UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA

In re:	Chapter 11
EATERIES, INC., *et al.*[1]	Case No. 17-11444-SAH
Debtors.	Jointly Administered

BIDDING PROCEDURES

By motion dated July 13, 2017, (the "Motion")[2], Eateries, Inc. and GRP of Zanesville, LLC, debtors and debtors-in-possession in the above-captioned case (the "Debtor") sought approval of, among other things, the procedures through which they will determine the highest or otherwise best price for the sale (the "Sale") of substantially all of their assets outside the ordinary course of business and the assumption and assignment of certain executory contracts and unexpired leases (collectively, the "Purchased Assets") as described in the Asset Purchase Agreement, dated as of August 9, 2017, (the "Stalking Horse APA," a copy of which is attached to the Motion as Exhibit "A") to the Purchaser (the "Stalking Horse Bidder," which shall be deemed a Qualifying Bidder for all purposes).

On August _____, 2017, the United States Bankruptcy Court for the Western District of Oklahoma (the "Court") entered an order (the "Bidding Procedures Order"), which, among other things, authorized the Debtor to determine the highest or otherwise best bid for the Purchased Assets through the process and procedures set forth below (the "Bidding Procedures").

The sale will be subject to competitive bidding as set forth herein and approval of the Court pursuant to sections 105, 363, and 365 of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code").

A. Participation Requirements

Subject to the restrictions specified herein, entities qualifying as "Qualified Bidders," in the determination of the Debtor and its advisors, be permitted to submit competing offers or bids for the Purchased Assets or certain groups of the Purchased Assets as specified below. If one or more Qualified Bidders submits a bid for the Purchased Assets, the following rules (the "Overbid Procedures") shall apply:

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[1] The affiliated Debtors are Eateries, Inc. and GRP of Zanesville, LLC, Case No. 17-11445-SAH. Although there are multiple Debtors in this case, for ease of reference the term "Debtor" used in this pleading shall refer to all of the affiliated Debtor entities.

[2] Unless otherwise defined herein, capitalized terms shall have the meanings ascribed to them in the Stalking Horse APA or the Motion, as applicable.

1. any competing bid shall:

a. be comprised of the purchase price in the initial minimum amount equal to no less than the sum of $1,100,00.00 in cash plus (1) additional Cash sufficient to pay (a) the DIP Facility in full and (b) all Cure Amounts and (2) the assumption of all of the (a) Seller's Administrative Claims~~Costs~~, (b) Seller's Post Petition Liabilities, (c) obligations of Seller to employees hired by Purchaser with respect to ~~(i) recognition of employment tenure with Seller, and (ii)~~ unused vacation and personal time accrued Post-Petition ~~prior to the Effective Transfer Date~~ by such employees in their employment with Seller, (d) Post Petition obligations of the Seller to be performed under each Assigned Liquor License; (e) ~~All Post Petition obligations of the Seller to be performed under the Assigned Permits, (f)~~ All obligations remaining under (i) the Gift Cards, and (ii) all coupons and promotional offers outstanding as of the Closing for each Transferable Restaurant, and (g) all obligations for Transfer Taxes, all as more specifically set forth in detail in the Stalking Horse APA (the "Initial Competing Bid Amount"); and

b. not be conditioned on obtaining financing or on the outcome of unperformed due diligence by the Potential Bidder with respect to the assets that the bidder is seeking to Purchase, or have other material conditions or contingencies to closing, unless otherwise consented to by the Debtor.

2. each subsequent bid for the Purchased Assets shall be in increments of at least $25,000.00, in cash; provided, however the Stalking Horse Bidder need only need meet the last incremental bid to become the Successful Bidder .

For purposes of considering competing offers or bids, the highest and best Qualified Bid (as defined below) shall be considered the opening bid at the Auction.

B. Bid Requirements

The Debtor shall determine whether a bid qualifies as a "Qualified Bid."

Any entity wishing to participate in the bidding process (each a "Potential Bidder") must submit a bid for the Purchased Assets. To be a Qualified Bid, a bid for the Purchased Assets must, among other things, be for an amount equal to at least the Initial Competing Bid Amount.

A Potential Bidder that becomes a Qualified Bidder shall be permitted to participate in the Auction and to bid for the Purchased Assets upon substantially the same terms and conditions (other than the Purchase Price and as otherwise noted in these Bidding Procedures) as those set forth in the Stalking Horse APA. To participate in the process detailed by these Bidding Procedures and to otherwise be considered for any purpose hereunder, a Qualified Bidder is a person who before the Bid Deadline (as described below), among other things:

1. Does not condition its bid on obtaining financing or on the outcome of unperformed due diligence, unless otherwise consented to by the S;

2. Submits to the Seller an executed confidentiality agreement in form and substance acceptable to the Seller;

3. Fully discloses the identity of each entity, including all persons owning directly or indirectly 20% or more of such entity, that will be bidding for the assets or otherwise participating in connection with such bid and the complete terms of any such participation;

4. Submits a bid in the form of cash denominated in United States Dollars (a "Cash Bid");

5. Submits to the Seller an irrevocable offer in the form of an executed asset purchase agreement (the "Modified Agreement") (A) without financing, regulatory or due diligence contingencies, unless otherwise consented to by the Seller, and without board (or comparable) approval or other contingencies, (B) containing a satisfactory Cash Bid, and (C) on the same terms as those contained in the Stalking Horse APA, subject to certain necessary revisions to reflect the correct purchase price and buyer;

6. Makes a cash deposit in the form of a cashier's check or wire transfer into an interest-bearing escrow account (the "Escrow Account") in an amount not less than 10% of the competing bid amount, which deposit shall immediately become non-refundable and credited toward the purchase price if and when the Qualified Bidder making such deposit is declared to be the winning bidder (the "Winning Bid" and "Winning Bidder") at the Sale Hearing. In the event a Qualified Bidder is not the Winning Bidder, such Qualified Bidder's deposit shall be refunded as set forth in the Bidding Procedures Order;

7. Provides reasonably satisfactory written evidence, in the discretion of the Seller and its advisors, of its financial ability to (a) fully and timely perform and close the Sale pursuant to the Modified Agreement if it is declared to be the Winning Bidder, (b) repay the DIP Obligations in full upon the closing of the Sale, and (c) provide adequate assurance of future performance of all executory contracts and unexpired leases to be assigned to it; and

8. Is not entitled to any overbid fee, break-up fee, expense reimbursement, termination fee or similar type of payment or bid protection.

A "Qualified Bid" is a bid submitted by a Potential Bidder that satisfies the requirements of a competing bid in Section A.1 above and the requirements of this Section B, as determined by the Debtor. The Stalking Horse shall be deemed to have satisfied the requirements of Section A.1 above and the requirements of this Section B. For the avoidance of doubt, no waiver of any Bid Requirements shall be permitted without the Seller and the Stalking Horse.

The Debtor will promptly advise each Potential Bidder in writing whether or not the Potential Bidder is a Qualified Bidder. If a bid submitted on or prior to the Bid Deadline fails to meet all the requirements of a Qualified Bid, the Debtor is entitled to work with the Potential Bidder in an effort to cure any defects in the bid and to cause such bid to become a Qualified Bid prior to the commencement of the Auction. For purposes of these Bidding Procedures, the Stalking Horse Bidder is deemed to be a Qualified Bidder.

C. Bid Deadline

The Bid Deadline for submitting bids on the Purchased Assets by a Potential Bidder shall be September 6, 2017 at 3:00 p.m. (Prevailing Central Time).

A Potential Bidder that desires to make a bid must deliver written copies of its bid, by mail, facsimile, or email, so as to be received prior to the Bid Deadline, to (i) counsel for the Debtor, Crowe & Dunlevy, 500 Kennedy Building, 321 South Boston Avenue, Tulsa, Oklahoma 74103, Attn: Mark A. Craige and Lysbeth L. George; and (ii) the United States Trustee, 215 Dean A. McGee Ave. 4th Fl., Oklahoma City, Oklahoma 73102, Attn: M.J. Creasy.

After the Bid Deadline, but at least one business day prior to the Auction, the Debtor shall provide each Qualified Bidder that submits a Qualified Bid with a copy of all Qualified Bids.

D. Obtaining Due Diligence Access and Due Diligence Requests from Potential Bidders

Upon execution of a confidentiality agreement in a form acceptable to the Debtor, any Potential Bidder that wishes to conduct due diligence on the Debtor or their assets may be granted access to all material information that has been or will be provided to the Stalking Horse Bidder and other bidders. The due diligence period for Potential Bidders will end one business day prior to the Bid Deadline.

The Debtor shall coordinate all reasonable requests for additional information and due diligence access from Potential Bidders. No conditions relating to the completion of due diligence shall be permitted to exist after the Bid Deadline.

Each Potential Bidder shall comply with all reasonable requests for additional information by the Debtor or their advisors regarding such Potential Bidder's financial wherewithal to consummate and perform obligations in connection with the Sale. Failure by the Potential Bidder to comply with requests for additional information may be a basis for a determination that a bid made by the Potential Bidder is not a Qualified Bid.

E. "As Is, Where Is"

The Sale of the Purchased Assets shall be on an "as is, where is" basis and without representations or warranties of any kind, nature or description by the Debtor, its agents or estate, except to the extent set forth in the purchase agreement between the Debtor and a Winning Bidder or the assignment and bill of sale delivered pursuant to the purchase agreement. Except as otherwise provided in the Stalking Horse APA, all of the Debtor's rights, title and interest in

and to the Purchased Assets shall be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options and interests thereon (collectively, the "Interests"), such Interests to attach to the net proceeds (if any) of the Sale of the Purchased Assets, with the same validity and priority as existed immediately prior to such Sale.

Each bidder, other than the Stalking Horse Bidder (whose acknowledgements and representations are contained in the Stalking Horse APA), shall be deemed to acknowledge and represent that it has had an opportunity to inspect and examine the Purchased Assets prior to making its offer, that it has relied solely upon its independent review, investigation and/or inspection of any documents in making its bid, and that it did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express, implied, by operation of law or otherwise, regarding the Purchased Assets or the completeness of any information provided in connection with the bidding process, in each case except as expressly stated in the Stalking Horse APA.

F. The Auction

If a Qualified Bid(s) (other than the Stalking Horse APA) by a Qualified Bidder is received by the Bid Deadline, an auction (the "Auction") with respect to the sale of the Purchased Assets covered by such Qualified Bid(s) shall take place on **September 11, 2017 at 11:00 a.m. Prevailing Central Time** (the "Auction Date") at the offices of Crowe & Dunlevy, 324 North Robinson Avenue, Oklahoma City, OK 73102, or such other place and time as the Debtor shall notify all Qualified Bidders and other invitees. If, however, no such Qualified Bid is received by the Bid Deadline, then the Auction will not be held and the Debtor may proceed to sell the assets pursuant to the Stalking Horse APA. The following rules shall apply at the Auction:

1. Only Qualified Bidders that have submitted Qualified Bids shall be entitled to make a bid at the Auction. The Stalking Horse Bidder is deemed to be a Qualified Bidder;

2. Each Qualified Bidder shall appear in person or have an authorized representative appear on the Qualified Bidder's or Preferential Purchase Right Holder's behalf;

3. Each Qualified Bidder participating in the Auction will be required to confirm that it has not engaged in any collusion with respect to the bidding or the Sale.

4. The Debtor, in its business judgment based in part, on the terms of the Qualified Bids received, the number of Qualified Bidders participating in the Auction and such other information as may be relevant, will conduct the Auction in the manner that they determine will best promote the goals of the bidding process and will achieve the maximum value for its assets;

5. At the Auction, Qualified Bidders will be permitted to increase their Qualified Bids (such increased Qualified Bid, a "Qualified Overbid"), provided that such Qualified Overbid for the Purchased Assets shall

exceed the next highest bid by at least $25,000.00 in cash. The Stalking Horse Bidder may match any Qualified Overbid and thereby become the high bidder.

6. Qualifying Bidders may then submit successive bids in the same increments as described in section F.5 above in cash, above the preceding Qualified Bid or Qualified Overbid, *provided, however*, that the Debtor shall retain the right to modify, in its business judgment, the bid increment requirements at the Auction.

7. At the conclusion of the Auction or, if no other Qualified Bids are received by the Bid Deadline, then as soon as practicable after the Bid Deadline, the Debtor shall review each Qualified Bid on the basis of financial and contractual terms and the factors relevant to the bidding process, including those factors affecting the speed and certainty of consummating the Sale, and liabilities being assumed, and identify the highest, best and/or otherwise financially superior offer for the Purchased Assets (the "Winning Bid" and the entity submitting such Winning Bid, the "Winning Bidder"). There may be only one Winning Bid.

8. The Debtor shall also name the entity presenting the next highest bid for the Purchased Assets (the "Next Highest Bid" and the entity presenting same (the "Next Highest Bidder"), which may be the Stalking Horse Bid.

9. At the Sale Hearing (as defined below), the Debtor shall present the Winning Bid and Next Highest Bid to the Court for approval. The Debtor's presentation of the announced Winning Bid to the Court for approval does not constitute the Debtor's acceptance of such Winning Bid. The Debtor shall have accepted a Winning Bid only when the Court has approved such bid.

10. The Debtor may continue the Auction from time to time, adjourn the Auction at any time, and re-open the Auction at any time prior to the commencement of the Sale Hearing.

11. The Debtor reserves all rights to terminate the bidding process at any time if the Debtor determines, in its business judgment, that the bidding process will not maximize the value of the Debtor's bankruptcy estates. In addition, the Debtor reserves all rights not to submit any bid that is not acceptable to the Debtor for approval to the Court. Without limiting the generality of the foregoing, the Debtor may reject at any time before entry of a Sale Approval Order approving a Qualified Bid any bid that, in the Debtor's discretion, is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bankruptcy Code or the Bidding Procedures, or (iii) contrary to the best interests of the Debtor, their estates, and their creditors.

G. Other Terms

If a Qualified Bidder submits the high bid and the Stalking Horse Bidder is not the successful bidder for the Purchased Assets, the Stalking Horse reserves the right to seek reimbursement of up to $25,000.00 in reasonable and actual out-of-pocket fees and expenses related to the negotiation and execution of the Stalking Horse APA and the transactions contemplated thereunder.

At the conclusion of the Auction, the Winning Bid shall be the bid made pursuant to the Bidding Procedures Order that represents the highest or otherwise best offer as determined by the Debtor. If an Auction is held, the Debtor shall be deemed to have accepted a Qualified Bid only when (i) such bid is declared the Winning Bid at the Auction, (ii) the Winning Bidder shall have paid any additional deposit required to cause the total deposit to be 10% of the Winning Bid (the "Additional Deposit"); and (iii) definitive documentation has been executed in respect thereof. The Winning Bidder shall make the Additional Deposit into the Escrow Account within one (1) business day after the conclusion of the Auction. Such acceptance by the Debtor of the Winning Bid is conditioned upon approval by the Court of the Winning Bid and the entry of an Order approving such Winning Bid. In the event that the Debtor is unable to close the transaction with the Winning Bidder then, at the option of the Debtor, the Debtor may elect to close the transaction with the Next Highest Bidder as contemplated by J.2 below in which case such Next Highest Bidder will be deemed the Winning Bidder for purposes of these Bidding Procedures.

For the avoidance of doubt, and notwithstanding anything herein that may arguably be construed to the contrary, any and all cash, cash equivalents, and other forms of consideration paid by the Winning Bidder to the Debtor upon the closing of the Sale must be used by the Debtor to (i) first repay the DIP Obligations in full, and (ii) second, held by the Debtor to be distributed in accordance with the separate order(s) of the Court consistent with the provisions of the Bankruptcy Code.

H. Sale Hearing

On **September 13, 2017 at 9:30 a.m. Prevailing Central Time**, the Court will hold a hearing (the "Sale Hearing") to consider approval of the Sale of the Purchased Assets to the Winning Bidder (or to approve the Stalking Horse APA if no Auction is held), including (a) the sale and transfer of substantially all of the Debtor's assets and (b) the assumption and assignment of certain executory contracts and unexpired leases.

I. Return of Deposit

Upon approval of the Sale by the Court, the Winning Bidder's deposit shall become non-refundable. Within five (5) Business Days after the closing of the Sale to the Winning Bidder, the refundable deposits of all unsuccessful bidders shall be refunded. In the event a dispute arises about whether a deposit is refundable or non-refundable, the deposit shall remain in the Escrow Account pending a determination of the dispute by the Court.

J. Failure to Close

The transaction evidenced by the Winning Bid shall close not later than fifteen (15) days after entry of the Sale Order (the "Closing Date") at which time the Winning Bidder shall pay the balance of the Winning Bid (the Winning Bid amount less the deposit) into the Escrow Account.

In the event a declared Winning Bidder fails to timely perform any of its obligations as set forth above or pursuant to the definitive agreements:

1. The declared Winning Bidder shall forfeit all deposits made without regard to the Debtor's ultimate damages occasioned by such failure; such deposits shall be applied to the Debtor's damages, if any, and shall not constitute liquidated damages; and, notwithstanding the foregoing, the Debtor and the bankruptcy estate shall retain all other rights, remedies, claims, counterclaims, and defenses, including the right to seek equitable or injunctive relief;

2. In the event there are two or more Qualified Bidders who submit bids, the Next Highest Bidder shall keep its final and highest bid open for a period of sixty days pending a closing of a transaction with the Winning Bidder. In the event that a transaction represented by any higher or better bid is not consummated by the Closing Date (unless the Closing Date is extended as set forth herein), the Next Highest Bidder shall be deemed the Winning Bidder without further order of the Court, and such bidder shall be required to consummate the transaction contemplated in its bid within ten (10) days of being deemed the Winning Bidder. Any deemed Winning Bidder who fails to timely perform shall forfeit all deposits made without regard to the Debtor's ultimate damages occasioned by such failure; such deposits shall be applied to the Debtor's damages, if any, and shall not constitute liquidated damages; and, notwithstanding the foregoing, the Debtor and the bankruptcy estates shall retain all other rights, remedies, claims, counterclaims, and defenses, including the right to seek equitable or injunctive relief. The Stalking Horse Bidder shall keep its bid open pending the closing of a transaction(s) with a Winning Bidder that is not the Stalking Horse Bidder; and

3. The Debtor may grant any declared Winning Bidder additional time to perform, and, to the extent necessary, extend the Closing Date.

K. Fees and Expenses

Any bidders presenting bids, except the Stalking Horse Bidder, shall bear their own fees and expenses in connection with the proposed sale, whether or not such sale is ultimately approved, in accordance with the terms of the purchase agreement. Further, by submitting a bid, a Potential Bidder shall be deemed to waive its right to pursue a substantial contribution claim under section 503 of the Bankruptcy Code or in any way related to the submission of its bid or

the Bidding Procedures. Notwithstanding the foregoing, the Stalking Horse Bidder may recover fees and expenses in accordance with the provisions hereof and the Stalking Horse APA.

L. Reservations of Rights.

The Bidding Procedures may be modified by the Debtor at any time prior to or during the Auction if the Debtor determines that such modifications will better promote the goals of the Auction process and the maximization of value to the bankruptcy estates. The maximum of $30,000.00 in aggregate in cure costs to be paid by the Debtor shall not be deducted from the Purchase Price to determine the net cash to the Debtor.

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA

In re:	Chapter 11
EATERIES, INC., *et al.*[1]	Case No. 17-11444-SAH
Debtors.	Jointly Administered

BIDDING PROCEDURES

By motion dated July 13, 2017, (the "Motion")[2], Eateries, Inc. and GRP of Zanesville, LLC, debtors and debtors-in-possession in the above-captioned case (the "Debtor") sought approval of, among other things, the procedures through which they will determine the highest or otherwise best price for the sale (the "Sale") of substantially all of their assets outside the ordinary course of business and the assumption and assignment of certain executory contracts and unexpired leases (collectively, the "Purchased Assets") as described in the Asset Purchase Agreement, dated as of August 9, 2017, (the "Stalking Horse APA," a copy of which is attached to the Motion as Exhibit "A") to the Purchaser (the "Stalking Horse Bidder," which shall be deemed a Qualifying Bidder for all purposes).

On August _____, 2017, the United States Bankruptcy Court for the Western District of Oklahoma (the "Court") entered an order (the "Bidding Procedures Order"), which, among other things, authorized the Debtor to determine the highest or otherwise best bid for the Purchased Assets through the process and procedures set forth below (the "Bidding Procedures").

The sale will be subject to competitive bidding as set forth herein and approval of the Court pursuant to sections 105, 363, and 365 of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code").

A. Participation Requirements

Subject to the restrictions specified herein, entities qualifying as "Qualified Bidders," in the determination of the Debtor and its advisors, be permitted to submit competing offers or bids for the Purchased Assets or certain groups of the Purchased Assets as specified below. If one or more Qualified Bidders submits a bid for the Purchased Assets, the following rules (the "Overbid Procedures") shall apply:

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[1] The affiliated Debtors are Eateries, Inc. and GRP of Zanesville, LLC, Case No. 17-11445-SAH. Although there are multiple Debtors in this case, for ease of reference the term "Debtor" used in this pleading shall refer to all of the affiliated Debtor entities.

[2] Unless otherwise defined herein, capitalized terms shall have the meanings ascribed to them in the Stalking Horse APA or the Motion, as applicable.

1. any competing bid shall:

a. be comprised of the purchase price in the initial minimum amount equal to no less than the sum of $1,100,00.00 in cash plus (1) additional Cash sufficient to pay (a) the DIP Facility in full and (b) all Cure Amounts and (2) the assumption of all of the (a) Seller's Administrative Claims~~Costs~~, (b) Seller's Post Petition Liabilities, (c) obligations of Seller to employees hired by Purchaser with respect to ~~(i) recognition of employment tenure with Seller, and (ii)~~ unused vacation and personal time accrued Post-Petition ~~prior to the Effective Transfer Date~~ by such employees in their employment with Seller, (d) Post Petition obligations of the Seller to be performed under each Assigned Liquor License; (e) ~~All Post Petition obligations of the Seller to be performed under the Assigned Permits, (f)~~ All obligations remaining under (i) the Gift Cards, and (ii) all coupons and promotional offers outstanding as of the Closing for each Transferable Restaurant, and (g) all obligations for Transfer Taxes, all as more specifically set forth in detail in the Stalking Horse APA (the "Initial Competing Bid Amount"); and

b. not be conditioned on obtaining financing or on the outcome of unperformed due diligence by the Potential Bidder with respect to the assets that the bidder is seeking to Purchase, or have other material conditions or contingencies to closing, unless otherwise consented to by the Debtor.

2. each subsequent bid for the Purchased Assets shall be in increments of at least $25,000.00, in cash; provided, however the Stalking Horse Bidder need only need meet the last incremental bid to become the Successful Bidder .

For purposes of considering competing offers or bids, the highest and best Qualified Bid (as defined below) shall be considered the opening bid at the Auction.

B. Bid Requirements

The Debtor shall determine whether a bid qualifies as a "Qualified Bid."

Any entity wishing to participate in the bidding process (each a "Potential Bidder") must submit a bid for the Purchased Assets. To be a Qualified Bid, a bid for the Purchased Assets must, among other things, be for an amount equal to at least the Initial Competing Bid Amount.

A Potential Bidder that becomes a Qualified Bidder shall be permitted to participate in the Auction and to bid for the Purchased Assets upon substantially the same terms and conditions (other than the Purchase Price and as otherwise noted in these Bidding Procedures) as those set forth in the Stalking Horse APA. To participate in the process detailed by these Bidding Procedures and to otherwise be considered for any purpose hereunder, a Qualified Bidder is a person who before the Bid Deadline (as described below), among other things:

1. Does not condition its bid on obtaining financing or on the outcome of unperformed due diligence, unless otherwise consented to by the S;

2. Submits to the Seller an executed confidentiality agreement in form and substance acceptable to the Seller;

3. Fully discloses the identity of each entity, including all persons owning directly or indirectly 20% or more of such entity, that will be bidding for the assets or otherwise participating in connection with such bid and the complete terms of any such participation;

4. Submits a bid in the form of cash denominated in United States Dollars (a "Cash Bid");

5. Submits to the Seller an irrevocable offer in the form of an executed asset purchase agreement (the "Modified Agreement") (A) without financing, regulatory or due diligence contingencies, unless otherwise consented to by the Seller, and without board (or comparable) approval or other contingencies, (B) containing a satisfactory Cash Bid, and (C) on the same terms as those contained in the Stalking Horse APA, subject to certain necessary revisions to reflect the correct purchase price and buyer;

6. Makes a cash deposit in the form of a cashier's check or wire transfer into an interest-bearing escrow account (the "Escrow Account") in an amount not less than 10% of the competing bid amount, which deposit shall immediately become non-refundable and credited toward the purchase price if and when the Qualified Bidder making such deposit is declared to be the winning bidder (the "Winning Bid" and "Winning Bidder") at the Sale Hearing. In the event a Qualified Bidder is not the Winning Bidder, such Qualified Bidder's deposit shall be refunded as set forth in the Bidding Procedures Order;

7. Provides reasonably satisfactory written evidence, in the discretion of the Seller and its advisors, of its financial ability to (a) fully and timely perform and close the Sale pursuant to the Modified Agreement if it is declared to be the Winning Bidder, (b) repay the DIP Obligations in full upon the closing of the Sale, and (c) provide adequate assurance of future performance of all executory contracts and unexpired leases to be assigned to it; and

8. Is not entitled to any overbid fee, break-up fee, expense reimbursement, termination fee or similar type of payment or bid protection.

A "Qualified Bid" is a bid submitted by a Potential Bidder that satisfies the requirements of a competing bid in Section A.1 above and the requirements of this Section B, as determined by the Debtor. The Stalking Horse shall be deemed to have satisfied the requirements of Section A.1 above and the requirements of this Section B. For the avoidance of doubt, no waiver of any Bid Requirements shall be permitted without the Seller and the Stalking Horse.

The Debtor will promptly advise each Potential Bidder in writing whether or not the Potential Bidder is a Qualified Bidder. If a bid submitted on or prior to the Bid Deadline fails to meet all the requirements of a Qualified Bid, the Debtor is entitled to work with the Potential Bidder in an effort to cure any defects in the bid and to cause such bid to become a Qualified Bid prior to the commencement of the Auction. For purposes of these Bidding Procedures, the Stalking Horse Bidder is deemed to be a Qualified Bidder.

C. Bid Deadline

The Bid Deadline for submitting bids on the Purchased Assets by a Potential Bidder shall be September 6, 2017 at 3:00 p.m. (Prevailing Central Time).

A Potential Bidder that desires to make a bid must deliver written copies of its bid, by mail, facsimile, or email, so as to be received prior to the Bid Deadline, to (i) counsel for the Debtor, Crowe & Dunlevy, 500 Kennedy Building, 321 South Boston Avenue, Tulsa, Oklahoma 74103, Attn: Mark A. Craige and Lysbeth L. George; and (ii) the United States Trustee, 215 Dean A. McGee Ave. 4th Fl., Oklahoma City, Oklahoma 73102, Attn: M.J. Creasy.

After the Bid Deadline, but at least one business day prior to the Auction, the Debtor shall provide each Qualified Bidder that submits a Qualified Bid with a copy of all Qualified Bids.

D. Obtaining Due Diligence Access and Due Diligence Requests from Potential Bidders

Upon execution of a confidentiality agreement in a form acceptable to the Debtor, any Potential Bidder that wishes to conduct due diligence on the Debtor or their assets may be granted access to all material information that has been or will be provided to the Stalking Horse Bidder and other bidders. The due diligence period for Potential Bidders will end one business day prior to the Bid Deadline.

The Debtor shall coordinate all reasonable requests for additional information and due diligence access from Potential Bidders. No conditions relating to the completion of due diligence shall be permitted to exist after the Bid Deadline.

Each Potential Bidder shall comply with all reasonable requests for additional information by the Debtor or their advisors regarding such Potential Bidder's financial wherewithal to consummate and perform obligations in connection with the Sale. Failure by the Potential Bidder to comply with requests for additional information may be a basis for a determination that a bid made by the Potential Bidder is not a Qualified Bid.

E. "As Is, Where Is"

The Sale of the Purchased Assets shall be on an "as is, where is" basis and without representations or warranties of any kind, nature or description by the Debtor, its agents or estate, except to the extent set forth in the purchase agreement between the Debtor and a Winning Bidder or the assignment and bill of sale delivered pursuant to the purchase agreement. Except as otherwise provided in the Stalking Horse APA, all of the Debtor's rights, title and interest in

and to the Purchased Assets shall be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options and interests thereon (collectively, the "Interests"), such Interests to attach to the net proceeds (if any) of the Sale of the Purchased Assets, with the same validity and priority as existed immediately prior to such Sale.

Each bidder, other than the Stalking Horse Bidder (whose acknowledgements and representations are contained in the Stalking Horse APA), shall be deemed to acknowledge and represent that it has had an opportunity to inspect and examine the Purchased Assets prior to making its offer, that it has relied solely upon its independent review, investigation and/or inspection of any documents in making its bid, and that it did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express, implied, by operation of law or otherwise, regarding the Purchased Assets or the completeness of any information provided in connection with the bidding process, in each case except as expressly stated in the Stalking Horse APA.

F. The Auction

If a Qualified Bid(s) (other than the Stalking Horse APA) by a Qualified Bidder is received by the Bid Deadline, an auction (the "Auction") with respect to the sale of the Purchased Assets covered by such Qualified Bid(s) shall take place on **September 11, 2017 at 11:00 a.m. Prevailing Central Time** (the "Auction Date") at the offices of Crowe & Dunlevy, 324 North Robinson Avenue, Oklahoma City, OK 73102, or such other place and time as the Debtor shall notify all Qualified Bidders and other invitees. If, however, no such Qualified Bid is received by the Bid Deadline, then the Auction will not be held and the Debtor may proceed to sell the assets pursuant to the Stalking Horse APA. The following rules shall apply at the Auction:

1. Only Qualified Bidders that have submitted Qualified Bids shall be entitled to make a bid at the Auction. The Stalking Horse Bidder is deemed to be a Qualified Bidder;

2. Each Qualified Bidder shall appear in person or have an authorized representative appear on the Qualified Bidder's or Preferential Purchase Right Holder's behalf;

3. Each Qualified Bidder participating in the Auction will be required to confirm that it has not engaged in any collusion with respect to the bidding or the Sale.

4. The Debtor, in its business judgment based in part, on the terms of the Qualified Bids received, the number of Qualified Bidders participating in the Auction and such other information as may be relevant, will conduct the Auction in the manner that they determine will best promote the goals of the bidding process and will achieve the maximum value for its assets;

5. At the Auction, Qualified Bidders will be permitted to increase their Qualified Bids (such increased Qualified Bid, a "Qualified Overbid"), provided that such Qualified Overbid for the Purchased Assets shall

exceed the next highest bid by at least $25,000.00 in cash. The Stalking Horse Bidder may match any Qualified Overbid and thereby become the high bidder.

6. Qualifying Bidders may then submit successive bids in the same increments as described in section F.5 above in cash, above the preceding Qualified Bid or Qualified Overbid, *provided, however*, that the Debtor shall retain the right to modify, in its business judgment, the bid increment requirements at the Auction.

7. At the conclusion of the Auction or, if no other Qualified Bids are received by the Bid Deadline, then as soon as practicable after the Bid Deadline, the Debtor shall review each Qualified Bid on the basis of financial and contractual terms and the factors relevant to the bidding process, including those factors affecting the speed and certainty of consummating the Sale, and liabilities being assumed, and identify the highest, best and/or otherwise financially superior offer for the Purchased Assets (the "Winning Bid" and the entity submitting such Winning Bid, the "Winning Bidder"). There may be only one Winning Bid.

8. The Debtor shall also name the entity presenting the next highest bid for the Purchased Assets (the "Next Highest Bid" and the entity presenting same (the "Next Highest Bidder"), which may be the Stalking Horse Bid.

9. At the Sale Hearing (as defined below), the Debtor shall present the Winning Bid and Next Highest Bid to the Court for approval. The Debtor's presentation of the announced Winning Bid to the Court for approval does not constitute the Debtor's acceptance of such Winning Bid. The Debtor shall have accepted a Winning Bid only when the Court has approved such bid.

10. The Debtor may continue the Auction from time to time, adjourn the Auction at any time, and re-open the Auction at any time prior to the commencement of the Sale Hearing.

11. The Debtor reserves all rights to terminate the bidding process at any time if the Debtor determines, in its business judgment, that the bidding process will not maximize the value of the Debtor's bankruptcy estates. In addition, the Debtor reserves all rights not to submit any bid that is not acceptable to the Debtor for approval to the Court. Without limiting the generality of the foregoing, the Debtor may reject at any time before entry of a Sale Approval Order approving a Qualified Bid any bid that, in the Debtor's discretion, is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bankruptcy Code or the Bidding Procedures, or (iii) contrary to the best interests of the Debtor, their estates, and their creditors.

G. Other Terms

If a Qualified Bidder submits the high bid and the Stalking Horse Bidder is not the successful bidder for the Purchased Assets, the Stalking Horse reserves the right to seek reimbursement of up to $25,000.00 in reasonable and actual out-of-pocket fees and expenses related to the negotiation and execution of the Stalking Horse APA and the transactions contemplated thereunder.

At the conclusion of the Auction, the Winning Bid shall be the bid made pursuant to the Bidding Procedures Order that represents the highest or otherwise best offer as determined by the Debtor. If an Auction is held, the Debtor shall be deemed to have accepted a Qualified Bid only when (i) such bid is declared the Winning Bid at the Auction, (ii) the Winning Bidder shall have paid any additional deposit required to cause the total deposit to be 10% of the Winning Bid (the "Additional Deposit"); and (iii) definitive documentation has been executed in respect thereof. The Winning Bidder shall make the Additional Deposit into the Escrow Account within one (1) business day after the conclusion of the Auction. Such acceptance by the Debtor of the Winning Bid is conditioned upon approval by the Court of the Winning Bid and the entry of an Order approving such Winning Bid. In the event that the Debtor is unable to close the transaction with the Winning Bidder then, at the option of the Debtor, the Debtor may elect to close the transaction with the Next Highest Bidder as contemplated by J.2 below in which case such Next Highest Bidder will be deemed the Winning Bidder for purposes of these Bidding Procedures.

For the avoidance of doubt, and notwithstanding anything herein that may arguably be construed to the contrary, any and all cash, cash equivalents, and other forms of consideration paid by the Winning Bidder to the Debtor upon the closing of the Sale must be used by the Debtor to (i) first repay the DIP Obligations in full, and (ii) second, held by the Debtor to be distributed in accordance with the separate order(s) of the Court consistent with the provisions of the Bankruptcy Code.

H. Sale Hearing

On **September 13, 2017 at 9:30 a.m. Prevailing Central Time**, the Court will hold a hearing (the "Sale Hearing") to consider approval of the Sale of the Purchased Assets to the Winning Bidder (or to approve the Stalking Horse APA if no Auction is held), including (a) the sale and transfer of substantially all of the Debtor's assets and (b) the assumption and assignment of certain executory contracts and unexpired leases.

I. Return of Deposit

Upon approval of the Sale by the Court, the Winning Bidder's deposit shall become non-refundable. Within five (5) Business Days after the closing of the Sale to the Winning Bidder, the refundable deposits of all unsuccessful bidders shall be refunded. In the event a dispute arises about whether a deposit is refundable or non-refundable, the deposit shall remain in the Escrow Account pending a determination of the dispute by the Court.

J. Failure to Close

The transaction evidenced by the Winning Bid shall close not later than fifteen (15) days after entry of the Sale Order (the "Closing Date") at which time the Winning Bidder shall pay the balance of the Winning Bid (the Winning Bid amount less the deposit) into the Escrow Account.

In the event a declared Winning Bidder fails to timely perform any of its obligations as set forth above or pursuant to the definitive agreements:

1. The declared Winning Bidder shall forfeit all deposits made without regard to the Debtor's ultimate damages occasioned by such failure; such deposits shall be applied to the Debtor's damages, if any, and shall not constitute liquidated damages; and, notwithstanding the foregoing, the Debtor and the bankruptcy estate shall retain all other rights, remedies, claims, counterclaims, and defenses, including the right to seek equitable or injunctive relief;

2. In the event there are two or more Qualified Bidders who submit bids, the Next Highest Bidder shall keep its final and highest bid open for a period of sixty days pending a closing of a transaction with the Winning Bidder. In the event that a transaction represented by any higher or better bid is not consummated by the Closing Date (unless the Closing Date is extended as set forth herein), the Next Highest Bidder shall be deemed the Winning Bidder without further order of the Court, and such bidder shall be required to consummate the transaction contemplated in its bid within ten (10) days of being deemed the Winning Bidder. Any deemed Winning Bidder who fails to timely perform shall forfeit all deposits made without regard to the Debtor's ultimate damages occasioned by such failure; such deposits shall be applied to the Debtor's damages, if any, and shall not constitute liquidated damages; and, notwithstanding the foregoing, the Debtor and the bankruptcy estates shall retain all other rights, remedies, claims, counterclaims, and defenses, including the right to seek equitable or injunctive relief. The Stalking Horse Bidder shall keep its bid open pending the closing of a transaction(s) with a Winning Bidder that is not the Stalking Horse Bidder; and

3. The Debtor may grant any declared Winning Bidder additional time to perform, and, to the extent necessary, extend the Closing Date.

K. Fees and Expenses

Any bidders presenting bids, except the Stalking Horse Bidder, shall bear their own fees and expenses in connection with the proposed sale, whether or not such sale is ultimately approved, in accordance with the terms of the purchase agreement. Further, by submitting a bid, a Potential Bidder shall be deemed to waive its right to pursue a substantial contribution claim under section 503 of the Bankruptcy Code or in any way related to the submission of its bid or

the Bidding Procedures. Notwithstanding the foregoing, the Stalking Horse Bidder may recover fees and expenses in accordance with the provisions hereof and the Stalking Horse APA.

L. Reservations of Rights.

The Bidding Procedures may be modified by the Debtor at any time prior to or during the Auction if the Debtor determines that such modifications will better promote the goals of the Auction process and the maximization of value to the bankruptcy estates. The maximum of $30,000.00 in aggregate in cure costs to be paid by the Debtor shall not be deducted from the Purchase Price to determine the net cash to the Debtor.