amount of Allowed Priority Tax Claims, excluding the Texas *ad valorem* taxes and other Priority Tax Claims that have been reviewed, reconciled and paid during the Chapter 11 Case pursuant to orders of the Bankruptcy Court, will not exceed \$230,000.

O. Statutory Fees

All Statutory Fees incurred prior to the Effective Date shall be paid by the Debtor on the Effective Date. After the Effective Date, the Creditor Trustee shall pay any and all such fees when due and payable from the Creditor Trust Assets and shall File with the Bankruptcy Court quarterly reports in a form reasonably acceptable to the U.S. Trustee, until such time that the Chapter 11 Case is closed, dismissed, or converted to a case under chapter 7 of the Bankruptcy Code.

V. CLASSIFICATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS

A. Classification of Claims and Equity Interests

The below categories of Claims and Equity Interests classify such Claims and Equity Interests for all purposes, including voting, Confirmation, and Distribution pursuant hereto and pursuant to Bankruptcy Code sections 1122 and 1123.

B. Treatment of Claims and Equity Interests

1. **[Reserved]**

2. **Class 2.1 – Prepetition Senior Obligation Claims**

Holders of Claims in Class 2.1 are unimpaired under the Combined Plan and Disclosure Statement and such Claims are deemed Allowed Claims. On the Effective Date, the Debtor shall fund the Senior Lender Reserve, which shall be used solely to satisfy any contingent Prepetition Senior Obligations and contingent DIP Facility Claims. On the anniversary of the Effective Date, if no DIP Facility Claims or Prepetition Senior Obligations remain outstanding on such date, any amounts remaining in the Senior Lender Reserve shall revert to the Creditor Trust. Holders of Class 2.1 Claims are deemed to accept the Combined Plan and Disclosure Statement.

3. **Class 2.2 – Allowed Basin Holdings Secured Claim**

The Claim in Class 2.2 shall receive the treatment provided for in the Basin Settlement Stipulation. As more particularly set forth in the Basin Settlement Stipulation, the Holder of the Allowed Basin Holdings Secured Claim (i) shall receive Cash in the amount of \$100,000 on account of its incurred professional fees (including without limitation attorneys' fees) within thirty (30) days following entry of the Basin Settlement Approval Order; (ii) shall be entitled to retain the full Credit Card Deposit of \$275,000 and shall setoff and apply the Credit Card Deposit against

the April Credit Card Payment and Class 2.2 Claim;⁷ (iii) shall receive Cash equal to fifty percent (50%) of each dollar of the first \$450,000, and ten percent (10%) of each dollar up to the next \$1 million, otherwise distributable to Holders of Allowed Class 5 Claims; and (iv) the remaining balance of the Class 2.2 Claim, after taking into consideration the amounts received on account of the Class 2.2 Claim in the foregoing clauses (i)-(iii), shall be Allowed as a General Unsecured Claim against the Debtor in the full amounts asserted or scheduled, as the case may be, but shall be subordinated in right of payment to the payment in full of all Allowed Class 5 General Unsecured Claims in this Chapter 11 Case. The Class 2.2 Claim is Allowed pursuant to the Basin Settlement and is unimpaired and deemed to accept the Combined Plan and Disclosure Statement.

4. **Class 2.3 – Allowed Basin Unsecured Claims**

The Claims in Class 2.3 shall receive the treatment provided for in the Basin Settlement. As more particularly set forth in the Basin Settlement Stipulation, the Class 2.3 Claims have been Allowed as General Unsecured Claims but are subordinated in right of payment to the payment in full of all Allowed Class 5 General Unsecured Claims in this Chapter 11 Case. The Class 2.3 Claims are Allowed pursuant to the Basin Settlement and are unimpaired and deemed to accept the Combined Plan and Disclosure Statement.

5. **Class 3 – Other Secured Claims**

Except to the extent that a Holder of an Allowed Other Secured Claim has agreed to a less favorable treatment of such Claim, and only to the extent that any such Allowed Other Secured Claim has not been paid in full prior to the Effective Date, each Holder of an Allowed Other Secured Claim, at the option of the Debtor, in consultation with the Committee or the Creditor Trustee, shall (i) be paid in full in Cash; (ii) receive the collateral securing its Allowed Other Secured Claim, plus post-petition interest to the extent required under Bankruptcy Code section 506(b); or (iii) receive other treatment rendering such Claim unimpaired in accordance with Bankruptcy Code section 1124, in each case on the later of the Effective Date and the date such Other Secured Claim becomes an Allowed Other Secured Claim, or as soon thereafter as is reasonably practicable. In the event the Debtor or the Creditor Trustee treat a Claim under clause (i) of this Section, the liens securing such Allowed Other Secured Claim shall be deemed released, terminated, and extinguished, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order or rule or the vote, consent, authorization, or approval of any Person. The Debtor and the Creditor Trustee specifically reserve the right to challenge the validity, nature, and perfection of, and to avoid pursuant to the provisions of the Bankruptcy Code and other applicable law, any purported liens relating to the Other Secured Claims.

The Debtor estimates that the aggregate amount of Allowed Other Secured Claims will be \$0.00. Class 3 is unimpaired and is deemed to accept the Combined Plan and Disclosure Statement.

6. **Class 4 – Priority Claims**

⁷ “Credit Card Deposit” and “April Credit Card Payment” are as defined in the Basin Settlement Stipulation.

Except to the extent that a Holder of an Allowed Priority Claim has agreed to a less favorable treatment of such Claim, and only to the extent that any such Allowed Priority Claim has not been paid in full prior to the Effective Date, each such Holder of an Allowed Priority Claim shall receive Cash in an amount equal to such Allowed Priority Claim, on or as soon as reasonably practicable after the later of (i) the Effective Date; (ii) the date the Priority Claim becomes an Allowed Claim; or (iii) the date for payment provided by any agreement or arrangement between the Debtor or Creditor Trustee, as the case may be, and the Holder of the Allowed Priority Claim. The Debtor shall establish a reserve prior to the Effective Date for Allowed Priority Claims which shall be administered by the Creditor Trust. Upon the resolution of all Priority Claims, any excess funds remaining in the reserve authorized hereunder shall revert to the Creditor Trust.

The Debtor estimates that the aggregate amount of Allowed Priority Claims will not exceed \$990,000.

Class 4 is unimpaired and is deemed to accept the Combined Plan and Disclosure Statement.

7. Class 5 – General Unsecured Claims

Except to the extent that a Holder of an Allowed General Unsecured Claim has agreed to a less favorable treatment of such Claim, and only to the extent that any such Allowed General Unsecured Claim has not been paid by the Debtor prior to the Effective Date, each Holder of an Allowed General Unsecured Claim shall receive such Holder's Pro Rata share of the beneficial interest in the Creditor Trust and as beneficiary of the Creditor Trust shall receive, on a distribution date, their Pro Rata Share of net Cash derived from the Creditor Trust Assets available for Distribution on each such distribution date as provided under the Combined Plan and Disclosure Statement and Creditor Trust Agreement, as full and complete satisfaction of the Claims against the Creditor Trust.

The Debtor estimates that the aggregate amount of Allowed General Unsecured Claims will be approximately \$64 million based upon the Debtor's Schedules and an initial review of Filed Proofs of Claim.

Class 5 is Impaired and is entitled to vote to accept or reject the Combined Plan and Disclosure Statement. Any recovery under the Combined Plan and Disclosure Statement to Holders of Allowed General Unsecured Claims is contingent upon the continued investigative efforts of the Committee and any recoveries by the Creditor Trust on account of the Estate Causes of Action transferred to the Creditor Trust. It is impossible to estimate at this time the amount, if any, of recoveries by the Creditor Trust. The Allowed General Unsecured Claims will be paid from the Estate Portion of the Litigation Proceeds in accordance with this Combined Plan and Disclosure Statement.

8. Class 6 – Equity Interests

Holders of Equity Interests in Class 6 are Impaired under the Combined Plan and Disclosure Statement. Holders of Equity Interests will retain no ownership interests or Distribution under the Combined Plan and Disclosure Statement, and, on the Effective Date, all

Equity Interests shall be cancelled. Therefore, Holders of Equity Interests are deemed to reject the Combined Plan and Disclosure Statement.

C. Impaired Claims and Equity Interests

Under the Combined Plan and Disclosure Statement, Holders of Claims in Class 5 and Class 6 are Impaired pursuant to Bankruptcy Code section 1124 because the Combined Plan and Disclosure Statement alters the legal, equitable, or contractual rights of the Holders of such Claims treated in such Class.

D. No Unfair Discrimination

The Debtor believes the treatment of Claims and Equity Interests described in this Combined Plan and Disclosure Statement are fair and equitable and do not discriminate unfairly. The proposed treatment of Claims and Equity Interests provides that each Holder of such Claim or Equity Interest will be treated identically within their respective class and that, except when agreed to by such Holder, no Holder of any Claim or Equity Interest junior will receive or retain any property on account of such junior Claim or Equity Interest.

VI. CONFIRMATION PROCEDURES

A. Confirmation Procedures

1. Combined Hearing

The Confirmation Hearing before the Bankruptcy Court has been scheduled for **November 18, 2021 at 10:00 a.m. (ET)** at the United States Bankruptcy Court, 824 North Market Street, 6th Floor, Courtroom #1, Wilmington, DE 19801 to consider (a) approval of the Combined Plan and Disclosure Statement as providing adequate information pursuant to Bankruptcy Code section 1125, and (b) confirmation of the Combined Plan and Disclosure Statement pursuant to Bankruptcy Code section 1129. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice, except for an announcement of the adjourned date made at the Confirmation Hearing.

2. Procedure for Objections

Any objection to approval or confirmation of the Combined Plan and Disclosure Statement must be made in writing and specify in detail the name and address of the objector, all grounds for the objection and the amount of the Claim held by the objector. Any such objection must be Filed by **November 12, 2021 at 4:00 p.m. (ET)** with the Bankruptcy Court and served on the Debtor's counsel, the Committee, Basin Holdings, the U.S. Trustee, and all parties who have Filed a request for notice in this Chapter 11 Case. Unless an objection is timely Filed and served, it may not be considered by the Bankruptcy Court.

3. Requirements for Confirmation

The Bankruptcy Court will confirm the Combined Plan and Disclosure Statement only if the requirements of Bankruptcy Code section 1129 are met. As set forth in this Combined Plan

and Disclosure Statement, the Debtor believes that the Combined Plan and Disclosure Statement: (a) meets the feasibility requirements; (b) is in the best interests of creditors; (c) has been proposed in good faith; and (d) meets all other technical requirements imposed by the Bankruptcy Code.

Additionally, pursuant to Bankruptcy Code section 1126, under the Combined Plan and Disclosure Statement, only Holders of Claims in Impaired Classes are entitled to Distributions.

B. Solicitation and Voting Procedures

1. Eligibility to Vote on the Combined Plan and Disclosure Statement

Except as otherwise ordered by the Bankruptcy Court, only Holders of Claims in Class 5 may vote on the Combined Plan and Disclosure Statement pursuant to Bankruptcy Code section 1126. To vote on the Combined Plan and Disclosure Statement, a Holder must hold a Claim in Class 5 (Filed or identified on the Schedules and is not listed as disputed, unliquidated, or contingent), or be the Holder of a Claim that has been temporarily Allowed for voting purposes only under Bankruptcy Rule 3018(a).

ACCORDINGLY, A BALLOT FOR ACCEPTANCE OR REJECTION OF THE COMBINED PLAN AND DISCLOSURE STATEMENT IS BEING PROVIDED ONLY TO HOLDERS OF CLAIMS IN CLASS 5.

2. Solicitation Package

Accompanying the Combined Plan and Disclosure Statement for the purposes of soliciting votes on the Combined Plan and Disclosure Statement are Solicitation Packages, which contain copies of: (a) the Confirmation Hearing Notice; (b) the Interim Approval and Procedures Order, excluding the exhibits annexed thereto; (c) a Ballot; (d) the Committee Solicitation Letter; and (e) such other documents the Bankruptcy Court may direct or approve or that the Debtor deems appropriate.

Holders of Claims in non-voting classes will receive packages consisting of: (a) the Confirmation Hearing Notice; and (b) a notice of such Holder's non-voting status.

3. Voting Procedures and Voting Deadline

The Voting Record Date for determining which Holders of Claims in Class 5 may vote on the Combined Plan and Disclosure Statement is the date of entry of the Interim Approval and Procedures Order.

The Voting Deadline by which the Debtor must *RECEIVE* original ballots by mail, overnight delivery, hand delivery or electronic balloting is November 15, **2021 at 4:00 p.m. (ET)**.

If you are entitled to vote to accept or reject the Combined Plan and Disclosure Statement, a Ballot is enclosed. Please carefully review the Ballot instructions and complete the Ballot by: (a) indicating your acceptance or rejection of the Combined Plan and Disclosure Statement; (b) indicating whether you opt out of the releases; and (c) signing and returning the Ballot to the Debtor.

If you are a member of a Voting Class and did not receive a Ballot, received a damaged Ballot, or lost your Ballot, contact Debtor's counsel at the address shown on the cover of this Combined Plan and Disclosure Statement.

The following Ballots will not be counted or considered:

- (1) any Ballot received after the Voting Deadline, unless the Bankruptcy Court grants an extension to the Voting Deadline with respect to such Ballot;
- (2) any Ballot that is illegible or contains insufficient information;
- (3) any Ballot cast by a Person or Entity that does not hold a Claim in a Voting Class;
- (4) any Ballot cast for a Claim designated as unliquidated, contingent, or disputed or as zero (0) or unknown in amount and for which no Rule 3018 Motion has been Filed by the Rule 3018 Motion deadline;
- (5) any Ballot timely received that is cast in a manner that indicates neither acceptance nor rejection of the Combined Plan and Disclosure Statement or that indicates both acceptance and rejection of the Combined Plan and Disclosure Statement;
- (6) simultaneous duplicative Ballots voted inconsistently;
- (7) Ballots partially rejecting and partially accepting the Combined Plan and Disclosure Statement;
- (8) any Ballot received other than the official form sent by Debtor' counsel;
- (9) any unsigned Ballot; or
- (10) any Ballot that is submitted by facsimile.

4. Deemed Acceptance or Rejection

Holders of Claims in Classes 1, 2.1, 2.2, 2.3, 3, and 4 are unimpaired, thus deemed to accept the Combined Plan and Disclosure Statement. Under Bankruptcy Code section 1126(f), Holders of such Claims are conclusively presumed to have accepted the Combined Plan and Disclosure Statement, and the votes of the Holders of such Claims shall not be solicited.

Holders of Claims in Class 5 are Impaired and entitled to vote to accept or reject the Combined Plan and Disclosure Statement.

Holders of Class 6 Equity Interests are not entitled to receive any Distribution under the Combined Plan and Disclosure Statement. Pursuant to Bankruptcy Code section 1126(g), Class 6 Equity Interests are conclusively deemed to have rejected the Combined Plan and Disclosure Statement and the votes of these Holders therefore shall not be solicited and Holders of Class 6 Equity Interests are not a Releasing Party.

5. Acceptance by Impaired Classes

In order for the Combined Plan and Disclosure Statement to be accepted by an Impaired Class of Claims, a majority in number (i.e., more than half) and two-thirds in dollar amount of the Claims voting (of each Impaired Class of Claims) must vote to accept the Combined Plan and Disclosure Statement. At least one (1) Impaired Class of creditors, excluding the votes of insiders, must actually vote to accept the Combined Plan and Disclosure Statement. The Debtor urges that you vote to accept the Combined Plan and Disclosure Statement.

YOU ARE URGED TO COMPLETE, DATE, SIGN, AND PROMPTLY MAIL THE BALLOT ATTACHED TO THE NOTICE. PLEASE BE SURE TO COMPLETE THE BALLOT PROPERLY AND LEGIBLY IDENTIFY THE EXACT AMOUNT OF YOUR CLAIM AND THE NAME OF THE CREDITOR.

VII. IMPLEMENTATION AND EXECUTION OF THE COMBINED PLAN AND DISCLOSURE STATEMENT

A. Effective Date

The Effective Date shall not occur until the conditions for the Effective Date are satisfied or otherwise waived in accordance with the terms of this Combined Plan and Disclosure Statement. Upon occurrence of the Effective Date, the Debtor shall File the notice of Effective Date.

B. Implementation of the Combined Plan and Disclosure Statement

1. Corporate Action; Officers and Directors; Effectuating Documents

On the Effective Date, all matters and actions provided for under the Combined Plan and Disclosure Statement that would otherwise require approval of the member or manager(s) of the Debtor, including as authority for such approval delegated to the CRO, shall be deemed to have been authorized and effective in all respects as provided herein and shall be taken without any requirement for further action by the members and managers of the Debtor.

The Board shall remain intact until the Debtor is dissolved. All corporate action shall be taken in accordance with the certificate of incorporation and the bylaws of the Debtor. On the date of dissolution of the Debtor, the members of the Board and executive officer(s) of the Debtor shall be deemed to have resigned to the extent permissible under applicable law. On the Effective Date or as soon as practicable thereafter, the Debtor and its Professionals are authorized and directed to cause to be filed a certificate of dissolution for the Debtor with the appropriate state agency.

The officer(s) and director(s) of the Debtor, as the case may be, shall be authorized to execute, deliver, file, or record such contracts, instruments, releases, and other agreements or documents and take such other actions as may be necessary or appropriate to effectuate and implement the provisions of the Combined Plan and Disclosure Statement.

C. Records

The Debtor shall provide the Creditor Trust with thirty (30) calendar days' notice prior to dissolution. The Creditor Trustee, in his or her sole discretion, may after receipt of notice and prior to such dissolution, seek to retain those documents maintained by the Debtor in the ordinary course of business, at the sole cost and expense of the Creditor Trust. After receipt of such documents, the Creditor Trustee shall be authorized to destroy any documents he deems necessary or appropriate in his or her reasonable judgment; *provided, however*, that the Creditor Trustee shall not destroy any documents, including but not limited to tax documents, that the Creditor Trust is required to retain under applicable law. After notice to the Creditor Trust, the Debtor shall be authorized to abandon without further notice all originals and/or copies of documents and business records that the Creditor Trust does not seek to retain.

D. Creditor Trustee

1. Establishment of the Creditor Trust

On the Effective Date, the Creditor Trust will be established pursuant to the Creditor Trust Agreement, which will be filed with the Bankruptcy Court in the Plan Supplement. Upon establishment of the Creditor Trust, all Creditor Trust Assets shall be deemed transferred to the Creditor Trust without any further action of any of the Debtor, or any employees, officers, directors, members, partners, shareholders, agents, advisors, or representatives of the Debtor. The Creditor Trustee may elect for the Creditor Trust to be treated as a partnership or a corporation or other entity for tax purposes only, if the Creditor Trustee may determine, in his or her reasonable discretion, that such election would be in the best interests of the beneficiaries of the Creditor Trust.

The Committee shall have the power and authority to enter into the Creditor Trust Agreement on the Effective Date.

2. Transfer of Creditor Trust Assets to Creditor Trust

Pursuant to Bankruptcy Code section 1141, all transfers and contributions made pursuant to this Article VII, Section D.2 shall be made free and clear of all Claims, liens, encumbrances, charges, and other interests. Upon completion of the transfer of the Creditor Trust Assets to the Creditor Trust, the Debtor will have no further interest in, or with respect to, the Creditor Trust Assets, or the Creditor Trust. For all federal income tax purposes, all parties (including, without limitation, the Debtor, the Creditor Trustee, and the Creditor Trust's beneficiaries) will treat the transfer of the Creditor Trust Assets to the Creditor Trust in accordance with the terms of the Combined Plan and Disclosure Statement, as a transfer to the Creditor Trust's beneficiaries, followed by a transfer by such Creditor Trust's beneficiaries to the Creditor Trust, and the Creditor Trust's beneficiaries will be treated as the grantors and owners thereof.

3. Purpose of Creditor Trust

The Creditor Trust shall be established for the purpose of liquidating the Creditor Trust Assets, prosecuting any Estate Causes of Action transferred to the Creditor Trust to maximize recoveries for the benefit of the Creditor Trust's beneficiaries, and making Distributions in accordance with the Combined Plan and Disclosure Statement Plan to the Creditor Trust's beneficiaries, with no objective to continue or engage in the conduct of a trade or business in

accordance with Treas. Reg. § 301.7701-4(d). The Creditor Trust is intended to qualify as a “grantor trust” for federal income tax purposes and, to the extent permitted by applicable law, for state and local income tax purposes, with the Creditor Trust’s beneficiaries treated as grantors and owners of the trust.

4. Preservation of Rights

Under the Combined Plan and Disclosure Statement, the Creditor Trustee retains any and all rights of, and on behalf of, the Debtor, the Estate, and the Creditor Trust to commence and pursue any and all Estate Causes of Action, including, without limitation, setoff, offset, and recoupment rights, regardless of whether or not such rights are specifically enumerated in the Combined Plan and Disclosure Statement, Plan Supplement, or elsewhere, and all such rights shall not be deemed modified, waived, or released in any manner, nor shall Confirmation of the Combined Plan and Disclosure Statement or the Confirmation Order act as *res judicata* or limit any of such rights of Creditor Trustee to commence and pursue any and all Estate Causes of Action, including, without limitation, setoff, offset, and recoupment rights, to the extent the Creditor Trustee deems appropriate. Any and all Estate Causes of Action, including, without limitation, setoff, offset, and recoupment rights, may, but need not, be pursued by the Debtor prior to the Effective Date and by the Creditor Trustee after the Effective Date, to the extent warranted.

Unless an Estate Cause of Action against a creditor or other Entity is expressly waived, relinquished, released, compromised, or settled in the Combined Plan and Disclosure Statement, or any Final Order, the Debtor expressly reserves any and all Estate Causes of Action, including, without limitation, setoff, offset, and recoupment rights, for later enforcement and prosecution by the Creditor Trustee (including, without limitation, any Estate Causes of Action set forth in the Plan Supplement, or not specifically identified herein, or otherwise, or which the Debtor may presently be unaware of, or which may arise or exist by reason of additional facts or circumstances unknown to the Debtor at this time, or facts or circumstances which may change or be different from those which the Debtor now believes to exist) and, therefore, no preclusion doctrine, including, without limitation, the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, waiver, estoppel (judicial, equitable or otherwise), or laches shall apply to any and all Estate Causes of Action, including, without limitation, setoff, offset, and recoupment rights, upon or after the Confirmation or consummation of the Combined Plan and Disclosure Statement based on the Combined Plan and Disclosure Statement or the Confirmation Order. In addition, the Creditor Trust expressly reserves the right to pursue or adopt any and all Causes of Action that are not Estate Causes of Action, including, without limitation, setoff, offset, and recoupment rights, alleged in any lawsuit in which the Debtor is a defendant or an interested party, against any Entity, including, without limitation, the plaintiffs or co-defendants in such lawsuits, subject to the provisions of the Combined Plan and Disclosure Statement or any Final Order.

The Debtor and the Creditor Trustee do not intend, and it should not be assumed (nor shall it be deemed) that because any existing or potential Estate Causes of Action, including, without limitation, setoff, offset, and recoupment rights, have not yet been pursued by the Debtor or are not set forth herein, or otherwise, that any and all Estate Causes of Action, including, without limitation, setoff, offset, and recoupment rights, have been waived or expunged.

Except as otherwise provided in the Combined Plan and Disclosure Statement, all Estate

Causes of Action against any Person or Entity shall, on the Effective Date, automatically vest in the Creditor Trust free and clear of liens, claims, encumbrances and interests and no Estate Causes of Action shall be deemed released or discharged by the Combined Plan and Disclosure Statement unless expressly stated therein. The Creditor Trustee, on behalf of the Creditor Trust, shall have the exclusive right, authority, and discretion to institute, prosecute, abandon, settle, or compromise any and all such Estate Causes of Action without the consent or approval of any third party and without any further order of the Bankruptcy Court, except as otherwise provided herein or in the Creditor Trust Agreement. From and after the Effective Date, the Creditor Trustee, in accordance with Section 1123(b)(3) of the Bankruptcy Code, and on behalf of the Creditor Trust, shall serve as a representative of the Debtor's Estate and shall retain and possess the sole and exclusive right to commence, pursue, settle, compromise or abandon, as appropriate, any and all Estate Causes of Action, whether arising before or after the Petition Date, in any court or other tribunal.

The Debtor and, after the Effective Date, the Creditor Trustee, on behalf of the Creditor Trust, reserve all rights to pursue any and all Estate Causes of Action.

Unless Estate Causes of Action against a Person or Entity are expressly waived, relinquished, released, compromised, or settled in the Combined Plan and Disclosure Statement, or any Final Order, the Debtor and, after the Effective Date, the Creditor Trust, shall retain all Estate Causes of Action of the Debtor and no Estate Cause of Action shall be deemed to be released or impaired under the Combined Plan and Disclosure Statement or by effect of the Confirmation of the Combined Plan and Disclosure Statement. No preclusion doctrine or other rule of law, including, without limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise), or laches, shall apply to any Estate Causes of Action upon, after, or as a result of the Confirmation or Effective Date of the Combined Plan and Disclosure Statement, or the Confirmation Order. In addition, the Debtor and the Creditor Trustee, on behalf of the Creditor Trust, and any successors-in-interest thereto, expressly reserve the right to pursue or adopt any Estate Causes of Action not so waived, relinquished, released, compromised, or settled that are alleged in any lawsuit in which the Debtor is a defendant or an interested party, against any Person or Entity, including, without limitation, the plaintiffs and co-defendants in such lawsuits.

5. Continued Cooperation By Basin Holdings

On or after the Effective Date, Basin Holdings shall provide such reasonable and timely cooperation to effectuate the provisions of the Combined Plan and Disclosure Statement as the Creditor Trustee might reasonably request, but only to the extent required by the Combined Plan and Disclosure Statement, to carry out the terms of the Combined Plan and Disclosure Statement and administration of the Creditor Trust, at the sole expense of the Creditor Trust. To the extent that the Debtor or the Creditor Trust, as the Debtor's successor under this Combined Plan and Disclosure Statement, request in writing that Basin Holdings incur an expense for the benefit of the Debtor, its Estate, or the Creditor Trust, and Basin Holdings shall agree, the Debtor or Creditor Trust, as the case may be, shall be authorized to reimburse Basin Holdings for such expense.

6. **Creditor Trustee**

Retention of Creditor Trustee. The Creditor Trustee is a disinterested Person designated by the Committee. The Creditor Trustee shall carry out the duties as set forth in this section and in the Creditor Trust Agreement. Pursuant to Bankruptcy Code section 1123(b)(3), the Creditor Trustee shall be deemed the appointed representative to, and may pursue, litigate, and compromise and settle any such rights, claims, and Estate Causes of Action in accordance with the best interests of and for the benefit of the Creditor Trust's beneficiaries. In the event that the Creditor Trustee resigns, is removed, terminated, or otherwise unable to serve as the Creditor Trustee, then a successor shall be appointed as set forth in the Creditor Trust Agreement. Any successor Creditor Trustee appointed shall be bound by and comply with the terms of the Combined Plan and Disclosure Statement, the Confirmation Order, and the Creditor Trust Agreement.

Responsibilities and Authority of Creditor Trustee. The responsibilities and authority of the Creditor Trustee shall include: (a) establishing reserves and investing Cash; (b) liquidating non-Cash assets of the Creditor Trust; (c) retaining and paying professionals as necessary to carry out the purposes of the Creditor Trust; (d) preparing and filing tax returns for the Creditor Trust; (e) preparing and filing reports and other documents necessary to conclude and close the Chapter 11 Case; (f) objecting to, reconciling, seeking to subordinate, compromising or settling any or all Claims and administering Distributions on account of General Unsecured Claims; (g) evaluating, filing, litigating, settling, or otherwise pursuing any Estate Causes of Action; (h) abandoning any property of the Creditor Trust that cannot be sold or distributed economically; (i) making interim and final distributions of Creditor Trust Assets; (j) winding up the affairs of the Creditor Trust and dissolving it under applicable law; (k) destroying records; and (l) such other responsibilities as may be vested in the Creditor Trustee pursuant to the Combined Plan and Disclosure Statement, the Creditor Trust Agreement, or Bankruptcy Court order or as may be necessary and proper to carry out the provisions of the Combined Plan and Disclosure Statement.

Powers of the Creditor Trustee. The Creditor Trustee shall have the power and authority to perform the acts described in the Creditor Trust Agreement (subject to approval by the Bankruptcy Court where applicable), in addition to any powers granted by law or conferred to it by any other provision of the Combined Plan and Disclosure Statement, including without limitation any set forth herein, provided however, that enumeration of the following powers shall not be considered in any way to limit or control the power and authority of the Creditor Trustee to act as specifically authorized by any other provision of the Combined Plan and Disclosure Statement, the Creditor Trust Agreement, and/or any applicable law, and to act in such manner as the Creditor Trustee may deem necessary or appropriate to take any act deemed appropriate by the Creditor Trustee, including, without limitation, to discharge all obligations assumed by the Creditor Trustee or provided herein and to conserve and protect the Creditor Trust or to confer on the creditors the benefits intended to be conferred upon them by the Combined Plan and Disclosure Statement. The Creditor Trustee shall have the power and authority without further approval by the Bankruptcy Court to liquidate the Creditor Trust Assets, to hire and pay professional fees and expenses of counsel and other advisors, to prosecute and settle objections to Disputed Claims, to prosecute and settle any Estate Causes of Action, and otherwise take any action as shall be necessary to administer the Chapter 11 Case and effect the closing of the Chapter 11 Case, including, without limitation, as follows: (a) the power to invest funds, in accordance with Bankruptcy Code section 345, and withdraw, make Distributions and pay taxes and other obligations owed by the Creditor

Trust from funds held by the Creditor Trustee in accordance with the Combined Plan and Disclosure Statement and Creditor Trust Agreement; (b) the power to engage and compensate, without prior Bankruptcy Court order or approval, employees and professionals to assist the Creditor Trustee with respect to his or her responsibilities; (c) the power to pursue, prosecute, resolve, and compromise and settle any Estate Causes of Action on behalf of the Creditor Trust without prior Bankruptcy Court approval but in accordance with the Creditor Trust Agreement; (d) the power to object to Claims, including, without limitation, the power to subordinate and recharacterize Claims by objection, motion, or adversary proceeding; and (e) such other powers as may be vested in or assumed by the Creditor Trustee pursuant to the Combined Plan and Disclosure Statement, the Creditor Trust Agreement, Bankruptcy Court order, or as may be necessary and proper to carry out the provisions of the Combined Plan and Disclosure Statement. Except as expressly set forth in the Combined Plan and Disclosure Statement and in the Creditor Trust Agreement, the Creditor Trustee, on behalf of the Creditor Trust, shall have absolute discretion to pursue or not to pursue any Estate Causes of Action as it determines is in the best interests of the Creditor Trust's beneficiaries and consistent with the purposes of the Creditor Trust, and shall have no liability for the outcome of his or her decision, other than those decisions constituting gross negligence or willful misconduct. The Creditor Trustee may incur any reasonable and necessary expenses in liquidating and converting the Creditor Trust Assets to Cash. Subject to the other terms and provisions of the Combined Plan and Disclosure Statement, the Creditor Trustee shall be granted standing, authority, power, and right to assert, prosecute, and/or settle the Estate Causes of Action and/or make a claim under any primary director and officer liability, employment practices liability, or fiduciary liability insurance policies based upon its powers as a Bankruptcy Court-appointed representative of the Estate with the same or similar abilities possessed by insolvency trustees, receivers, examiners, conservators, liquidators, rehabilitators, or similar officials.

Enforcement of Estate Causes of Action. Pursuant to Bankruptcy Code section 1123(b), the Creditor Trustee, on behalf of and for the benefit of the Creditor Trust's beneficiaries, shall be vested with and shall retain and may enforce Estate Causes of Action transferred to the Creditor Trust that were held by, through, or on behalf of, the Debtor and/or the Estate against any other Person, arising before the Effective Date that have not been fully resolved or disposed of prior to the Effective Date, whether or not such Estate Causes of Action are specifically identified in the Combined Plan and Disclosure Statement and whether or not litigation with respect to same has been commenced prior to the Effective Date. The recoveries from any Estate Causes of Action transferred to the Creditor Trust will be deposited into the Creditor Trust and distributed in accordance with the Creditor Trust Agreement and the Combined Plan and Disclosure Statement.

Compensation of Creditor Trustee. The Creditor Trustee shall be compensated as set forth in the Creditor Trust Agreement; *provided, however*, that such compensation shall only be payable from the Creditor Trust Assets. The Creditor Trustee shall fully comply with the terms, conditions, and rights set forth in the Combined Plan and Disclosure Statement, the Confirmation Order, and the Creditor Trust Agreement. The Creditor Trustee shall not be required to file a fee application to receive compensation. The Creditor Trustee may be compensated for work performed prior to the Effective Date of the Combined Plan and Disclosure Statement as provided in the Creditor Trust Agreement.

Retention and Payment of Professionals. The Creditor Trustee shall have the right to retain the services of attorneys, accountants, and other professionals and agents, to assist and advise the Creditor Trustee in the performance of his or her duties and compensate such professionals from the Creditor Trust Assets as set forth in the Creditor Trust Agreement.

Limitation of Liability of the Creditor Trustee. The Creditor Trust shall indemnify the Creditor Trustee and his or her professionals against any losses, liabilities, expenses (including attorneys' fees and disbursements), damages, taxes, suits, or claims that the Creditor Trustee or his or her professionals may incur or sustain by reason of being or having been a Creditor Trustee or professionals of the Creditor Trustee for performing any functions incidental to such service; *provided, however*, the foregoing shall not relieve the Creditor Trustee or his or her professionals from liability for bad faith, willful misconduct, reckless disregard of duty, criminal conduct, gross negligence, fraud, or self-dealing.

Reporting. The Creditor Trustee shall provide to any Committee member or representative who elects to receive reports by providing notice to the Creditor Trustee on or before 30 days after the Effective Date written reports not less than semi-annually on or before January 1 and July 1 of the calendar year that describe in reasonable detail (a) the status of all Estate Causes of Action, (b) any formal or informal settlement proposals that have been made by any party to any of the Estate Causes of Action (or their insurers), (c) the amount of Cash and the value of other assets held by the Creditor Trust, and (d) the amount of expenses incurred by the Creditor Trust for the reporting period, and the total unpaid amount of Creditor Trust expenses. The Creditor Trustee shall also provide information about the activities of the Creditor Trust on an informal basis as such recipients may reasonably request from time to time.

7. **Trust Expenses**

The Creditor Trustee may, in the ordinary course of business and without the necessity for any application to, or approval of, the Bankruptcy Court, pay any accrued but unpaid Trust Expenses. All Trust Expenses shall be charged against and paid from the Creditor Trust Assets.

8. **Privileges**

Other than the Retained Privileges (defined below), on and subject to the terms of the Combined Plan and Disclosure Statement, all of the Debtor's privileges (the "**Privileges**"), including, but not limited to, corporate privileges, confidential information, work product protections, attorney-client privileges, and other immunities or protections solely relating to the Estate Causes of Action, in each instance arising on or after the earlier of (i) two (2) years prior to the Petition Date and (ii) the applicable statute of limitations governing any such Estate Claim (but in no event more than six (6) years prior to the Petition Date) (the "**Transferred Privileges**"), shall be transferred, assigned, and delivered to the Creditor Trust, without waiver, limitation, or release, and shall vest with the Creditor Trust on the Effective Date and be jointly held by the Debtor and the Creditor Trust on and after the Effective Date; *provided, however*, that notwithstanding the foregoing, Transferred Privileges do not and shall not include Privileges relating in any way to (a) any rights, Claims, or Causes of Action sold to any purchaser in connection with the store closing and auction sales, (b) the preparation, filing, administration, or prosecution of the Chapter 11 Case,

or (c) any negotiations between or among the Debtor and any of the Committee, the DIP Lender, the Prepetition Lender, and/or Basin Holdings.

The Creditor Trust and Debtor shall each hold and each be the beneficiary of all Transferred Privileges and be entitled to assert all Transferred Privileges. No Privilege shall be waived by disclosures to the Creditor Trustee of the Debtor's documents, information, or communications subject to any privilege, protection, or immunity, or protections from disclosure jointly held by the Debtor and the Creditor Trust.

Notwithstanding the foregoing or anything else in the Combined Plan and Disclosure Statement or otherwise to the contrary, no Privileges other than the Transferred Privileges (all Privileges other than the Transferred Privileges being the "**Retained Privileges**") shall be transferred, assigned, or delivered to the Creditor Trust and such Retained Privileges shall not vest with the Creditor Trust. The Creditor Trust shall not hold nor be the beneficiary of any Retained Privileges or entitled in any way to assert any Retained Privileges, which shall be held solely by the Debtor.

The Creditor Trustee shall have until two (2) years after the Effective Date to request documents or information subject to the Transferred Privileges (each an "**Information Request**"); *provided, however*, that with respect to any action involving Transferred Privileges filed on or before two (2) years after the Effective Date, the Creditor Trustee may make an Information Request subject to the Transferred Privileges involved in such action until the final resolution of such action, including any appeals.

To the extent of any conflict between this Section 8 of the Combined Plan and Disclosure Statement and any other provision of the Combined Plan and Disclosure Statement relating to Privileges, this Section 8 shall control.

9. **Termination of Creditor Trust**

The Creditor Trust shall be dissolved upon the earlier of the Distribution of all of its assets to the Creditor Trust's beneficiaries and the third anniversary of the creation of the Creditor Trust, *provided* that the Creditor Trustee shall, in its sole discretion, be authorized to extend the dissolution date to the fifth anniversary of the creation of the Creditor Trust with prior Bankruptcy Court approval. If warranted by the facts and circumstances involved in resolving any Estate Causes of Action, upon application to, and if approved by, the Bankruptcy Court upon a finding such further extension is necessary for purposes of resolving such Estate Causes of Action and distributing the proceeds to Creditor Trust's beneficiaries, the term of the Creditor Trust may be further extended by the Creditor Trustee for a specified, finite term. Notwithstanding the foregoing, the Creditor Trust shall be automatically terminated in the event that the Chapter 11 Case is converted or dismissed.

10. **Exculpation Relating to the Creditor Trust**

No Holder of a Claim or Equity Interest or any other party in interest will have, or otherwise pursue, any Claim or Cause of Action against the Creditor Trustee, the Creditor Trust, or the employees or professionals thereof (solely in the performance of their duties), for making payments and Distributions in accordance with the Combined Plan and Disclosure Statement or

for fulfilling any functions incidental to implementing the provisions of the Combined Plan and Disclosure Statement or the Creditor Trust, except for any acts or omissions to act that are the result of bad faith, willful misconduct, reckless disregard of duty, criminal conduct, gross negligence, fraud, or self-dealing.

E. Plan Transactions

1. Transfer of Assets

On the Effective Date, the Debtor shall cause the Trust Funding, Estate Causes of Action, and Residual Assets to be transferred to the Creditor Trust.

2. Vesting of Assets and Authority in the Creditor Trust

On the Effective Date, except as otherwise expressly provided in the Combined Plan and Disclosure Statement, title to the Creditor Trust Assets (including specifically the Trust Funding, any rights of the Debtor under the Debtor's existing insurance policies, including any primary director and officer liability, employment practices liability, or fiduciary liability insurance policies and any claims arising thereunder that have not be previously released, and all Estate Causes of Action) shall vest in the Creditor Trust free and clear of all liens, encumbrances, or interests of any kind. Except as otherwise provided in the Combined Plan and Disclosure Statement or any order of the Bankruptcy Court, the Creditor Trust shall succeed to all rights and interests provided to the Debtor and its Estate.

3. Distributions From the Creditor Trust

Distributions of Litigation Proceeds from the Creditor Trust shall be made in the following order of priority in accordance with the Basin Settlement Stipulation:

First, the first \$450,000 of each dollar otherwise distributable to Holders of Allowed Class 5 General Unsecured Claims shall be distributed (i) fifty percent (50%) to Holders of Allowed Class 5 General Unsecured Claims and (ii) fifty percent (50%) to the Holder of the Class 2.2 Claim (collectively, the "First Distribution"); and

Second, the next \$1 million of each dollar otherwise distributable to Holders of Allowed Class 5 General Unsecured Claims shall be distributed (i) ninety percent (90%) to Holders of Allowed Class 5 General Unsecured Claims and (ii) ten percent (10%) to the Holder of the Class 2.2 Claim (collectively, the "Second Distribution"); and

Third, any remaining Litigation Proceeds will be distributed to the Estate Portion of Litigation Proceeds.

Each of the First Distribution and Second Distribution shall be made in Cash, without setoff or recoupment, and at the same time to (i) the Holder of the Class 2.2 Claim, and (ii) Holders of Allowed Class 5 Claims.

F. Provisions Governing Distributions Under the Combined Plan and Disclosure Statement

1. Distribution Record Date

As of the close of business on the Distribution Record Date, the various transfer registers for each of the Classes of Claims or Equity Interests as maintained by the Debtor, or its agents, shall be deemed closed, and there shall be no further changes in the record Holders of any of the Claims or Equity Interests. The Debtor or the Creditor Trustee shall have no obligation to recognize any ownership transfer of the Claims or Equity Interests occurring on or after the Distribution Record Date. The Debtor, the Creditor Trustee, or any party responsible for making Distributions shall be entitled to recognize and deal for all purposes under the Combined Plan and Disclosure Statement only with those record Holders stated on the transfer ledgers as of the close of business on the Distribution Record Date, to the extent applicable.

2. Method of Payment

Except as otherwise provided herein, any Distributions and deliveries to be made hereunder with respect to Claims that are Allowed as of the Effective Date shall be made on the Effective Date or as soon thereafter as is reasonably practicable. Except as otherwise provided herein, any Distributions and deliveries to be made hereunder with respect to Claims that are Allowed after the Effective Date shall be made as soon as is reasonably practicable after the date on which such Claim becomes Allowed. Distributions made after the Effective Date to Holders of Allowed Claims shall be deemed to have been made on the Effective Date and, except as otherwise provided in the Combined Plan and Disclosure Statement, no interest shall accrue or be payable with respect to such Claims or any Distribution related thereto. In the event that any payment or act under the Combined Plan and Disclosure Statement is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on, or as soon as reasonably practicable after, the next succeeding Business Day, but shall be deemed to have been completed as of the required date.

All Distributions hereunder shall be made by the Creditor Trustee, or its named successor or assign, as disbursing agent, on or after the Effective Date or as otherwise provided herein. For the avoidance of doubt, the Creditor Trustee shall act as disbursing agent with respect to all Effective Date Distributions and Distributions to all Allowed Claims. A disbursing agent shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court, and, in the event that a disbursing agent is so ordered, all costs and expenses of procuring any such bond or surety shall be borne by the disbursing agent.

Unless otherwise expressly agreed in writing, all Cash payments to be made pursuant to the Combined Plan and Disclosure Statement shall be made by check drawn on a domestic bank or an electronic wire.

3. Surrender of Instruments

Pursuant to Bankruptcy Code section 1143, as a condition precedent to receiving any Distribution under the Combined Plan and Disclosure Statement, each Holder of a certificated instrument or note must surrender such instrument or note held by it to the Disbursing Agent or its designee. Any Holder of such instrument or note that fails to (i) surrender the instrument or note or (ii) execute and deliver an affidavit of loss and/or indemnity reasonably satisfactory to the

Disbursing Agent and furnish a bond in form, substance, and amount reasonably satisfactory to the Disbursing Agent before the third anniversary of the Effective Date shall be deemed to have forfeited all rights and Claims and may not participate in any Distribution hereunder. This paragraph shall not apply to the Holder of the Class 2.2 Claim.

4. Delivery of Distributions

Except as otherwise provided herein, Distributions to Holders of Allowed Claims shall be made: (a) at the addresses set forth on the respective Proofs of Claim Filed by such Holders; (b) at the addresses set forth in any written notice of address changes delivered to the Creditor Trustee after the date of any related Proof of Claim; or (c) at the address reflected in the Schedules if no Proof of Claim is Filed and the Creditor Trustee has not received a written notice of a change of address.

Subject to applicable Bankruptcy Rules, all Distributions to Holders of Allowed Claims shall be made to the Disbursing Agent who shall transmit such Distributions to the applicable Holders of Allowed Claims or their designees. If any Distribution to a Holder of an Allowed Claim is returned as undeliverable, the Disbursing Agent shall have no obligation to determine the correct current address of such Holder, and no Distribution to such Holder shall be made unless and until the Disbursing Agent is notified, in writing, by the Holder of the current address of such Holder within ninety (90) days of such Distribution, at which time a Distribution shall be made to such Holder without interest; provided that such Distributions shall be deemed unclaimed property under Bankruptcy Code section 347(b) at the expiration of ninety (90) days from the Distribution. After such date, all unclaimed property or interest in property shall revert to the Creditor Trust to be distributed in accordance with the terms of the Creditor Trust Agreement and the Combined Plan and Disclosure Statement, and the Claim of any other Holder to such property or interest in property shall be discharged and forever barred.

5. Objection to and Resolution of Claims

Except as expressly provided herein, or in any order entered in the Chapter 11 Case prior to the Effective Date, including the Confirmation Order, no Claim or Equity Interest shall be deemed Allowed unless and until such Claim or Equity Interest is deemed Allowed under the Combined Plan and Disclosure Statement or the Bankruptcy Code or the Bankruptcy Court has entered a Final Order, including the Confirmation Order, in the Chapter 11 Case allowing such Claim or Equity Interest. On or after the Effective Date, the Creditor Trust shall be vested with any and all rights and defenses the Debtor had with respect to any Claim or Equity Interest immediately prior to the Effective Date.

On and after the Effective Date, the Creditor Trustee, with respect to all Claims and Equity Interests, shall be entitled to file objections to all Claims and Equity Interests that are otherwise not deemed Allowed Claims or Equity Interests, including under the Combined Plan and Disclosure Statement, or otherwise. Any objections to Claims shall be served and filed on or before the later of (i) one hundred and eighty (180) days after the Effective Date or (ii) such later date as may be fixed by the Bankruptcy Court after reasonable notice and opportunity to object. The Allowed Basin Holdings Secured Claim and Allowed Basin Unsecured Claims are Allowed Claims and not subject to objection.

6. **Preservation of Rights to Settle Claims**

Except as otherwise expressly provided herein, including in Section IV.E. of the Combined Plan and Disclosure Statement, nothing contained in the Combined Plan and Disclosure Statement, other plan documents, or in the Confirmation Order shall be deemed to be a waiver or the relinquishment of any rights or Causes of Action that the Debtor may have or which the Creditor Trustee may choose to assert on behalf of the Estate under any provision of the Bankruptcy Code or any applicable nonbankruptcy law or rule, common law, equitable principle, or other source of right or obligation, including, without limitation, (i) any and all Claims against any Person or Entity, to the extent such Person or Entity asserts a crossclaim, counterclaim, and/or Claim for setoff that seeks affirmative relief against the Debtor, its officers, directors, or representatives, and (ii) the turnover of all property of the Estate. This Section shall not apply to any Claims sold, released, waived, relinquished, exculpated, compromised, or settled under the Combined Plan and Disclosure Statement or pursuant to a Final Order, expressly including the Basin Settlement Approval Order and the Basin Settlement Stipulation attached thereto. Except as expressly provided in the Combined Plan and Disclosure Statement, nothing contained in the Combined Plan and Disclosure Statement, the Plan Documents, or in the Confirmation Order shall be deemed to be a waiver or relinquishment of any Claim, Cause of Action, right of setoff, or other legal or equitable defense. No Entity may rely on the absence of a specific reference in the Combined Plan and Disclosure Statement or the Plan Supplement to any Cause of Action against it as any indication that the Debtor or the Creditor Trustee, as applicable, will not pursue any and all available Causes of Action against them. The Debtor and the Creditor Trustee expressly reserve all rights to prosecute any and all Causes of Action against any Person or Entity, except as otherwise expressly provided in the Combined Plan and Disclosure Statement.

7. **Miscellaneous Distribution Provisions**

Disputed Claims. At such time as a Disputed Claim becomes an Allowed Claim, the Disbursing Agent shall distribute to the Holder of such Claim, such Holder's Pro Rata Share of the property distributable with respect to the Class in which such Claim belongs. To the extent that all or a portion of a Disputed Claim is Disallowed, the Holder of such Claim shall not receive any Distribution on account of the portion of such Claim that is Disallowed, and any property withheld pending the resolution of such Claim shall be reallocated Pro Rata to the Holders of Allowed Claims in the same Class.

Distributions after Allowance. To the extent that a Disputed Claim becomes an Allowed Claim after the Effective Date, a Distribution shall be made to the Holder of such Allowed Claim in accordance with the provisions of the Combined Plan and Disclosure Statement. As soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order, the Disbursing Agent shall provide to the Holder of such Claim the Distribution to which such Holder is entitled hereunder.

Setoff. The Debtor or Creditor Trustee, as applicable, retain the right to reduce any Claim (other than the Allowed Basin Holdings Secured Claim and the Allowed Basin Unsecured Claims) by way of setoff in accordance with the Debtor's books and records and in accordance with the Bankruptcy Code.

Minimum Distributions. Notwithstanding anything herein to the contrary, the Creditor Trustee shall not be required to make Distributions or payments of less than \$100.00.

VIII. EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Executory Contracts and Unexpired Leases

All Executory Contracts and Unexpired Leases of the Debtor that have not been assumed, assigned, rejected or terminated prior to the Effective Date shall be deemed rejected.

B. Rejection Claims

In the event that the rejection of an Executory Contract or unexpired lease by the Debtor pursuant to the Combined Plan and Disclosure Statement results in a Rejection Claim in favor of a counterparty to such Executory Contract or unexpired lease, such Rejection Claim, if not heretofore evidenced by a timely and properly Filed Proof of Claim, shall be forever barred and shall not be enforceable against the Debtor or the Creditor Trust, or their respective properties or interests in property as agents, successors, or assigns, unless a Proof of Claim is Filed with the Bankruptcy Court and served upon the Creditor Trustee on or before the date that is 30 days after the Effective Date. All Allowed Rejection Claims shall be treated as General Unsecured Claims pursuant to the terms of the Combined Plan and Disclosure Statement.

To the extent that any of the Debtor's insurance policies are considered Executory Contracts, then notwithstanding anything contained in the Combined Plan and Disclosure Statement to the contrary, such insurance policies, shall be deemed assumed and assigned to the Creditor Trust. Unless otherwise determined by the Bankruptcy Court, pursuant to a Final Order, no payments are required to cure any defaults of the Debtor existing as of the Confirmation Date with respect to each such policy. For the avoidance of any doubt, all rights of the Debtor under any insurance policy that is not an Executory Contract and was not transferred pursuant to any order of the Bankruptcy Court, and all rights of the Debtor under any other insurance policies under which the Debtor may be a beneficiary, shall be preserved and any interest of the Debtor therein shall vest with the Creditor Trust and shall remain in full force and effect after the Effective Date for the term thereof; and nothing herein shall alter or adversely affect the rights of any non-Debtor beneficiaries of or covered Persons or Entities under such insurance policies. Further, for the avoidance of any doubt, the Creditor Trustee may bring or assert any Estate Causes of Action under any primary director and officer liability, employment practices liability, or fiduciary liability insurance policies, as insolvency trustees, receivers, examiners, conservators, liquidators, rehabilitators, or similar officials, as those terms are used in the policies. Nothing in this Combined Plan and Disclosure Statement shall obligate Basin Holdings to maintain, renew, fund, or take any other act, or preclude Basin Holdings from taking any act, with respect to any policy of insurance.

IX. CONDITIONS PRECEDENT TO CONFIRMATION AND THE EFFECTIVE DATE

A. Conditions Precedent to Confirmation

The following is the list of conditions precedent to Confirmation:

- (1) the Plan Supplement is Filed;
- (2) the Confirmation Order shall be in form and substance reasonably acceptable to the Debtor, the Committee and Basin Holdings;
- (3) the form of Creditor Trust Agreement shall be agreed upon by the Debtor, the Committee, Basin Holdings, and the Creditor Trustee identified and disclosed; and
- (4) the Combined Plan and Disclosure Statement shall not have been materially amended, altered, or modified from the Combined Plan and Disclosure Statement as Filed on October 19, 2021, unless such material amendment, alteration, or modification has been made in accordance with Article XII herein.

B. Conditions Precedent to the Effective Date

The following is the list of conditions precedent to the Effective Date:

- (1) The Bankruptcy Court shall have entered the Confirmation Order and the Confirmation Order shall be a Final Order;
- (2) no stay of the Confirmation Order shall then be in effect;
- (3) the Creditor Trust Agreement shall be executed and the Creditor Trustee shall have been appointed and accepted such appointment;
- (4) the Combined Plan and Disclosure Statement shall not have been materially amended, altered, or modified from the Combined Plan and Disclosure Statement as confirmed by the Confirmation Order, unless such material amendment, alteration, or modification has been made in accordance with Article XII herein; and
- (5) the Debtor shall have Filed notice of the Effective Date.

C. Waiver of Conditions

The conditions precedent to Confirmation and conditions precedent to the Effective Date may be waived in whole or in part, in writing, by each of the Debtor, the Committee and Basin Holdings, without further order of the Bankruptcy Court.

D. Effect of Nonoccurrence of Conditions

If the conditions precedent to the Effective Date are not satisfied or waived, the Debtor may, upon motion and notice to parties in interest, seek to vacate the Confirmation Order; *provided, however*, that notwithstanding the Filing of such motion, the Confirmation Order may not be vacated if each of the conditions precedent to the Effective Date are satisfied or waived before the Bankruptcy Court enters an order granting such motion.

If the Confirmation Order is vacated: (i) the Combined Plan and Disclosure Statement is null and void in all respects; and (ii) nothing contained in the Combined Plan and Disclosure Statement shall (a) constitute a waiver or release of any Claims by or against the Debtor or (b) prejudice, in any manner, the rights of the Debtor or any other party in interest.

X. EXCULPATION, RELEASES, AND INJUNCTIONS

A. Injunction

All injunctions or stays provided for in the Chapter 11 Case under Bankruptcy Code sections 105 or 362, or otherwise, and in existence on the Confirmation Date shall remain in full force and effect until the later of (a) the Effective Date or (b) the date indicated in the order providing for such injunction or stay.

Except as otherwise provided in the Combined Plan and Disclosure Statement or to the extent necessary to enforce the terms and conditions of the Combined Plan and Disclosure Statement, the Confirmation Order, or a separate order of the Bankruptcy Court, all Entities who have held, hold, or may hold Claims against or Equity Interests in the Debtor shall be permanently enjoined from taking any of the following actions against any property that is to be distributed under the terms of the Combined Plan and Disclosure Statement on account of any such Claims or Equity Interests: (a) commencing or continuing, in any manner or in any place, any action or other proceeding; (b) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order; (c) creating, perfecting, or enforcing any lien or encumbrance; (d) asserting a setoff, right, or subrogation of any kind against any debt, liability, or obligation due to the Debtor; and (e) commencing or continuing, in any manner or in any place, any action that does not comply with or is inconsistent with the provisions of the Combined Plan and Disclosure Statement; *provided, however*, that such Entities shall not be precluded from exercising their rights pursuant to and consistent with the terms of the Combined Plan and Disclosure Statement or the Confirmation Order; *provided, further*, that the foregoing provisions of this provision shall not apply to any acts, omissions, Claims, Causes of Action, or other obligations expressly set forth in and preserved by this Combined Plan and Disclosure Statement or any defenses thereto.

B. Exculpation

Except as otherwise specifically provided in the Combined Plan and Disclosure Statement, none of the Exculpated Parties shall have or incur any liability to any holder of a Claim or Equity Interest (including Estate Causes of Action) for any act or omission in connection with, related to, or arising out of the Chapter 11 Case, the Combined Plan and Disclosure Statement, the pursuit of Confirmation, the consummation of the Combined Plan and Disclosure Statement, the administration of the Combined Plan and Disclosure Statement, the property to be liquidated and/or distributed under the Combined Plan and Disclosure Statement, or any prepetition or postpetition act taken or omitted to be taken in connection with or in contemplation of the liquidation of the Debtor, except for their willful or gross negligence as determined by a Final Order of a court of competent jurisdiction, and in all respects shall be entitled to rely reasonably upon the advice of counsel with respect to their duties and responsibilities under this Combined Plan and Disclosure Statement. Notwithstanding anything to the contrary herein, nothing in this

Article X. B. shall release or exculpate any Exculpated Party for any act or omission arising before the Petition Date or after the Effective Date.

C. Estate Releases

PURSUANT TO BANKRUPTCY CODE SECTION 1123(B), AND NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE COMBINED PLAN AND DISCLOSURE STATEMENT, ON AND AFTER THE EFFECTIVE DATE, FOR GOOD AND VALUABLE CONSIDERATION, THE ADEQUACY OF WHICH IS HEREBY CONFIRMED, THE RELEASED PARTIES SHALL BE DEEMED RELEASED BY THE DEBTOR AND ITS ESTATE, FROM ANY AND ALL CLAIMS, OBLIGATIONS, DEBTS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, REMEDIES, AND LIABILITIES WHATSOEVER, INCLUDING DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTOR OR THE ESTATE, AS APPLICABLE, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREINAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT THE DEBTOR, ITS ESTATE, OR THE CREDITOR TRUSTEE, AS APPLICABLE, WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN ITS OWN RIGHT, OR ON BEHALF OF THE HOLDER OF ANY CLAIM OR EQUITY INTEREST OR OTHER ENTITY, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, THE DEBTOR, THE CHAPTER 11 CASE, THE PURCHASE, SALE, TRANSFER, OR RESCISSION OF THE PURCHASE, SALE, OR TRANSFER OF ANY DEBT, SECURITY, ASSET, RIGHT, OR INTEREST OF THE DEBTOR, THE SUBJECT MATTER OF, OR THE TRANSACTIONS OR EVENTS GIVING RISE TO, ANY CLAIM OR EQUITY INTEREST THAT IS TREATED IN THE COMBINED PLAN AND DISCLOSURE STATEMENT, THE BUSINESS OR CONTRACTUAL ARRANGEMENTS BETWEEN THE DEBTOR AND ANY RELEASED PARTY, THE RESTRUCTURING OF CLAIMS AND EQUITY INTERESTS PRIOR TO OR IN THE CHAPTER 11 CASE, THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE COMBINED PLAN AND DISCLOSURE STATEMENT AND ANY OTHER AGREEMENTS OR DOCUMENTS EFFECTUATING THE COMBINED PLAN AND DISCLOSURE STATEMENT, OR RELATED AGREEMENTS, INSTRUMENTS, OR OTHER DOCUMENTS, AND ANY OTHER ACT OR OMISSION, TRANSACTION, AGREEMENT, EVENT, OR OTHER OCCURRENCE TAKING PLACE ON OR BEFORE THE EFFECTIVE DATE RELATING TO THE DEBTOR OR THE ESTATE.

ENTRY OF THE CONFIRMATION ORDER SHALL CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL, PURSUANT TO BANKRUPTCY RULE 9019, OF THE RELEASE OF THE RELEASED PARTIES BY THE DEBTOR AND THE ESTATE, WHICH INCLUDES BY REFERENCE EACH OF THE RELATED PROVISIONS AND DEFINITIONS CONTAINED HEREIN, AND FURTHER, SHALL CONSTITUTE THE BANKRUPTCY COURT'S FINDING THAT THE RELEASE BY DEBTOR AND THE ESTATE IS: (A) IN EXCHANGE FOR THE GOOD AND VALUABLE CONSIDERATION PROVIDED BY THE RELEASED PARTIES; (B) A GOOD FAITH SETTLEMENT AND COMPROMISE OF THE CLAIMS RELEASED BY THE RELEASE BY DEBTOR; (C) IN THE BEST INTERESTS OF THE DEBTOR, THE ESTATE, AND ALL HOLDERS OF CLAIMS AND EQUITY INTERESTS; (D) FAIR,

EQUITABLE, AND REASONABLE; (E) GIVEN AND MADE AFTER DUE NOTICE AND OPPORTUNITY FOR HEARING; AND (F) A BAR TO THE DEBTOR, ITS ESTATE, OR THE CREDITOR TRUST ASSERTING ANY CLAIM OR CAUSE OF ACTION RELEASED PURSUANT TO THE RELEASE BY DEBTOR AND THE ESTATE.

D. Releases by Holders of Claims against Debtor.

NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, ON THE EFFECTIVE DATE AND AS OF THE EFFECTIVE DATE, FOR GOOD AND VALUABLE CONSIDERATION, THE ADEQUACY OF WHICH IS HEREBY CONFIRMED, THE HOLDERS OF CLAIMS AGAINST THE DEBTOR WHO EITHER VOTE TO ACCEPT OR REJECT THE COMBINED PLAN AND DISCLOSURE STATEMENT AND DO NOT OPT OUT OF THE RELEASES OR ARE PRESUMED TO HAVE VOTED FOR THE COMBINED PLAN AND DISCLOSURE STATEMENT UNDER SECTION 1126(F) OF THE BANKRUPTCY CODE, SHALL BE DEEMED TO FOREVER RELEASE, WAIVE, AND DISCHARGE EACH OF THE RELEASED PARTIES, OTHER THAN THE DEBTOR, FROM ANY AND ALL CLAIMS, OBLIGATIONS, SUITS, JUDGMENTS, DAMAGES, DEMANDS, DEBTS, RIGHTS, CAUSES OF ACTION, AND LIABILITIES WHATSOEVER IN CONNECTION WITH OR IN ANY WAY RELATING TO THE DEBTOR, THE CONDUCT OF THE DEBTOR'S BUSINESS, THE CHAPTER 11 CASE, THE COMBINED PLAN AND DISCLOSURE STATEMENT (OTHER THAN THE RIGHTS OF THE DEBTOR OR A CREDITOR HOLDING AN ALLOWED CLAIM TO ENFORCE THE OBLIGATIONS UNDER THE CONFIRMATION ORDER AND THE COMBINED PLAN AND DISCLOSURE STATEMENT AND THE CONTRACTS, INSTRUMENTS, RELEASES, AND OTHER AGREEMENTS OR DOCUMENTS DELIVERED THEREUNDER, OR UNDER THE FINAL DIP ORDER, THE BASIN SETTLEMENT ORDER OR THE BASIN SETTLEMENT STIPULATION), WHETHER LIQUIDATED OR UNLIQUIDATED, FIXED OR CONTINGENT, MATURED OR UNMATURED, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, THEN EXISTING OR THEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, WHETHER FOR TORT, CONTRACT, VIOLATION OF FEDERAL OR STATE SECURITIES LAW OR OTHERWISE, THAT ARE BASED IN WHOLE OR PART ON ANY ACT, OMISSION, TRANSACTION, EVENT, OR OTHER OCCURRENCE TAKING PLACE ON OR PRIOR TO THE EFFECTIVE DATE; PROVIDED, HOWEVER, THAT NOTHING IN THIS ARTICLE X SHALL OPERATE AS A RELEASE, WAIVER OR DISCHARGE OF ANY CAUSES OF ACTION OR LIABILITIES UNKNOWN TO SUCH PERSON AS OF THE PETITION DATE ARISING OUT OF GROSS NEGLIGENCE, WILLFUL MISCONDUCT, FRAUD OR CRIMINAL ACTS OF ANY SUCH RELEASED PARTY.

NOTWITHSTANDING ANY LANGUAGE TO THE CONTRARY CONTAINED IN THE COMBINED PLAN AND DISCLOSURE STATEMENT AND/OR THE CONFIRMATION ORDER, NO PROVISION OF THE COMBINED PLAN AND DISCLOSURE STATEMENT OR THE CONFIRMATION ORDER SHALL (I) PRECLUDE THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE "SEC") FROM ENFORCING ITS POLICE OR REGULATORY POWERS; OR (II) ENJOIN, LIMIT, IMPAIR OR DELAY THE SEC FROM COMMENCING OR

CONTINUING ANY CLAIMS, CAUSES OF ACTION, PROCEEDINGS, OR INVESTIGATIONS AGAINST ANY NON-DEBTOR PERSON OR NON-DEBTOR ENTITY IN ANY FORUM.

XI. RETENTION OF JURISDICTION

Following the Confirmation Date and the Effective Date, the Bankruptcy Court shall retain jurisdiction for the following purposes:

- (1) to hear and determine any objections to Claims and to address any issues relating to Disputed Claims;
- (2) to enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, revoked, modified, or vacated;
- (3) to issue such orders in aid of execution and consummation of the Combined Plan and Disclosure Statement, to the extent authorized by Bankruptcy Code section 1142;
- (4) to consider any amendments to or modifications of the Combined Plan and Disclosure Statement, to cure any defect or omission, or to reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation, the Confirmation Order;
- (5) to hear and determine all requests for compensation and reimbursement of expenses to the extent allowed by the Bankruptcy Court under Bankruptcy Code sections 330 or 503;
- (6) to hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Combined Plan and Disclosure Statement;
- (7) to hear and determine matters concerning state, local, and federal taxes in accordance with Bankruptcy Code sections 346, 505, and 1146;
- (8) to hear any other matter not inconsistent with the Bankruptcy Code;
- (9) to enter the Final Decree;
- (10) to ensure that Distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of the Combined Plan and Disclosure Statement;
- (11) to decide or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters and grant or deny any applications involving the Debtor that may be pending on the Effective Date;
- (12) to issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Person or Entity

with the occurrence of the Effective Date or enforcement of the Combined Plan and Disclosure Statement, except as otherwise provided herein;

- (13) to determine any other matters that may arise in connection with or related to the Combined Plan and Disclosure Statement, the Confirmation Order, or any contract, instrument, release, indenture, or other agreement or document created or implemented in connection with the Combined Plan and Disclosure Statement;
- (14) to enforce, interpret, and determine any disputes arising in connection with any stipulations, orders, judgments, injunctions, exculpations, and rulings entered in connection with the Chapter 11 Case (whether or not the Chapter 11 Case has been closed);
- (15) to resolve disputes concerning any reserves with respect to Disputed Claims or the administration thereof; and
- (16) to resolve any disputes concerning whether a Person or Entity had sufficient notice of the Chapter 11 Case, the Bar Date, or the Confirmation Hearing for the purpose of determining whether a Claim or Equity Interest is discharged hereunder, or for any other purpose.

XII. MISCELLANEOUS PROVISIONS

A. Amendment or Modification of the Combined Plan and Disclosure Statement

Alterations, amendments, or modifications of the Combined Plan and Disclosure Statement may be proposed in writing by the Debtor, but only with the prior written consent of the Committee and Basin Holdings, at any time before the Confirmation Date; provided that the Combined Plan and Disclosure Statement, as altered, amended, or modified, satisfies the conditions of Bankruptcy Code sections 1122 and 1123 and the Debtor shall have complied with Bankruptcy Code section 1125. The Debtor, but only with the prior written consent of the Committee and Basin Holdings, may modify the Combined Plan and Disclosure Statement at any time after Confirmation and before substantial consummation, provided that this Combined Plan and Disclosure Statement, as modified, meets the requirements of Bankruptcy Code sections 1122 and 1123 and the circumstances warrant such modifications. A Holder of a Claim that has accepted the Combined Plan and Disclosure Statement shall be deemed to have accepted such Combined Plan and Disclosure Statement as modified if the proposed alteration, amendment, or modification does not materially and adversely change the treatment of the Claim of such Holder.

B. Exhibits/Schedules

All exhibits and schedules to this Combined Plan and Disclosure Statement are incorporated into and are part of the Combined Plan and Disclosure Statement as if set forth in full herein.

C. Plan Supplement

The Debtor will File the Plan Supplement at least seven days (7) before the Confirmation Hearing. The Plan Supplement will contain, among other things: (a) the Creditor Trust Agreement; and (b) any other disclosures as required by the Bankruptcy Code.

D. Filing of Additional Documents

On or before substantial consummation of the Combined Plan and Disclosure Statement, the Creditor Trustee shall File with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Combined Plan and Disclosure Statement.

E. Binding Effect of Plan

The Combined Plan and Disclosure Statement shall be binding upon and inure to the benefit of the Debtor, the Holders of Claims, the Holders of Equity Interests, and their respective successors and assigns.

F. Governing Law

Except as required by the Bankruptcy Code, the Bankruptcy Rules, or the Local Rules, the rights and obligations arising under the Combined Plan and Disclosure Statement shall be governed by, and construed and enforced in accordance with the laws of the State of Delaware.

G. Time

To the extent that any time for the occurrence or happening of an event as set forth in this Combined Plan and Disclosure Statement falls on a day that is not a Business Day, the time for the next occurrence or happening of said event shall be extended to the next Business Day.

H. Severability

Should any provision of this Combined Plan and Disclosure Statement be deemed unenforceable after the Effective Date, such determination shall in no way limit or affect the enforceability and operative effect of any and all other provisions of the Combined Plan and Disclosure Statement.

I. Revocation

The Debtor reserves the right to revoke and withdraw the Combined Plan and Disclosure Statement prior to the entry of the Confirmation Order. If the Debtor revokes or withdraws the Combined Plan and Disclosure Statement, the Combined Plan and Disclosure Statement shall be deemed null and void, and nothing contained herein shall be deemed to constitute a waiver or release of any Claims by or against the Debtor, any other Person, or to prejudice in any manner the rights of such parties in any further proceedings involving the Debtor.

J. Dissolution of the Committee

On the Effective Date, the Committee shall be dissolved and its members deemed released of any continuing duties, responsibilities, and obligations in connection with the Chapter 11 Case or the Combined Plan and Disclosure Statement and its implementation, and the retention and employment of the Committee's Professionals shall terminate, except with respect to: (i) prosecuting applications for Professionals' compensation and reimbursement of expenses incurred as a member of the Committee; (ii) asserting, disputing, and participating in resolution of Professional Fee Claims; or (iii) prosecuting or participating in any appeal of the Confirmation Order or any request for consideration thereof. Upon the resolution of (i) through (iii), the Committee shall be immediately dissolved, released, and discharged.

K. Inconsistency

To the extent that the Combined Plan and Disclosure Statement conflicts with or is inconsistent with any agreement related to the Combined Plan and Disclosure Statement, the provisions of the Combined Plan and Disclosure Statement shall control; *provided, however*, that nothing in the Combined Plan and Disclosure Statement shall be deemed to modify the provisions of the Basin Settlement Approval Order or the Basin Settlement Stipulation.

In the event of any inconsistency between any provision of any of the foregoing documents, and any provision of the Confirmation Order, the Confirmation Order shall control and take precedence.

L. No Admissions

Notwithstanding anything herein to the contrary, nothing contained in the Combined Plan and Disclosure Statement shall be deemed an admission by any Entity with respect to any matter set forth herein.

M. Reservation of Rights

Except as expressly set forth herein, the Combined Plan and Disclosure Statement shall have no force or effect unless the Bankruptcy Court shall enter the Confirmation Order. None of the filing of the Combined Plan and Disclosure Statement, any statement or provision contained herein, or the taking of any action by the Debtor with respect to the Combined Plan and Disclosure Statement shall be or shall be deemed to be an admission or waiver of any rights of the Debtor, Holders of Claims, or Holders of Equity Interests before the Effective Date.

N. Compromise of Controversies

Pursuant to Bankruptcy Rule 9019, and in consideration for the classification, distribution, and other benefits provided under the Combined Plan and Disclosure Statement, the provisions of this Combined Plan and Disclosure Statement shall constitute a good faith compromise and settlement of all Claims or controversies resolved pursuant to the Combined Plan and Disclosure Statement and in the Chapter 11 Case. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of each of the foregoing compromises or settlements, and all other compromises and settlements, provided for in the Combined Plan and Disclosure Statement and the Chapter 11 Case. The Bankruptcy Court's findings shall constitute its determination that such

compromises and settlements are in the best interests of the Debtor, the Estate, and all Holders of Claims and Equity Interests against the Debtor.

XIII. RECOMMENDATION

In the opinion of the Debtor and the Committee, the Combined Plan and Disclosure Statement is superior and preferable to the alternatives described in this Combined Plan and Disclosure Statement. Accordingly, the Debtor recommends that Holders of Claims entitled to vote on the Combined Plan and Disclosure Statement vote to accept the Combined Plan and Disclosure Statement and support Confirmation.

Dated: October 19, 2021
Wilmington, Delaware

CHIPMAN BROWN CICERO & COLE, LLP

/s/ Robert A. Weber

William E. Chipman, Jr. (No. 3818)
Robert A. Weber (No. 4013)
Mark D. Olivere (No. 4291)
Hercules Plaza
1313 North Market Street, Suite 5400
Wilmington, Delaware 19801
Telephone: (302) 295-0191
Facsimile: (302) 295-0199
Email: chipman@chipmanbrown.com
weber@chipmanbrown.com
olivere@chipmanbrown.com

*Counsel for the Debtor and the
Debtor-in-Possession*

Exhibit A

Liquidation Analysis

**WB Supply LLC
Liquidating Plan Estimated Recovery
Updated 11/8/21
Remaining Assets:**

	Estimated as part of Plan of Confirmation			Estimated as of 11/8/21	
	Amount	Recovery in Chapter 7	Recovery in Liquidating Trust	CRO Period 11/8 thr 11/22	Liquidating Trustee Totals
Cash	3,133,108	3,133,108	3,133,108	1,946,727	1,946,727
Accounts receivable	72,000	72,000	72,000	-	40,000
Judgment - Waldvogel	370,000	185,000	300,000	-	300,000
Enterprise vehicles - equity	63,391	63,391	63,391	77,275	15,098
Real-estate	85,000	50,000	85,000	52,800	35,000
Total recovery on collateral and other	3,723,499	3,503,499	3,653,499	2,076,802	2,304,429
Expenses & Professional Fees	(2,578,969)	(2,578,969)	(2,578,969)	(162,471)	(1,249,408)
Cash & Discounted Recovery on Assets turned over to Chapter 7 Trustee	1,144,530	924,530	1,074,530	1,914,331	1,055,021
Trustee Additional Recoveries:					
Preference recoveries	2,000,000	400,000	600,000		600,000
Chapter 11 Administrative Professional Fees (Net of retainers)		20,728	20,728		-
Liquidating Trustee Recoveries		420,728	620,728		600,000
Total Recovery on assets		1,345,258	1,695,258		1,655,021
Liquidating Trustee's Fee		-	60,000		60,000
Chapter 7 Trustee Fees		63,608	-		-
Chapter 7 Legal Fees, Accountants & Other Professional		200,000	150,000		150,000
Total Disbursements		263,608	210,000		210,000
Estimated Funds available for Distribution to General Unsecured		1,081,650	1,485,258		1,445,021

WB Supply**Winddown Expense Forecast**

	WB Supply		Trustee	Total
	11/14/2021	11/21/2021	11/23 & After	
<i>Estimated Disbursements:</i>				
Payroll and payroll taxes	5,800	-	8,000	13,800
Health Insurance	2,350	-	-	2,350
Retention bonuses plus vacation	14,135	-	-	14,135
Sales tax -past due	-	-	-	-
Sales tax - Texas Audit	-	-	500,000	500,000
US Trustee Fees	-	-	23,000	23,000
Lender legal fees and lender costs	5,000	-	-	5,000
Secured Lenders Holdback		75,000	-	75,000
Utilities & facilities expense	-	-	5,000	5,000
Tax return fees			150,000	150,000
Property taxes	17,686	-	227,828	245,514
Known administrative expenses	-	-	85,000	85,000
Miscellaneous & other	5,000	5,000	5,000	15,000
	49,971	80,000	1,003,828	1,133,799
<i>Estimated Professional Fees:</i>				
EHI	-	-	26,437	26,437
Chipman Brown	-	-	74,382	74,382
Creditor Committee Fees (legal)	-	-	69,765	69,765
Creditor Committee Fees - Carl Marks	-	-	41,254	41,254
Troutman Pepper (agreed upon settlement)	-	-	-	-
Sales tax consultant	-	5,000	-	5,000
Property tax consultant	-	-	11,242	11,242
Claims agent	-	27,500	22,500	50,000
	-	32,500	245,580	278,080
Total Disbursements	49,971	112,500	1,249,408	1,411,879

Exhibit B

Notice of Effective Date

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

In re:

WB SUPPLY LLC,

Debtor.¹

Chapter 11

Case No. 21-10729 (BLS)

**NOTICE OF (I) ENTRY OF FINDINGS OF FACT, CONCLUSIONS OF
LAW, AND ORDER CONFIRMING THE FIRST AMENDED COMBINED
DISCLOSURE STATEMENT AND CHAPTER 11 PLAN OF
LIQUIDATION OF WB SUPPLY LLC AND (II) EFFECTIVE DATE**

PLEASE TAKE NOTICE that an order (the “**Confirmation Order**”) of the Honorable Brendan L. Shannon, United States Bankruptcy Judge for the District of Delaware, confirming and approving the *First Amended Combined Disclosure Statement and Chapter 11 Plan of Liquidation of WB Supply LLC* [Docket No. 371] (including all exhibits thereto and as the same may be amended, modified, or supplemented from time to time, the “**Combined Plan and Disclosure Statement**”) was entered on November 10, 2021 [Docket No. 371].

PLEASE TAKE FURTHER NOTICE that, all conditions precedent to effectiveness pursuant to Article IX of the Combined Plan and Disclosure Statement have been satisfied or waived. Therefore, today, November 10, 2021, is the Effective Date of the Combined Plan and Disclosure Statement.

PLEASE TAKE FURTHER NOTICE that the Combined Plan and Disclosure Statement and its provisions are binding on, among others, the Debtor, all Holders of Claims and Equity Interests (irrespective of whether such Claims or Equity Interests are impaired under the Combined Plan and Disclosure Statement or whether the Holders of such Claims have voted to accept or reject the Combined Plan and Disclosure Statement), and any and all non-Debtor parties to executory contracts and unexpired leases with the Debtor, as provided in the Combined Plan and Disclosure Statement.

PLEASE TAKE FURTHER NOTICE all final requests for payment of Professional Fee Claims (the “**Final Fee Applications**”) must be filed no later than November 10, 2021 (*i.e.*, sixty (60) days after the Effective Date). The procedures for processing Final Fee Applications are set forth in the Combined Plan and Disclosure Statement. If a Professional does not timely submit a Final Fee Application, such Professional shall be forever barred from seeking payment of such Professional Fee Claim from the Debtor, the Post-Effective Date Debtor, or its Estate.

¹ The Debtor in this chapter 11 case, along with the last four digits of its tax identification number, is as follows: WB Supply LLC (2066). The address of the Debtor’s corporate headquarters is: 111 Naida Street, Pampa, Texas 79065-6901.

PLEASE TAKE FURTHER NOTICE that requests for payment of Administrative Expense Claims (other than Professional Fee Claims) against the Debtor that arose, accrued or otherwise became due and payable at any time **after** April 20, 2021, but on or before the Effective Date (the "**Administrative Expense Period**") must be filed with the Bankruptcy Court and served on the Debtor or the Creditor Trust, as applicable, no later than **●**, 2021 (*i.e.*, thirty (30) days after the Effective Date) (the "**Administrative Expense Bar Date**"). Holders of Administrative Expense Claims that arose, accrued, or otherwise became due during the Administrative Expense Period that do not file requests for the allowance and payment thereof on or before the Administrative Expense Bar Date shall forever be barred from asserting such Administrative Expense Claims against the Debtor or the Creditor Trust. Unless the Debtor, the Creditor Trustee on behalf of the Creditor Trust, or any other party in interest objects to an Administrative Expense Claim, such Administrative Expense Claim shall be deemed Allowed in the amount requested. In the event that the Debtor, the Creditor Trustee on behalf of the Creditor Trust, or any other party in interest objects to an Administrative Expense Claim, and the Administrative Expense Claim is not otherwise resolved, the Bankruptcy Court shall determine the Allowed amount of such Administrative Expense Claim.

PLEASE TAKE FURTHER NOTICE that as set forth in Article VIII of the Combined Plan and Disclosure Statement, all Executory Contracts and Unexpired Leases that have not been assumed are rejected as of the Effective Date. If the rejection by the Debtor, pursuant to the Combined Plan and Disclosure Statement, of an Executory Contract or Unexpired Leases gives rise to a Claim, a Proof of Claim must be filed (a) if by overnight mail, courier service, hand delivery, regular mail, or in person mail, with: **WB Supply LLC Claims Processing** c/o Stretto, 410 Exchange, Suite 100, Irvine, CA 92602, or (b) if electronically, through the online Proof of Claim Form available at <https://cases.stretto.com/WBSupply>, no later than **●, 2021** (*i.e.*, thirty (30) days after the Effective Date). Please note that the Clerk's office is not permitted to give legal advice. Any Proofs of claim not filed and served within such time periods will be forever barred from assertion against the Debtor, its Estate, and the Creditor Trust.

PLEASE TAKE FURTHER NOTICE that pursuant to Bankruptcy Rule 2002, after the Effective Date, to continue to receive notices pursuant to Bankruptcy Rule 2002 all Creditors and other parties in interest must file a renewed notice of appearance with the Bankruptcy Court requesting receipt of documents pursuant to Bankruptcy Rule 2002.

PLEASE TAKE FURTHER NOTICE that copies of the Combined Plan and Disclosure Statement are available for review without charge at the website maintained by the Stretto, the Claims and Noticing Agent, <https://cases.stretto.com/wbsupply> or by calling 855-415-3343 (Toll Free).

Dated: November __, 2021
Wilmington, Delaware

CHIPMAN BROWN CICERO & COLE, LLP

1/5/DRAFT

William E. Chipman, Jr. (No. 3818)
Mark L. Desgrosseilliers (No. 4083)
Mark D. Olivere (No. 4291)
Robert A. Weber (No. 4013)
Hercules Plaza
1313 North Market Street, Suite 5400
Wilmington, Delaware 19801
Telephone: (302) 295-0191
Facsimile: (302) 295-0199
Email: chipman@chipmanbrown.com
weber@chipmanbrown.com
desgross@chipmanbrown.com
olivere@chipmanbrown.com

Counsel for the Debtor and the Debtor-in-Possession