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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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**In re:** : **Chapter 11**  
: :  
**ATLAS RESOURCE PARTNERS, L.P., et al.,** : **Case No. 16-12149 (\_\_\_)**  
: :  
**Debtors.**<sup>1</sup> : **(Joint Administration Pending)**  
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**AFFIDAVIT OF JEFFREY M. SLOTTERBACK PURSUANT TO LOCAL  
BANKRUPTCY RULE 1007-2 AND IN SUPPORT OF  
CHAPTER 11 PETITIONS AND FIRST-DAY PLEADINGS**

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<sup>1</sup> The Debtors and the last four digits of their taxpayer identification numbers (as applicable) are as follows: Atlas Resource Partners, L.P. (1625), ARP Barnett Pipeline, LLC (2295), ARP Barnett, LLC (2567), ARP Eagle Ford, LLC (6894), ARP Mountaineer Production, LLC (9365), ARP Oklahoma, LLC (5193), ARP Production Company, LLC (9968), ARP Rangely Production, LLC (1625), Atlas Barnett, LLC (4688), Atlas Energy Colorado, LLC (0015), Atlas Energy Indiana, LLC (0546), Atlas Energy Ohio, LLC (5198), Atlas Energy Securities, LLC (5987), Atlas Energy Tennessee, LLC (0794), Atlas Noble, LLC (5139), Atlas Pipeline Tennessee, LLC (4919), Atlas Resource Finance Corporation (2516), Atlas Resource Partners Holdings, LLC (5285), Atlas Resources, LLC (2875), ATLS Production Company, LLC (0124), REI-NY, LLC (5147), Resource Energy, LLC (5174), Resource Well Services, LLC (5162), Viking Resources, LLC (5124). The address of the Debtors' corporate headquarters is Park Place Corporate Center One, 1000 Commerce Drive, Suite 400, Pittsburgh, PA 15275.

I, Jeffrey M. Slotterback, hereby declare under penalty of perjury:

1. I am the Chief Financial Officer of Atlas Resource Partners, L.P. ("ARP"), a limited partnership organized under the laws of the state of Delaware. On the date hereof (the "Petition Date"), ARP and certain of its affiliates (collectively, the "Debtors") each commenced a case by filing a petition for relief under chapter 11 of the United States Bankruptcy Code, 11 U.S.C. §§ 101–1532 (the "Bankruptcy Code"), in the United States Bankruptcy Court for the Southern District of New York (collectively, the "Chapter 11 Cases"). I have served as Chief Financial Officer of ARP since September 2015 (and as the Chief Accounting Officer of ARP from March 2012 to October 2015). I am knowledgeable and familiar with the business and financial affairs of the Debtors. I am above 18 years of age and I am competent to testify.

2. I submit this affidavit (the "Affidavit") in accordance with Rule 1007-2 of the Local Bankruptcy Rules for the Southern District of New York (the "Local Bankruptcy Rules") to assist this court (the "Court") and parties in interest in understanding the circumstances that compelled the commencement of the Chapter 11 Cases and in support of (a) the Debtors' petitions for relief under chapter 11 of the Bankruptcy Code and (b) the motions and applications the Debtors have filed (or will file), with the Court, including, but not limited to, the "first-day motions" described herein (the "First-Day Pleadings").

3. Except as otherwise indicated, all facts set forth in this Affidavit are based upon my personal knowledge, my discussions with other members of the Debtors' management team and the Debtors' advisors, my review of relevant documents and information concerning the Debtors' operations, financial affairs, and restructuring initiatives, or my opinions based upon my experience and knowledge. I am authorized to submit this Affidavit on behalf of the Debtors.

4. I have reviewed the First-Day Pleadings and, to the best of my knowledge, formed after reasonable inquiry, I believe that approval of the relief requested therein is necessary to minimize disruption to the Debtors' business operations, permit an effective transition into chapter 11, and preserve and maintain the value of the Debtors' estates. I also believe that, absent immediate access to cash collateral and authority to make certain essential pre-plan payments and otherwise continue conducting ordinary course business operations as set forth herein, and described in greater detail in the First-Day Pleadings, the Debtors would suffer immediate and irreparable harm to the detriment of their estates.

5. To familiarize the Court with the Debtors and the relief the Debtors seek on the first day of these Chapter 11 Cases, this Affidavit is organized in five sections. Section I provides an overview of these Chapter 11 Cases. Section II provides background on the Debtors including information on the Debtors' history, operations, and an overview of their organizational and capital structure. Section III describes the Debtors' circumstances leading up to the commencement of these Chapter 11 Cases. Section IV sets forth the relevant facts in support of each of the First-Day Pleadings. The final section provides the specific information required by Local Bankruptcy Rule 1007-2.

#### **I. OVERVIEW OF THESE CHAPTER 11 CASES**

6. The Debtors are pleased to appear before the Court after commencing the solicitation of votes on the Joint Prepackaged Chapter 11 Plan of Reorganization of Atlas Resource Partners, L.P., et. al., Pursuant to Chapter 11 of the Bankruptcy Code (the "Prepackaged Plan" or "Plan").<sup>2</sup>

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<sup>2</sup> Unless otherwise indicated, capitalized terms used, but not defined herein, have the meanings ascribed to them in the Plan.

7. The Plan provides for a substantial reduction of ARP's existing funded debt by \$668 million and a reduction of ARP's annual debt service obligations by \$77 million (inclusive of interest under the Second Lien Credit Agreement that will be paid in kind). In connection with entry into the Restructuring Support Agreement, ARP monetized its hedge portfolio and used the majority of the proceeds to pay down debt under its First Lien Credit Facility, which, together with the reduction of debt occurring on the substantial consummation of the Plan, will reduce ARP's debt by approximately \$901 million and interest expense by \$80 million. The Plan and the commencement of these prepackaged Chapter 11 Cases are milestone achievements that will benefit the Debtors and their creditors. The reorganization transaction embodied in the Prepackaged Plan will de-lever ARP's balance sheet and, upon emergence, launch an ARP positioned for growth in the current commodity price environment.

**A. The Prepackaged Plan of Reorganization**

8. The Prepackaged Plan contemplates a balance-sheet restructuring. In particular, the Plan's reorganization transaction provides for the full and final satisfaction of the Debtors' obligations under the First Lien Credit Agreement<sup>3</sup> and the Second Lien Credit Agreement<sup>4</sup> and the exchange of all ARP's senior unsecured notes into New HoldCo Common

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<sup>3</sup> As used herein, the "First Lien Credit Agreement," means that certain Second Amended and Restated Credit Agreement, dated as of July 31, 2013 by and among ARP, the lenders from time to time party thereto, and the First Lien Agent, as amended and restated, supplemented or otherwise modified prior to the date hereof; "First Lien Lenders" means collectively, those entities identified as "Lenders," "Issuing Banks," "Secured Swap Providers," or "Bank Product Providers" under the First Lien Credit Agreement and any other entity that is covered by the indemnification and expense provisions pursuant to the First Lien Documents and their respective predecessors, successors, and assigns; "First Lien Claims" means claims arising on account of the First Lien Credit Agreement.

<sup>4</sup> As used herein, the "Second Lien Credit Agreement," means that certain Second Lien Credit Agreement, dated as of February 23, 2015 by and among ARP, the lenders from time to time party thereto, and the Second Lien Agent, as amended and restated, supplemented or otherwise modified prior to the date hereof; "Second Lien Lenders" means the lenders under the Second Lien Credit Agreement and any other entity that is covered by the indemnification and expense provisions pursuant to the Second Lien Credit Agreement, all other "Loan

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Shares. In addition, the Prepackaged Plan provides for a new senior secured reserve-based revolving loan and letter of credit facility (the "Exit Facility," and the lenders thereto, the "Exit Facility Revolving Lenders") and a New Second Lien Credit Agreement<sup>5</sup> to provide the reorganized Debtors (the "Reorganized Debtors") with liquidity upon emergence. The Plan also provides for the cancellation of the Debtors' existing equity and the distribution of new equity of the Reorganized Debtors to the holders of Notes Claims and Second Lien Claims.<sup>6</sup> The remaining classes of claims, including general unsecured claims ("General Unsecured Claims"), are unimpaired under the Plan.

9. In particular, under the Plan, on the Effective Date,<sup>7</sup> each First Lien Lender will receive its pro rata share of: (i) cash in an amount equal to the principal amount of loans and the face amount of issued letters of credit outstanding under the First Lien Credit Agreement on the Effective Date minus \$440,000,000.00, (ii) accrued and unpaid interest, fees, indemnities and other obligations and claims, including expense reimbursement obligations, through the Effective Date, to the extent not previously paid, and (iii) the Exit Facility as a term loan under the Exit

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Documents" under and as defined in the Second Lien Credit Agreement; "Second Lien Claims" means claims arising on account of the Second Lien Agreement.

<sup>5</sup> As used herein, "New Second Lien Credit Agreement" means the credit agreement, to be effective as of the Effective Date, containing terms consistent with the "Second Lien Exit Facility Term Sheet," annexed as Exhibit B to Restructuring Support Agreement; "New Second Lien Loans" shall mean those certain term loans to be extended or deemed extended, and subject to the conditions described in Exhibit B to the Restructuring Support Agreement pursuant to the New Second Lien Credit Agreement.

<sup>6</sup> As used herein, "Senior Notes" means collectively, (a) 7.75% Senior Notes due 2021, by and among Atlas Resource Partners Holdings, LLC ("Holdings") and Atlas Resource Finance Corporation ("FinCo"), as issuers, ARP, certain subsidiary guarantors named therein, and US Bank National Association and/or its duly appointed successor, in its capacity as indenture trustee and (b) 9.25% Senior Notes, by and among Holdings and FinCo, as issuers, ARP, certain subsidiary guarantors named therein, and US Bank National Association and/or its duly appointed successor, in its capacity as indenture trustee; "Notes Claims" means claims arising on account of the Senior Notes; "Indenture Trustees" means collectively, the indenture trustees of the 7.75% Senior Notes and the 9.25% Senior Notes.

<sup>7</sup> As used herein, "Effective Date" means the first business day after which all provisions, terms and conditions specified in Article IX.B of the Plan have been satisfied or waived pursuant to Article IX.C of the Plan.

Facility Credit Agreement; provided, however, that holders of Allowed First Lien Claims which elect to participate in the Exit Facility as Exit Facility Revolver Lenders shall receive revolving loans under the Exit Facility Credit Agreement.

10. Further, under the Plan, in exchange for full and final satisfaction of all obligations under the Second Lien Credit Agreement, each Second Lien Lender will receive, on the Effective Date, a pro rata share of (a) the New Second Lien Loans, (b) the Second Lien Payment (10% of the common shares of the new parent company of the Reorganized Debtors) (the "New HoldCo Common Shares"), and (c) cash for (i) all outstanding interest accrued prior to the Petition Date pursuant to the Second Lien Credit Agreement and (ii) interest accrued postpetition on the principal amount of \$250 million at a rate equal to 2% per annum, in each case to the extent such amounts are not previously paid pursuant to an order of the Bankruptcy Court (the "Second Lien Interest Payment").

11. Additionally, under the Plan, in exchange for full and final satisfaction of all obligations under the Notes Indentures, each holder of a Notes Claim will receive, on the Effective Date, a pro rata share of 90% of the New HoldCo Common Shares, which shall be consistent with the terms of the Restructuring Support Agreement.

12. The New HoldCo Common Shares to be issued to holders of Second Lien Claims and Notes Claims will be subject to dilution on account of the management incentive program (the "Management Incentive Program") after the Effective Date, consistent with the terms of the Restructuring Support Agreement.<sup>8</sup>

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<sup>8</sup> As used herein, "Restructuring Support Agreement" means that certain Restructuring Support Agreement, dated as of July 25, 2016, by and among the Debtors and the Restructuring Support Parties (as defined in the Plan).

13. The effect of the restructuring on ARP's capital structure is summarized as follows:

	Current <sup>9</sup>	Reorganized
First Lien Credit Agreement	\$440 million	New Exit Facility: <ul style="list-style-type: none"> <li>• \$440 million total commitment, comprised of:                             <ul style="list-style-type: none"> <li>○ \$410 million reserve-based conforming tranche, of which \$410 million will be drawn at emergence</li> <li>○ \$30 million nonconforming tranche, of which \$30 million will be drawn at emergence</li> </ul> </li> </ul>
Second Lien Credit Agreement	\$250 million	New Second Lien Credit Facility: \$250 million with modified interest 10% New HoldCo Common Shares
Senior Notes	\$668 million	90% New Holdco Common Shares
Total Funded Debt	\$1.358 billion	\$690 million
General Unsecured Claims		Unimpaired
ARP Equity Interest		Cancelled

14. The Debtors believe the reorganization transaction embodied in the Plan will maximize the value of the business for the benefit of all stakeholders through these Chapter 11 Cases.

**B. The Restructuring Support Agreement**

15. After extensive discussions with ARP's First Lien Lenders, Second Lien Lenders, and the Ad Hoc Group of Noteholders, on July 25, 2016, ARP entered into the Restructuring Support Agreement with the First Lien Lenders holding 100% in amount of ARP's secured first

<sup>9</sup> As mentioned above, including the hedge monetization and related debt paydown that occurred prior to the commencement of the Chapter 11 Cases, ARP will reduce debt by approximately \$901 million and interest expense by \$80 million.

lien debt, the Second Lien Lenders holding 100% in amount of ARP's secured second lien debt, and each member of an Ad Hoc Group, who together with other Restructuring Support Parties (as defined in the Restructuring Support Agreement), hold approximately 80% in amount of ARP's senior unsecured notes, on a prepackaged Plan that will de-lever ARP's balance sheet and, upon emergence, launch a reorganized entity positioned for growth in the current commodity price environment.

16. The Debtors and the Restructuring Support Parties recognized that the Debtors' ability to operate as a going concern could only be achieved through a comprehensive restructuring that included significant deleveraging of the Debtors' balance sheet. Since executing the Restructuring Support Agreement, the Debtors have documented the terms of the prepackaged restructuring contemplated thereby, including the Prepackaged Plan. Further, the Restructuring Support Agreement provides the Debtors with access to the consensual use of their prepetition secured lenders' cash collateral.

### **C. Solicitation**

17. On July 25, 2016, the Debtors commenced the solicitation of the Plan. In particular, the Debtors solicited votes of the holders of First Lien Claims, Second Lien Claims, and Notes Claims, the only classes of voting creditors pursuant to the Plan, through their Disclosure Statement for Joint Prepackaged Plan of Reorganization of Atlas Resource Partners, L.P., et al., Pursuant to Chapter 11 of the Bankruptcy Code ("Disclosure Statement"). The solicitation period for the Prepackaged Plan, will remain open for another 27 days until, August 23, 2016, subject to the Court's approval.

**D. Proposed Timeline**

18. The Debtors believe that, to be successful, these Chapter 11 Cases must proceed in the most expeditious manner permitted by the Bankruptcy Code. The terms of the Restructuring Support Agreement reflect that belief. Among other milestones contained in the Restructuring Support Agreement is a deadline for a hearing on the adequacy of the Disclosure Statement and confirmation of the Plan is within 45 days after the Petition Date. In addition, pursuant to the Restructuring Support Agreement, an order confirming the Plan must be entered by the Bankruptcy Court no later than five days after the conclusion of the confirmation hearing. To meet these deadlines, the Debtors have proposed the following timeline for these Chapter 11 Cases (subject to the Court's calendar):

<b>PROPOSED TIMELINE</b>	
Launch of Solicitation	July 25, 2016
Petition Date	July 27, 2016
Objection Deadline	August 19, 2016
Plan Voting Deadline	August 23, 2016
Reply Deadline	August 25, 2016
Combined Hearing	August 26, 2016
Effective Date	August 31, 2016

19. The Debtors believe that quick Chapter 11 Cases are essential to the preservation of the value of their assets and estates. The Debtors' stakeholders anticipate a quick balance-sheet restructuring that does not impact the Debtors' operations or their trade creditors, employees, royalty interest holders, or landlords. To ensure that result, the Debtors negotiated a favorable transaction with the Restructuring Support Parties. In exchange for that consideration, the Restructuring Support Parties have insisted that chapter 11 costs be minimized and that the transaction be effectuated promptly to avoid delay, disruption to operations, and degradation of value.

## II. THE DEBTORS' BUSINESS AND CORPORATE STRUCTURE

### A. Business Overview

20. Debtor ARP, a publicly-traded master-limited partnership, is an independent oil and natural gas company engaged in the exploration, development, and production of oil and natural gas properties with operations in basins across the United States. ARP's affiliated Debtors are certain of ARP's wholly-owned direct and indirect subsidiaries. The Debtors' strategy involves acquiring properties with stable, long-life production, relatively predictable decline curves and lower risk development opportunities. The Debtors also sponsor and manage investment partnerships (the "Drilling Partnerships") in which they co-invest, to develop and monetize a portion of their undeveloped natural gas, crude oil and natural gas liquids production activities. The Drilling Partnerships are not Debtors in these Chapter 11 Cases.

21. Non-Debtor Atlas Energy Group, LLC ("ATLS") is the general partner of ARP. ATLS owns 100% of ARP's Class A units, all of the incentive distribution rights through which it manages and effectively controls ARP, and approximately 23.3% of ARP's limited partner interests. ATLS also wholly owns or has interests in various other oil and gas subsidiaries (the "Non-Debtor Subsidiaries" and, together with ATLS and ARP's non-Debtor subsidiaries, the "Non-Debtor Affiliates"). Neither ATLS nor any of its subsidiaries, with the exception of ARP and certain of ARP's subsidiaries, is a Debtor in these Chapter 11 Cases.

22. ARP's chief executive officer, as well as other members of senior management, have their offices in New York City, New York. The Debtors also maintain other administrative offices in Pennsylvania, Ohio, and Texas.

***(i) The Debtors Oil and Gas Production***

23. The Debtors have diverse portfolio of oil and gas assets, including over 14,000 gross wells across 17 states which produced 223 MMcfe/d<sup>10</sup> on average for the month of May 2016. The present value of the future production of the Debtors' interests in the aforementioned wells is estimated to be approximately \$832 million, based on New York Mercantile Exchange ("NYMEX") futures pricing as of June 15, 2016 and an effective date of July 1, 2016. ARP's future reserves of 1,013 Bcfe are 68% gas and 71% Proved Developed Producing. These metrics include the reserves net to the Debtors' equity interest in the Drilling Partnerships.

24. The Debtors natural gas, crude oil and natural gas liquids production operations are focused in various plays throughout the United States, and include direct interest wells and ownership interests in wells drilled through the Drilling Partnerships. The Debtors' producing properties are located primarily in (a) the Fort Worth Basin and Eagle Ford Shale in Texas, (b) the Raton Basin in New Mexico, (c) the Black Warrior Basin in central Alabama, (d) the Central Appalachian Basis in West Virginia and Virginia, (e) the Arkoma Basin, (f) the Mississippi Lime and Hunton plays in Oklahoma, (g) the Rangely field and the Niobrara Shale in Colorado (h) the Chattanooga Shale in Tennessee, (i) the New Albany Shale in Indiana, and (j) the Appalachia Basin. These properties are generally characterized by long-lived reserves, favorable pricing and readily available transportation.

***(ii) The Drilling Partnerships***

25. Creating new and managing existing tax-advantaged Drilling Partnerships is fundamental to the Debtors' business plan. ARP is the industry leader in tax-advantaged drilling partnerships, having raised over \$2.6 billion in capital since 2000. Drilling Partnership capital

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<sup>10</sup> MMcfe refers to one million cubic feet equivalent. MMcfe/d refers to MMcfe per day.

raised from third-party investors through the Debtors' proprietary fundraising channel is deployed each year to drill and complete wells included within each respective Drilling Partnership. The Drilling Partnerships were designed to help the Debtors' monetize its portfolio of undeveloped drilling locations by sourcing drilling capital from third-party investors and creating an ongoing fee income stream.

26. The fee structure of the Drilling Partnerships diversifies ARP's cash flows and reduces exposure to commodity price volatility. Each year, as the Debtors deploy Drilling Partnership investor capital in the drilling of wells included within the respective partnership, they are entitled to recognize certain management fees, including well construction and completion revenue and a portion of administration and oversight revenue. After the Drilling Partnership well is completed and turned online, the Debtors are entitled to receive additional operating and management fees on a monthly basis while the well is operating.

27. Additional information concerning the Debtors and their financial condition and results of operations, on a consolidated basis, can be found in ARP's annual, quarterly, and current reports filed with the Securities and Exchange Commission (the "SEC"), which can be accessed at [www.sec.gov](http://www.sec.gov) and at ARP's website, <http://www.atlasresourcepartners.com>.

## **B. The Debtors' Prepetition Capital Structure**

### *(i) Secured Debt*

28. **First Lien Credit Facility.** On July 31, 2013, ARP entered into the Second Amended and Restated Credit Agreement between ARP, Wells Fargo Bank, National Association, as Administrative Agent (in its capacity as Administrative Agent, the "First Lien Agent"), and certain lenders party thereto from time to time (as heretofore amended, restated, supplemented or otherwise modified, the "First Lien Credit Agreement"), which governs the Debtors' senior secured revolving credit facility (the "First Lien Credit Facility"). ARP's

obligations under the First Lien Credit Agreement are guaranteed by other Debtors, and the obligations of ARP are secured by first priority liens on substantially all of the Debtors' assets, including, but not limited to, all oil and gas assets, hydrocarbons, of the real and personal property of the Debtors, including, without limitation, all accounts, chattel paper, inventory, equipment, goods, tangible and intangible property, as-extracted collateral, and proceeds thereof. The First Lien Credit Facility is subject to bi-annual redeterminations in May and November of each year, and is scheduled to mature on July 31, 2018 and has since been accelerated. The Debtors' borrowing base, and thus their borrowing capacity, under the First Lien Credit Agreement is impacted by the level of their oil and natural gas reserves. Downward revisions of the Debtors' oil and natural gas reserves volume and value due to low commodity prices, the impact of lower estimated capital spending in response to lower prices, performance revisions, sales of assets or the incurrence of certain types of additional debt, among other items, have led to a series of reductions to the Debtors' borrowing base.

29. On June 9, 2016, the Debtors received notice from the First Lien Agent that the borrowing base under the First Lien Credit Agreement was redetermined to \$530,000,000. As of June 9, 2016, \$673.7 million in borrowings were outstanding (which includes \$4.2 million in letters of credit) under the First Lien Credit Facility, resulting in a borrowing base deficiency of \$143.7 million. The First Lien Credit Agreement provides that within 30 days after the Debtors' receipt of a notification of a borrowing base deficiency, the Debtors must elect to cure the borrowing base deficiency through any combination of the following actions: (i) repay amounts outstanding under the First Lien Credit Agreement sufficient to cure the borrowing base deficiency, either within 30 days after receipt of the borrowing base deficiency notice or in four equal monthly installments beginning 30 days after receipt of such notification; or (ii) pledge as

collateral additional oil and gas properties acceptable to the administrative agent and lenders sufficient to cure the borrowing base deficiency within 60 days after receipt of the borrowing base deficiency notice. The Debtors elected to cure such deficiency by repaying the loans outstanding under the First Lien Credit Agreement in four installment payments commencing July 11, 2016. When the Debtors did not make the first installment payment on July 11, 2016, the First Lien Lenders and the Debtors entered into a forbearance agreement with respect to the event of default resulting from the missed installment payment. The forbearance period expires on July 27, 2016. Prior to the Petition Date, the Debtors monetized their hedging portfolio and used most of the proceeds to pay down the First Lien Credit Facility.

30. **Second Lien Term Loan Facility.** On February 23, 2015, ARP entered into a Second Lien Credit Agreement with Wilmington Trust, National Association, as Administrative Agent (the "Second Lien Agent") and the Second Lien Lenders. The Second Lien Credit Agreement provides for a second lien term loan in an original principal amount of \$250.0 million (the "Second Lien Term Loan Facility"). ARP's obligations under the Second Lien Term Loan Facility are guaranteed by other Debtors, and the obligations of the Debtors are secured by liens, junior and subordinate in right to the First Lien Credit Facility, on substantially all of the assets owned by the Debtors, including, but not limited to, all of the real and personal property of the Debtors, including, without limitation, all accounts, chattel paper, inventory, equipment, goods, tangible and intangible property, as-extracted collateral, and proceeds thereof, with certain exceptions provided for in the Second Lien Term Loan Facility. The Second Lien Term Loan Facility matures on February 23, 2020. As of March 31, 2016, the Debtors had \$250 million of borrowings outstanding under the Second Lien Term Loan Facility.

*(ii) Unsecured Notes*

31. **7.75% Senior Notes.** On January 23, 2013, the Debtors issued \$275.0 million in 7.75 percent senior unsecured notes due January 15, 2021 (the "7.75% Senior Notes"). The 7.75% Senior Notes bear interest at a rate of 7.75 percent per annum, payable semi-annually on January 15 and July 15 each year commencing July 15, 2013. The 7.75% Senior Notes were issued under and are governed by that certain indenture dated January 23, 2013, by and among debtors Atlas Resource Partners Holdings, LLC (formerly known as Atlas Energy Holdings Operating Company, LLC, Atlas Resource Finance Corporation, ARP and other guarantor parties thereto, and U.S. Bank National Association, as trustee (as heretofore amended, restated, supplemented or otherwise modified, the "7.75% Senior Notes Indenture"). The 7.75% Senior Notes are guaranteed by certain of the Debtors' material subsidiaries. On June 2, 2014, the Debtors issued an additional \$100 million of 7.75% Senior Notes. As of March 31, 2016, the Debtors had approximately \$354.7 million of principal outstanding under the 7.75% Senior Notes.

32. **9.25% Senior Notes.** On July 30, 2013, the Debtors issued \$250.0 million in 9.25 percent senior unsecured notes due January 15, 2021 (the "9.25% Senior Notes"). The 9.25% Senior Notes bear interest at a rate of 9.25 percent per annum, payable semi-annually on February 15 and August 15 each year commencing February 15, 2014. The 9.25% Senior Notes were issued under and are governed by that certain indenture dated July 30, 2013, by and among Atlas Resource Escrow Corporation and Wells Fargo, as trustee, as supplemented by a supplemental indentures by and among Atlas Resource Partners Holdings, LLC (formerly known as Atlas Energy Holdings Operating Company, LLC, Atlas Resource Finance Corporation, ARP and other guarantor parties thereto, and Wells Fargo, as trustee (as heretofore amended, restated, supplemented or otherwise modified, the "9.25% Senior Notes Indenture"). The 9.25% Senior Notes are guaranteed by certain of the Debtors' material subsidiaries. On October 14, 2014, the

Debtors issued an additional \$75 million of 9.25% Senior Notes. As of March 31, 2016, the Debtors had \$312.9 million of principal outstanding under their 9.25% Senior Notes. On June 6, 2016, Atlas Resource Partners Holdings, LLC and Atlas Resource Finance Corporation, Wells Fargo, and U.S. Bank National Association entered into an instrument whereby Wells Fargo resigned as trustee and U.S. Bank National Association was appointed successor trustee under the 9.25% Senior Notes Indenture.

***(iii) Contractual Revenue Arrangements***

33. The Debtors market the majority of their natural gas production to gas marketers directly or to third party plant operators who process and market the gas. The sales price of natural gas produced is a function of the market in the area and typically linked to a regional index. The Debtors attempt to sell the majority of their natural gas at monthly, fixed index prices and a smaller portion at index daily prices. The crude oil produced from the Debtors' wells flows directly into leasehold storage tanks where it is picked up by an oil company or a common carrier acting for an oil company. The crude oil is typically sold at the prevailing spot market price for each region, less appropriate trucking/pipeline charges. The oil and natural gas liquids production of their Rangely assets flows into a common carrier pipeline and is sold at prevailing market prices, less applicable transportation and oil quality differentials. The Debtors do not have delivery commitments for fixed and determinable quantities of crude oil in any future periods under existing contracts or agreements.

34. With respect to natural gas liquids, ("NGLs"), the NGLs are extracted from the natural gas stream by processing and fractionation plants enabling the remaining "dry" gas to meet pipeline specifications for transport or sale to end users or marketers operating on the receiving pipeline. The cost to process and fractionate the NGLs from the gas stream is typically either (i) a volumetric fee for the gas and liquids processed or (ii) a percentage retention by the

processing and fractionation facility. The Debtors do not have delivery commitments for fixed and determinable quantities of NGLs in any future periods under existing contracts or agreements.

35. For the year ended December 31, 2015, Tenaska Marketing Ventures, Chevron, Enterprise, and Interconn Resources LLC accounted for approximately 21%, 15%, 11% and 11% of the Debtors' total natural gas, oil, and NGL production revenues, respectively, with no other single customer accounting for more than 10% for this period.

*(iv) The Debtors' Hedging Arrangements*

36. To limit the Debtors' exposure to commodity price volatility and to enhance cash flow visibility, the Debtors have historically used financial hedges for a significant portion of their natural gas and oil production. They have primarily used fixed price swaps to lock in cash flows. Furthermore, the Debtors' hedging strategy protects the First Lien Credit Facility borrowing base, which is calculated at strip process discounted from NYMEX.

37. Through these hedging arrangements, the Debtors seek to provide greater stability in their cash flows for their natural gas, oil and natural gas liquids production. The financial hedges may include purchases of regulated NYMEX futures and options contracts and non-regulated over-the-counter futures and options contracts with qualified counterparties. Financial hedges are contracts between the Debtors and certain counterparties and do not require physical delivery of hydrocarbons. Financial hedges allow the Debtors to mitigate hydrocarbon price risk, and cash is settled to the extent there is a price difference between the hedge price and the actual NYMEX settlement price. Settlement typically occurs on a monthly basis, at the time in the future dictated within the hedge contract. Financial hedges executed in accordance with the Debtors' First Lien Credit Facility do not require cash margin and are secured by their natural gas and oil properties.

38. As the Debtors acquired properties over the past several years, ARP's management team added hedges to keep the majority of its production hedged. This strategy has, to a certain extent, protected the Debtors from the recent fall in commodities prices. For example, in 2015, as commodity prices fell precipitously, ARP had hedges covering 83% of gas production and 114% of oil production. As a result, ARP received \$181 million in hedge margin, representing 69% of adjusted EBITDA for the fiscal year 2015.

39. As discussed above, as of July 22, 2016, the Debtors' hedge portfolio had a mark to market value of approximately \$244 million. Pursuant to the Restructuring Support Agreement, the hedging portfolio has since been monetized. The Debtors used most of the proceeds to pay down the First Lien Credit Facility.

40. The Debtors continue to believe in protecting future cash flows through commodity swaps and will enter into new contracts for 80% of its future production as part of the Plan. Accordingly, on the Petition Date, the Debtors intend to file a motion seeking authorization to enter into new hedge agreements during the Chapter 11 Cases.

***(v) Drilling Partnership Secured Hedge Facility***

41. In March 5, 2012, Debtor Atlas Resources, LLC entered into a secured hedge facility agreement with a syndicate of banks under which certain Drilling Partnerships have the ability to enter into derivative contracts to manage their exposure to commodity price movements. Under the First Lien Credit Facility, the Debtors are required to utilize this secured hedge facility for future commodity risk management activity for their equity production volumes within the participating Drilling Partnerships. The Debtors, as the ultimate general partner of the Drilling Partnerships, administer the commodity price risk management activity for the Drilling Partnerships under the secured hedge facility and guarantee their obligations under it.

42. It is an event of default under the Drilling Partnership Secured Hedging Facility Agreement and under the Approved Master Agreements (as defined in the Drilling Partnership Secured Hedging Facility Agreement) if Atlas Resources, LLC voluntarily commences a bankruptcy case under the Bankruptcy Code. Accordingly, in connection with the Debtors' entry into the Restructuring Support Agreement, the collateral agent and the hedge parties under the secured hedge facility have agreed to a limited waiver of any event of default caused by filing of the Chapter 11 Cases or any of the transactions contemplated by the Plan. In accordance with the Restructuring Support Agreement, the Debtors will assume the Drilling Partnership Secured Hedging Facility Agreement on the Effective Date pursuant to the Plan.

*(vi) General and Limited Partner Units*

43. **Class A Units.** As of March 31, 2016, ARP had 2,166,884 units issued and outstanding of their Class A general partnership units. The Class A Units represent a 2% general partner interest in ARP, and the holder of the Class A Units is currently entitled to 2% of ARP's cash distributions without any obligation to make future capital contributions to ARP.

44. **Class C Units.** As of March 31, 2016, ARP has 3,749,986 issued and outstanding of their Class C preferred limited partner units, for a total value of \$84.8 million.

45. **Class D Units.** As of March 31, 2016, ARP has 4,090,328 issued and outstanding of their Class D preferred limited partner units, for a total value of \$97.5 million.

46. **Class E Units.** As of March 31, 2016, ARP has 256,083 issued and outstanding of their Class E preferred limited partner units, for a total value of \$5.8 million.

47. **Common Units.** As of March 31, 2016, ARP had 102,427,347 issued and outstanding of their common limited partner units, for a total value of \$(257.6 million).

48. **Class C Warrants.** As of March 31, 2016, ARP has 562,497 issued and outstanding of their Class C limited partner warrants, for a total value of \$1.2 million.

49. On July 12, 2016, ARP received written notice from the New York Stock Exchange (the "NYSE") that the NYSE had commenced proceedings to delist the ARP's common units as a result of ARP's failure to comply with the continued listing standards which require that the common units must achieve a closing price of \$1.00 per unit on both the last trading day of any calendar month within the prior six months and at least \$1.00 average unit price over the 30 trading days preceding the end of that month. The NYSE suspended trading in the ARP's common units, as well as in its two preferred unit issues listed on the NYSE. ARP's common units, Class D preferred units and Class E preferred units began trading on the OTCQX Best Market on July 13, 2016 and on OTC Pink on July 27, 2016.

### **III. EVENTS LEADING TO THESE CHAPTER 11 CASES**

#### **A. Adverse Market Conditions**

50. Recent macroeconomic factors have made it difficult for the Debtors to support its debt obligations and generate sufficient capital to grow their business. Beginning in mid-2014, oil prices significantly declined due to an oversupply worldwide and have yet to recover. Simultaneously, the natural gas market saw the impact of continued growth in natural gas production in the United States, which has caused a sustained drop in natural gas prices over a several year period. The difficulties faced by the Debtors are consistent with the difficulties faced industry-wide. Exploration and production companies and others have been challenged by relatively low natural gas prices for several years.

#### **B. Addressing Liquidity Constraints**

51. The Debtors' management team has been diligently focused on preserving liquidity and reducing operating and corporate costs to align their business with the current commodity price environment. Measures taken by the Debtors include, but are not limited to: (a) reducing their capital expenditures from approximately \$264 million in 2013 to approximately

\$213 million in 2014 and to approximately \$127 million in 2015; (b) reducing operating expenses by approximately 22% by renegotiating gathering agreements and optimizing transportation and productions routes for a savings of approximately \$12 million; (c) reducing the staff headcount approximately by 40% from 2015 levels for a savings of approximately \$31 million; (d) eliminating common equity distributions for an annual savings of approximately \$240 million; (e) eliminating Class C preferred unit dividends for an approximately \$8 million in annual savings, and (f) eliminating Class D and Class E preferred unit dividends for an approximately \$10 million in annual savings.

52. Recognizing that a near-term solution to their imminent liquidity constraints may not be achievable without the support of their major creditors, the Debtors sought external strategic advice and assistance from Perella Weinberg Partners ("Perella") as their financial advisor and Skadden, Arps, Slate, Meagher & Flom LLP ("Skadden") and Paul Hastings LLP ("Paul Hastings") as their legal advisors. The advisors were retained to assist the Debtors with exploring strategic alternatives to their current liquidity situation in a manner that would maximize value for all stakeholders.

53. With the assistance of these advisors, the Debtors engaged the major constituents in their capital structure in an attempt to negotiate a consensual out-of-court restructuring that would maximize value for all parties in interest. For several months, the Debtors and their advisors have met with the Debtors' principal creditors and their advisors on multiple occasions and provided such parties with substantial diligence. The Debtors first engaged such parties to explore potential comprehensive out-of-court restructuring opportunities, but ultimately focused on negotiating the Restructuring Support Agreement to facilitate their prepackaged chapter 11 plan of reorganization.

#### **IV. RELIEF SOUGHT IN THE DEBTORS' FIRST-DAY PLEADINGS**

54. As set forth above, the Debtors are operating in a cash-intensive industry and are struggling to meet their day-to-day liquidity needs in order to derive the maximum revenue from existing and future production. The Debtors intend to seek entry of Court orders approving each of the First-Day Pleadings as soon as possible in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, and the Bankruptcy Local Rules. Absent the Court granting the relief requested by the Debtors in their First-Day Pleadings on an emergency basis, the Debtors will suffer immediate and irreparable harm.

##### **A. Administrative and Procedural Motions**

55. **Joint Administration Motion (Item 1).** The Debtors request entry of an order consolidating the Chapter 11 Cases for procedural purposes only. Many, if not most, of the motions, applications, and other pleadings filed in these Chapter 11 Cases will relate to relief sought jointly by all of the Debtors. For example, virtually all of the relief sought by the Debtors in the First-Day Pleadings is sought on behalf of all of the Debtors. Joint administration of the Chapter 11 Cases, for procedural purposes only, under a single docket entry, will also ease the administrative burdens on the Court by allowing the Debtors' cases to be administered as a single joint proceeding instead of several independent chapter 11 cases. In addition, the Debtors have requested that any future filing of any affiliate of the Debtors also be jointly administered (for procedural purposes only) with these Chapter 11 Cases, provided, however, the Debtors will file notice with the Court identifying the cases of such affiliates that are to be jointly administered with these Chapter 11 Cases.

56. **Extensions and Waivers Motion (Item 2).** The Debtors seek entry of an order extending the time to file their schedules of assets and liabilities, schedules of current income and current expenditures, schedules of executory contracts and unexpired leases, and statements

of financial affairs (collectively, the "Schedules and Statements") to allow a total of 60 days following the Petition Date (the "Deadline") and a waiver of the same upon confirmation of the Plan on or before the Deadline. Completing Schedules and Statements would be time consuming and unnecessarily expensive. This is particularly true if the Plan is confirmed.

57. The Debtors request a waiver of the reporting requirements of Bankruptcy Rule 2015.3. Bankruptcy Rule 2015.3 provides that a chapter 11 debtor shall file periodic financial reports, no later than seven days before the date set for the meeting of creditors pursuant to section 341 of the Bankruptcy Code and no less than every six months thereafter, disclosing the value, operations and profitability of each entity that is not a publicly traded corporation or a debtor in these chapter 11 cases, and in which the estate holds a substantial or controlling interest. However, pursuant to Bankruptcy Rule 2015.3(d), a bankruptcy court may alter the reporting requirements for cause or if the required information is publicly available. The Debtors file publicly available periodic reports with the SEC presenting consolidated financial information, including financial information about non-Debtor entities in which the Debtors have a substantial or controlling interest. Therefore, the Debtors submit that their creditors and other parties in interest have access to such information required by Bankruptcy Rule 2015.3.

58. The Debtors request authority to file a single consolidated list of their top 40 creditors (the "Consolidated Top 40 List"). Federal Rule of Bankruptcy Procedure 1007(d) requires a debtor to file a list containing information on its twenty largest unsecured creditors, excluding insiders (a "Top 20 List"). The Top 20 List is intended to facilitate the appointment of a creditors' committee by the United States Trustee. If a creditors' committee is appointed, the Consolidated Top 40 List will be sufficient to aid in the United States Trustee's appointment of a creditors' committee. In this context, requiring each Debtor to file a Top 20 List would impose

an unnecessary administrative burden on the Debtors, without conferring any benefit upon the Debtors' estates or the United States Trustee. Further, the Debtors propose to retain a claims and noticing agent to assist the Debtors in preparing creditor lists and mailing initial notices. With such assistance, the Debtors will be prepared to file a computer-readable consolidated list of creditors upon request and will be capable of undertaking all necessary mailings in a timely and efficient manner

59. Therefore, I believe that the extensions and waivers requested in the Extensions and Waivers Motion are necessary and appropriate to maximize the value of the Debtors' estates.

60. **Prepackaged Bankruptcy Scheduling and Solicitation Motion (Item 3).** The Debtors request entry of an order (i) setting a joint hearing (the "Joint Hearing") to (i) approve the Disclosure Statement and confirm the Prepackaged Plan; (ii) approve objection procedures and deadlines in connection with the Prepackaged Plan and Disclosure Statement; and (iii) approve the process of soliciting votes in connection with the Prepackaged Plan. The Debtors also seek (i) deferral of the section 341(a) meeting of creditors unless the Prepackaged Plan is not confirmed within sixty (60) days after the Petition Date and (ii) approve the combined notice (the "Combined Notice") of (a) commencement of these Chapter 11 Cases, (b) deferral of the section 341(a) meeting, and (c) the joint hearing of the Prepackaged Plan and Disclosure Statement and related deadlines.

61. The holders of claims arising under the First Lien Credit Agreement, the Second Lien Credit Agreement and the Senior Notes—Classes 3, 4 and 5, respectively—are the only classes of claims entitled to vote on the Prepackaged Plan (collectively, the "Voting Classes"). Accordingly, on July 25, 2016, following execution of the Restructuring Support Agreement, Epiq Bankruptcy Solutions, LLC ("Epiq"), the Debtors' voting agent, transmitted a solicitation

package to the Voting Classes. The solicitation package included: ballots containing instructions on how to vote on the Prepackaged Plan, copies of the Disclosure Statement, and the exhibits to the Disclosure Statement, which included the Prepackaged Plan, and the Restructuring Support Agreement.

62. The Debtors have set a voting deadline of August 23, 2016, giving the Voting Classes 29 days from the launch of solicitation to review the Disclosure Statement and vote on the Prepackaged Plan.

63. I understand from counsel that the Debtors' solicitation of the Prepackaged Plan is in compliance with securities laws, the Bankruptcy Code, the Bankruptcy Rules and the Guidelines for Prepackaged Chapter 11 Cases in the United States Bankruptcy Court for the Southern District of New York. I also believe that the proposed service of the Combined Notice will provide sufficient notice to all parties in interest in the Debtors' Chapter 11 Cases of the commencement of such cases, the date, time, and place of the Joint Hearing, and the procedures for objecting to the adequacy of the Disclosure Statement and the confirmation of the Prepackaged Plan. Finally I believe that the setting a joint hearing on the Prepackaged Plan and Disclosure Statement, in combination with the aforementioned noticing and solicitation procedures, is necessary to allow the Debtors to prosecute these Chapter 11 Cases in an expeditious manner, thereby minimizing administrative costs and delays and avoiding operational disruption to the Debtors' business for the benefit of all parties in interest.

**B. Substantive Motions**

64. **Cash Collateral Motion (Item 4).** The Debtors request authority to use their cash collateral in order to continue their business operations. The Debtors expect to seek authorization to use only such amounts of cash collateral as are necessary or appropriate to

continue to operate their business in the ordinary course and to avoid any immediate and irreparable harm to their business. In exchange for the use of such cash collateral, the First Lien Lenders will receive adequate protection in the form of, inter alia, adequate protection liens, superpriority claims, payment of interest, and payment of fees and expenses, and the Second Lien Agent and Second Lien Lenders will receive adequate protection in the form of adequate protection liens and payment of certain fees and expenses.

65. **Cash Management Motion (Item 5).** The Debtors request entire of interim and final orders (a) authorizing, but not directing, the Debtors to continue using their existing cash management system, bank accounts, and business forms, and to pay related prepetition obligations, (b) waiving any applicable deposit requirements, and (c) authorizing the continuance of intercompany transactions and honoring certain related prepetition obligations including, to the extent applicable, granting administrative expense status to postpetition intercompany claims between and among the Debtors.

66. To support their national operations and their oil and natural gas production and development business, the Debtors maintain a complex and comprehensive Cash Management System. The Cash Management System facilitates the efficient flow and management of funds involved in the Debtors' operations, and is a critical component of the comprehensive system for managing cash that supports the Debtors' overall business enterprise. In connection with the Cash Management System, the Debtors maintain 64 bank accounts at various banks in the United States.

67. The Cash Management System provides, among other things, (a) a reporting mechanism that enables the monitoring of collection and disbursement of funds, (b) the ability to reduce administrative expenses by facilitating the movement of funds, and (c) an efficient way to

administer the Bank Accounts. The Cash Management System is integrated into the cash management systems utilized by affiliated non-Debtor entities, including the Debtors' payroll administrator and the Joint Op Owners. If the Debtors are unable to continue using their Cash Management System, the operations of the Debtors, as well as the Company more broadly, will be severely impeded and adversely impacted. The Debtors, with the assistance of their advisors, have implemented protocols to ensure that only claims arising postpetition and certain claims arising prepetition (if payment of such prepetition claims is approved by this Court) will be paid by the Debtors.

68. In the ordinary course of business, the Debtors use a number of checks, business letterhead, purchase orders, invoices, envelopes, promotional materials, and other business forms and correspondence. Given that the business forms were used prepetition, they do not include references to the Debtors' current status as debtors in possession. However, parties doing business with the Debtors undoubtedly will be aware of the Debtors' status as debtors in possession as a result of the publicity surrounding these Chapter 11 Cases and the notice of commencement of these Chapter 11 Cases that has been, or will soon be, provided to parties in interest. As is the case with the existing Cash Management System, requiring the Debtors to change existing Business Forms would unnecessarily distract the Debtors from their restructuring efforts and impose needless expenses on the estates, without any meaningful corresponding benefit.

69. In the ordinary course of business, the Debtors engage in various intercompany financial transactions with Debtors and non-Debtor affiliates. The Debtors maintain records of transfers of cash to trace, and account for, these intercompany transactions. The continuance of

these transactions postpetition is an essential component of the Cash Management System, particularly in light of the Company's complex corporate and operational structure.

70. I believe that the relief requested in the Cash Management Motion is in the best interests of the Debtors' estates, their creditors, and all other parties in interest, and will enable the Debtors to continue to operate their business in chapter 11. Accordingly, on behalf of the Debtors, I respectfully submit that the Cash Management Motion should be approved.

71. **Hedging Motion (Item 6).** Pursuant to the Restructuring Support Agreement, the Debtors agreed to monetize their existing hedges and obtain Court authority to enter into a new hedge agreement within two business days following the Petition Date. As such, the Debtors intend to file a motion to receive authorization to enter into the new hedge agreement contemporaneously with the filing of the Chapter 11 Cases or shortly thereafter.

72. As set forth above, in the Debtors' industry, hedging arrangements limit risk exposure in connection with the pricing of oil, natural gas, and natural gas liquids production because they solidify the future price at which a company sells a specified volume of production, thereby enhancing the Debtors' future cash flow visibility. As previously mentioned, the Debtors have always maintained a large hedge portfolio to mitigate one of the primary risks to its business, commodity price volatility.

73. Furthermore, hedging future cash flows increases the Debtors' credit capacity. The First Lien Credit Facility borrowing base, is typically calculated at a discount to the NYMEX futures pricing curve. To the extent the Debtors hold hedges above the NYMEX curve, the Borrowing Base is enhanced by the hedge prices applied to the future cash flow forecast. Entering into a new hedging agreement will both insulate the Debtors from cash flow volatility as well as credit capacity fluctuations.

74. Moreover, my understanding is that authorization of the Debtors' entry into the new hedge agreement, on an interim basis, no later than five business days from the Petition Date is necessary to avoid an event of default under the Restructuring Support Agreement. The Debtors need to re hedge cash flows as quickly as possible to lock in the current futures curve. If the NYMEX futures move lower before the Debtors are permitted to re hedge, the Debtors liquidity may be impaired.

75. **Oil and Gas Obligations Motion (Item 7).** The Debtors request entry of an order authorizing the Debtors to honor and pay certain obligations in connection with their oil and gas properties in the ordinary course of business (the "Oil and Gas Obligations"). Pending a final hearing on the motion, the Debtors are seeking authority to satisfy Oil and Gas Obligations and, subject to a final hearing, to honor and/or pay, in their sole discretion, Oil and Gas Obligations in the ordinary course of business.

76. The Debtors own interests in certain oil and gas leases, which obligate the Debtors to remit royalties to the mineral estate owners (a "Royalty"). Additionally, the Debtors are obligated to pay other mineral interest obligations, including overriding royalty interests, non-participating royalty interests, net profit interests, and production payments on certain of their oil and gas leases.

77. At least ten states in which the Debtors operate impose a tax (a "Severance Tax") on oil and gas produced in their respective jurisdictions (excepting the portion of production attributable to tax-exempt interest holders). As of the Petition Date, the Debtors had accrued and unpaid Severance Taxes totaling approximately \$924,150, and request the authorization to pay all Severance Taxes as they become due in the ordinary course of business, subject to the Interim Cap.

78. Debtors regularly incur other ancillary obligations under, or in connection with, their oil and gas leases ("Lease Maintenance Payments"). Lease Maintenance Payments include:

(a) *Lease Rental Payments.* Certain of the Debtors' leases require periodic rental payments, which the Debtors estimate to be approximately \$265,538 for fiscal year 2017;

(b) *Surface Use Charges.* The Debtors owe contractual and statutory obligations to the owners of the surface estates above their Oil and Gas Leases. The Debtors regularly negotiate consensual agreements with *surface* estate owners concerning the terms on which the Debtors may access the surface estate to conduct exploration and production operations (a "Surface Use Agreement"). Surface Use Agreements frequently provide for cash payments, including site fees, one-time cash bonuses, compensation for damages, in lieu of house gas payments, extension payments, caused by the Debtors' operations ("Surface Use Charges"). The Debtors' estimated Surface Use Charges for fiscal year 2017 are approximately \$167,742;

(c) *Shut-In Payments.* Certain of the Debtors' wells are completed and capable of production but are not currently in production. Such completed wells are referred to as "shut-ins." Certain of the Debtors' leases provide *for* compensation to the mineral or royalty owner during the period when hydrocarbons are not sold from the leased premises ("Shut-In Payments"). The Debtors' estimated Shut-In Payments for fiscal year 2017 are approximately \$150,605.

79. The Debtors estimate that approximately \$389,621 in Lease Maintenance will become due within the first 30 days following the Petition Date. Because certain Lease Maintenance Payments are contingent and unliquidated, however, the Debtors' actual prepetition Lease Maintenance Payments may be significantly higher. The Debtors request authorization to pay all Lease Maintenance Payments as they become due in the ordinary course of business.

80. Furthermore, the Debtors are party to joint operating agreements (each, a "JOA") under which an operator is entitled to bill each non-operating working interest holder in the unit its pro rata share of the operator's lease operating expenses and capital expenditures ("JIBs"). In turn, the operator distributes to each non-operating working interest holder its share of the well's proceeds (the "Working Interest Disbursements"), which are held in trust until disbursed. The Debtors estimate that they have approximately \$251,690 and \$2,776,665, in accrued and outstanding Working Interest Disbursements and JIBs, respectively, as of the Petition Date. The

Debtors seek authorization, but not direction, to pay all prepetition and postpetition Working Interest Disbursements and JIBs as they become due in the ordinary course of business, subject to the Interim Cap.

81. The Debtors also pay lease operating expenses ("LOE") to numerous vendors, contractors, suppliers, and other third parties (the "LOE Vendors") for goods and services necessary to drill, complete, equip, and operate their wells. The Debtors estimate that they have approximately \$8,745,391 in accrued and unpaid LOEs as of the Petition Date. The Debtors' attorneys have informed me that unpaid LOE Vendors are entitled to attach and perfect liens on the Debtors' oil and gas properties and produced hydrocarbons and likely would argue that they are entitled to perfect such liens after the Petition Date, notwithstanding the automatic stay and the Debtors' avoidance powers. Accordingly, the Debtors seek authority to pay, in the ordinary course of business, the prepetition and postpetition LOE due to LOE Vendors the Debtors have identified, subject to the proposed interim cap.

82. The Debtors also rely on a variety of gathering, transportation, processing, and similar midstream services (collectively, "GTP") to convey produced oil and gas from the wellhead to points of sale or delivery in a marketable state. The Debtors estimate that accrued and unpaid GTP obligations as of the Petition Date total approximately \$3,222,120.

The Debtors also rely on the service of certain shippers and warehousemen ("Shippers and Warehousemen") to transport, deliver, and store goods, materials or other property used in the daily operation of their business. As of the Petition Date, the Debtors estimate \$1,240,172 in prepetition claims of Shippers and Warehousemen are outstanding. The Debtors' Shippers and Warehousemen providers may assert a possessory lien on the materials in their possession.

Accordingly, the Debtors seek authority, but not direction, to pay prepetition and postpetition Shipper and Warehousemen claims in the ordinary course of business,

83. To carry on their businesses without undue disruption, and thereby preserve value for stakeholders, the Debtors must have discretion to pay or honor Oil and Gas Obligations in the ordinary course. As an initial matter, I understand that many of the Debtors' Oil and Gas Obligations—including Mineral Interest Payments, Working Interest Disbursements, and Drilling Partnership Disbursements—constitute funds held in trust for others and therefore are not property of the Debtors' estates. These funds are not available for distribution under a chapter 11 plan and thus can be paid in the ordinary course of business without prejudice to creditors.

84. I further understand that applicable state law and contractual agreements afford unpaid Oil and Gas Counterparties a variety of remedies, including the right to attach and perfect liens on the Debtors' oil and gas properties and produced hydrocarbons. While the Debtors reserve the right to contest any efforts to exercise such remedies during the Chapter 11 Cases, their ability to do so successfully—or, at least, without serious business disruption—is, in my view, doubtful.

85. Moreover, even if the Oil and Gas Payments were property of the estate and not subject to liens, the relief sought pursuant to this motion is critically important to the Debtors' ongoing business. The Debtors' long-term business prospects depend on the willingness of numerous mineral interest holders, Working Interest holders, surface owners, LOE Vendors, and others to continue dealing with the Debtors. A fundamental premise of the E&P business is that hydrocarbon reserves are a constantly diminishing resource. Thus, an E&P operator must explore and develop new reserves just to maintain existing production levels. Accordingly, the Debtors'

long-term prospects depend on their ability to acquire and develop new reserves in the future. To do so successfully, the Debtors will require the cooperation of the various counterparties indicated above. These parties may be unwilling to transact new business with the Debtors if they doubt the Debtors' ability to satisfy their Oil and Gas Obligations. Thus, even if the Debtors could avoid payment of certain accrued Oil and Gas Obligations—which itself is doubtful—the collateral consequences on the Debtors' go-forward business would vastly exceed whatever modest short-run cost savings the Debtors might achieve.

86. Finally, no party in interest will be prejudiced by on account of payment of the Oil and Gas Obligations in the ordinary course because all trade creditors and General Unsecured Claims are unimpaired under the Prepackaged Plan and will be paid in full.

87. **Wages and Benefits Motion (Item 8).** The Debtors request entry of the interim and final orders authorizing the Debtors, in their sole discretion and in the exercise of their business judgment to fund wages, salaries, other compensation (the "Employee Compensation") and related administration and other costs as well as to pay amounts outstanding on account of prepetition employee benefits, including health and welfare, retirement, and other benefits (the "Employee Benefits") and to continue funding Employee Benefits in the ordinary course.

88. Other than four executives<sup>11</sup>, the Debtors do not employ any persons to manage or operate their businesses. Instead, Non-Debtor Affiliates provide the personnel responsible for managing and operating the Debtors' business incur the related expenses. As of the Petition Date, approximately 403 employees provide services for the Debtors. Non-Debtor Atlas Energy Resource Services, Inc. ("AERS") employs and provides payroll services for approximately 387 employees (the "AERS Employees") and non-Debtor Anthem Securities, Inc. ("Anthem,"

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<sup>11</sup> These four executives have employment agreements to which both ARP and ATLS are parties.

and, together with the AERS the "Non-Debtors Employers") employs and provides payroll services for approximately 16 employees (the "Anthem Employees," and collectively with the AERS Employees, the "Employees").

89. Per this arrangement, ARP has historically funded Employee Compensation through (a) bi-weekly intercompany payments to AERS and (b) regular capital contributions to Anthem, which monies are maintain in non-Debtor accounts. The Non-Debtor Employers engage ADP, Inc. ("ADP"), a third-party payroll service provider, to administer their payroll. The Non-Debtor Employers withhold amounts for all applicable federal, state, and local payroll taxes, as well as garnishments. Prior to each payroll date, ADP draws funds from the Non-Debtors Employers and initiates electronic fund transfers or issues checks to Employees, remits payroll taxes to the applicable government agencies, and handles garnishments as necessary

90. Further, in the ordinary course, the Debtors withhold and deduct funds on account of Employee contributions towards their Employee Benefits from the amounts transferred to the Non-Debtor Employers<sup>12</sup> on account of Employee Compensation. As the Debtors are invoiced by the various third-party benefit providers for Employee Benefits, the Debtors pay these invoices in the ordinary course from their own accounts, partially with Employee Contributions withheld on account of such benefits. In connection with paying the benefit providers, the Debtors expense the Non-Debtor Employers in order to reconcile amounts withheld on their books.

91. As of the Petition Date, the Debtors do not believe there are any amounts accrued and outstanding on account of Employee Compensation. However, due to the benefit providers'

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<sup>12</sup> Though the Non-Debtor Employers track funds withheld on account of Employee Contributions in their books and records; in practice, the Debtors do not transfer funds to the Non-Debtor Employers to cover Employee Contributions. Therefore, the Non-Debtor Employers only withhold funds for Employee Contributions on their books as an intercompany accounting measure.

billing cycles and the time it takes to process certain benefit claims, there are prepetition amounts due to certain benefit providers on account of Employee Benefits. Accordingly, the Debtors are requesting that the Court authorize the Debtors to continue making such payments for Employee Compensation and Employee Benefits to the Non-Debtor Employers for the services of Employees.

92. The vast majority of Employees rely exclusively on their compensation and benefits to pay their daily living expenses and support their families, and will be exposed to significant financial constraints if the Debtors are not permitted to continue funding compensation, employee benefits, and maintain existing practices and programs. The Debtors seek to minimize the personal hardship the Employees would suffer if employee obligations are not paid when due or as expected. Moreover, if the Debtors are unable to fund compensation and benefits, morale and loyalty will be jeopardized at a time when support is critical. In the absence of such payments, the workforce may seek alternative employment opportunities. Loss of valuable employees would distract the Debtors' from focusing on their operations and administering the Chapter 11 Cases.

93. **Taxes Motion (Item 9).** The Debtors request entry of an order authorizing the Debtors to remit and pay certain prepetition taxes, fees, and related obligations that the Debtors, in their discretion, deem necessary to various federal, state, county, and city taxing and licensing authorities. In the ordinary course of business, the Debtors incur various taxes, fees, and related obligations (the "Taxes") and other similar charges and assessments necessary to operate their businesses and remit such Taxes to various federal, state, county, and city taxing and licensing authorities (the "Taxing Authorities") in the jurisdictions in which the Debtors operate.

94. In addition, the Debtors must pay fees to various authorities related to compliance with environmental and conservation laws and regulations (the "Environmental Fees"). I understand that the Debtors' failure to pay the Taxes and Environmental Fees could have a material adverse effect on their ability to operate. Specifically, in the aggregate, the Debtors estimate that approximately \$840,483 in prepetition Taxes and \$30,000 in Environmental Fees will become due and payable in the 30 days following the Petition Date.

95. It is my understanding that the Debtors must continue to pay the Taxes and Environmental Fees to continue operating in certain jurisdictions, and the payment of such amount avoids costly distractions in these Chapter 11 Cases. Specifically, should the Debtors fail to pay the Taxes, I understand that the Taxing Authorities could, among other things, suspend the Debtors' operations, conduct audits, file liens, seek to lift the automatic stay, and pursue other remedies that would harm the Debtors' estates. In addition, certain Taxing Authorities may take precipitous actions against the Debtors' directors and officers for unpaid Taxes, which would undoubtedly distract those key employees from their duties related to the Debtors' restructuring.

96. **Insurance and Surety Motion (Item 10).** The Debtors request entry of an order authorizing the Debtors to (a) fund the existing insurance policies and pay all insurance obligations arising thereunder or in connection therewith, (b) enter into new insurance coverage as needed in their business judgment, (c) continue to honor insurance premium financing obligations, and (d) continue their surety bond program.

97. The Debtor ARP's general partner, non-Debtor ATLS, maintains various insurance policies which provide coverage to the Debtors for both general commercial business risks and risks specific to the exploration and production industry, including, but not limited to,

coverage for the Debtors' general liability, pollution liability, directors' and officers' liability (including tail coverage), fiduciary liability, employment liability, workers compensation liability, automobile liability, and property liability (collectively, the "Insurance Policies"). ATLS functions as a holding company, and therefore, does not have operations that require certain of the insurance coverage provided under the Insurance Policies. Accordingly, the Debtors, whose operations require such insurance coverage, make payments for premiums and other obligations related to the Insurance Policies. For the current policy periods, approximately half of which end on November 14, 2016 and with the other half ending on February 27, 2017, the annual premiums under the Insurance Policies total approximately \$3.3 million.

98. Generally, the Insurance Policies require annual premium payments to be made at the beginning of the applicable policy period. However, it is not always economically advantageous for the Debtors to pay the premiums on all of the insurance policies on a lump-sum basis. Accordingly, in the ordinary course of business, the Debtors finance the premiums on the policies pursuant to premium financing agreements ("PFAs") with third-party lenders.

99. Further, in the ordinary course of business, the Debtors are required to provide surety bonds to certain third parties to secure the Debtors' payment or performance of certain obligations, often to governmental units or other public agencies (the "Surety Bond Program"). These may include plugging and abandonment obligations, environmental obligations, litigation liability, and road damage obligations. Often, statutes or ordinances require the Debtors to post surety bonds to secure such obligations. As such, failure to provide, maintain, or timely replace their surety bonds may prevent the Debtors from undertaking essential functions related to their operations.

100. I believe that continuation of the Insurance Policies, and thus, the continued payment under the PFAs, as well as the ability to enter into new Insurance Policies, are essential to preserving the value of the Debtors' businesses, properties, and assets. Additionally, in many cases, the coverage provided by the Insurance Policies is required by applicable regulations, laws, and contracts that govern the Debtors' commercial activities, including the requirements set forth in the United States Trustee's Operating Guidelines and Reporting Requirements for Debtors in Possession and Trustees. I believe that if the Debtors do not continue to perform their obligations under the Insurance Policies and the PFAs, the Debtors' coverage under the Insurance Policies could be terminated. I believe this would cause serious and irreparable harm to the Debtors' businesses and restructuring efforts, as the Debtors would likely be exposed to increased costs and risks of loss. Similarly, I believe that providing financial assurances to state governments, regulatory agencies, and other third parties through continuation of the Surety Bond Program is necessary to enable the Debtors to continue operations and avoid irreparable harm to their businesses and restructuring efforts.

101. Accordingly, I believe that the relief sought through the Insurance and Surety Motion is necessary for the Debtors to continue operating their businesses in chapter 11 without disruption and is in the best interest of the Debtors, their estates, creditors, stakeholders, and other parties in interest.

102. **Utilities Motion (Item 11).** The Debtors request entry of an order approving the Debtors' proposed form of adequate assurance of postpetition payment to its utilities, (b) approving procedures for resolving any objections by a utility companies relating to the proposed adequate assurance, and (c) prohibiting utility companies from altering, refusing, or discontinuing service to the Debtors solely on the basis of the commencement of the Chapter 11

Cases, a prepetition debt, or on account of any perceived inadequacy of the proposed adequate assurance procedures.

103. In the ordinary course, the Debtors incur expenses for water, sewer, electricity, gas, telephone, waste disposal, and similar utility products and services provided by various utility providers (the "Utility Providers"). The Debtors operate facilities at a number of locations and have over 315 utility accounts. On average, the Debtors spend approximately \$1.68 million each month, or approximately \$845,000 every two weeks, on utility costs.

104. I believe that uninterrupted utility services are essential to the Debtors' ongoing operations. Additionally, any interruption of utility services, even for a brief period of time, likely would negatively affect the Debtors' reorganization efforts. Therefore, it is critical that utility services continue uninterrupted during the Chapter 11 Cases.

105. I believe that the procedures proposed in the Utilities Motion are necessary because, if such procedures are not approved, the Debtors could be forced to address numerous requests by the Utility Providers for adequate security in a disorganized manner during the critical first weeks of these Chapter 11 Cases. Moreover, a Utility Provider could blindside the Debtors by unilaterally deciding—on or after the 20th day following the Petition Date—that it is not adequately protected and threaten to discontinue service or make an exorbitant demand for payment to continue service. Discontinuation of utility service could essentially shut down operations, and any significant disruption of operations could put the Debtors' reorganization in jeopardy.

106. **Motion to Pay Unimpaired Claims in the Ordinary Course (Item 12).** The Debtors request entry of an order authorizing, but not directing, the Debtors to pay, in the ordinary course of business certain allowed claims that are unimpaired by the Debtors'

Prepackaged Plan, as such Unimpaired Claims become due in the ordinary course of business. Such Creditors may include attorneys, accountants, and other ordinary course professionals retained in matters unrelated to the Chapter 11 Cases. This motion does not seek to give priority to so-called "critical vendors." Rather, the Debtors are seeking to pay Unimpaired Claims consistent with and in the spirit of the Plan, which proposes to pay trade and other ordinary course creditors in full.

107. **Assumption of the Restructuring Support Agreement (Item 13).** On the Petition Date, the Debtors intend to file a motion requesting that the Court authorize the Debtors to assume the Restructuring Support Agreement. The assumption of the Restructuring Support Agreement ensures that the agreement that forms the foundation for a consensual restructuring continues to be valid and enforceable against all signatories postpetition. Moreover, assumption of the Restructuring Support Agreement will ensure the agreement continues to provide the Debtors with the benefits they negotiated for thereunder, including a deleveraged balance sheet, new credit facilities, and an opportunity for all stakeholders to maximize recoveries while permitting the Debtors' businesses to proceed swiftly toward confirmation and emergence from bankruptcy as a healthier and more viable competitor.

**C. Professionals' Retention First-Day Pleadings**

108. **Retention of Epiq as Notice and Claims Agent (Item 14).** The Debtors seek authority to employ and retain Epiq as their notice and claims agent (the "Notice and Claims Agent") in these Chapter 11 Cases in accordance with the terms of the that certain engagement letter dated as of June 16, 2016, by and between the Debtors and Epiq (the "Engagement Letter", effective nunc pro tunc to the Petition Date. Epiq's duties will include assuming full

responsibility for the distribution of notices and the maintenance, processing, and docketing of proofs of claim filed in these Chapter 11 Cases.

109. I believe the Debtors' selection of Epiq to serve as their Notice and Claims Agent has satisfied the Court's Protocol for the Employment of Claims and Noticing Agents Under 28 U.S.C. § 156(c). Specifically, the Debtors have solicited and reviewed engagement proposals from at least two other Court-approved noticing and claims agents to ensure selection through a competitive process.

110. I believe that Epiq's rates are competitive and reasonable given Epiq's quality of services and expertise. The terms of Epiq's retention are set forth in the Engagement Letter attached to, and filed contemporaneously therewith, the Notice and Claims Agent Retention Application. Appointing Epiq as their Notice and Claims Agent will maximize the efficiency of the distribution of notices and the processing of claims, as well as relieve the Office of the Clerk of the Bankruptcy Court of the administrative burden of processing proofs of claims.

**V. INFORMATION REQUIRED BY LOCAL BANKRUPTCY RULE 1007-2**

111. Jurisdiction and venue before this Court is proper. The principal place of business ARP is located in the State of New York. Specifically, ARP is lessee under an office lease for property located at 712 Fifth Avenue, 11th Floor, New York, New York 10019, that expires on or about June 30, 2021. This location is its principal place of business. Further, several officers (including the Chief Executive Officers) maintain offices or reside in New York, New York.

112. Local Bankruptcy Rule 1007-2 requires that the Debtors provide certain information, which is set forth below.<sup>13</sup> A copy of the Debtors' organization chart is attached hereto as Exhibit A.

113. As required under Local Bankruptcy Rule 1007-2(a)(3), Exhibit B identifies, to the best of the Debtors' knowledge and belief, the only committee organized prior to the Petition Date as the Ad Hoc Group of Noteholders.

114. As required under Local Bankruptcy Rule 1007-2(a)(4), Exhibit C lists the following information with respect to each of the holders of the Debtors' 40 largest unsecured claims on a consolidated basis, excluding claims of insiders: the creditor's name, address (including the number, street, apartment or suite number, and zip code, if not included in the post office address), telephone number, the name(s) of person(s) familiar with the Debtors' accounts, the amount of the claim, and an indication of whether the claim is contingent, unliquidated, disputed or partially secured. In each case, the claim amounts listed on Exhibit C are estimated and subject to verification. In addition, the Debtors reserve their rights to assert remedies, defenses, counterclaims, and offsets with respect to each claim.

115. As required under Local Bankruptcy Rule 1007-2(a)(5), Exhibit D provides the following information with respect to each of the holders of the five largest secured claims against the Debtors on a consolidated basis: the creditor's name and address (including the number, street, apartment or suite number, and zip code, if not included in the post office address), the amount of the claim, a brief description and an estimate of the value of the

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<sup>13</sup> The information contained in the Exhibits attached to this Affidavit shall not constitute an admission of liability by, nor is it binding on, the Debtors. The Debtors reserve all rights to assert that any debt or claim listed herein is a disputed claim or debt, and to challenge the priority, nature, amount, or status of any claim or debt. The descriptions of the collateral securing the underlying obligations are intended only as brief summaries. In the event of any inconsistencies between the summaries set forth and the respective corporate and legal documents relating to such obligations, the descriptions in the corporate and legal documents shall control.

collateral securing the claim, and whether the claim or lien is disputed. In each case, the claim amounts listed on Exhibit D are estimated and subject to verification. In addition, the Debtors reserve their rights to assert remedies, defenses, counterclaims, and offsets with respect to each claim.

116. As required under Local Bankruptcy Rule 1007-2(a)(6), Exhibit E provides a summary of the Debtors' assets and liabilities.

117. As required under Local Bankruptcy Rule 1007-2(a)(7), Exhibit F provides a summary of the publicly held securities of the Debtor.

118. As required under Local Bankruptcy Rule 1007-2(a)(9), Exhibit G provides a list of the premises owned, leased, or held under other arrangement from which the Debtors operate their businesses.

119. As required under Local Bankruptcy Rule 1007-2(a)(8), Exhibit H provides a list of all the Debtors' property in the possession or custody of any custodian, public officer, mortgagee, pledgee, assignee of rents, or secured creditor, or agent for any such entity, giving the name, address, and telephone number of each such entity and the court in which any proceeding relating thereto is pending.

120. As required under Local Bankruptcy Rule 1007-2(a)(10), Exhibit I provides the location of the Debtors' substantial assets, the location of their books and records, and the nature, location, and value of assets held by the Debtors outside the territorial limits of the United States.

121. As required under Local Bankruptcy Rule 1007-2(a)(11), Exhibit J provides a list of the nature and present status of actions or proceedings, pending or threatened, against the Debtors or their property where a judgment against the Debtors or a seizure of the Debtors' property may be imminent.

122. As required under Local Bankruptcy Rule 1007-2(a)(12), Exhibit K provides a list of the names of the individuals who comprise the Debtors' existing senior management, their tenure with the Debtors, and a brief summary of their relevant responsibilities and experience.

123. As required under Local Bankruptcy Rule 1007-2(b)(1)-2(A) and (C), Exhibit L provides the estimated weekly payroll amount, on a consolidated basis, to be paid to the Debtors' employees (exclusive of officers, directors, and stockholders) and the estimated amounts proposed to be paid to officers, stockholders, directors, and financial and business consultants retained by the Debtors, for the thirty-day period following the Petition Date.

124. As required under Local Bankruptcy Rule 1007-2(b)(3), Exhibit M, the Debtors' cash collateral budget, provides a list of estimated cash receipts and disbursements, and net cash gain or loss other than professional fees, on a consolidated basis for the 4-week period following the Petition Date.

I swear under penalty of perjury that the foregoing is true and correct.

Dated: Executed this 27th day of July, 2016

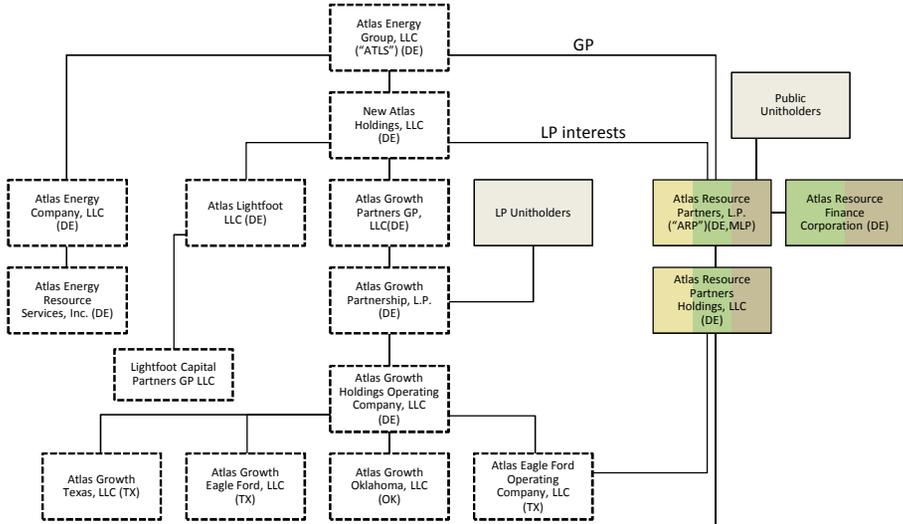
By: /s/ Jeffrey M. Slotterback  
Name: Jeffrey M. Slotterback  
Title: Chief Financial Officer

Atlas Resource Partners, L.P. and its  
Affiliated Debtors

**EXHIBIT A**

**Corporate Organizational Chart**

### Ownership Structure for Atlas Resource Partners, L.P.



**LEGEND**

- ARP First/Second Lien Credit Facility
- 7.75% Senior Notes due 2021
- 9.25% Senior Notes due 2021
- ARP Restricted Subsidiary
- Non-Debtor Entity

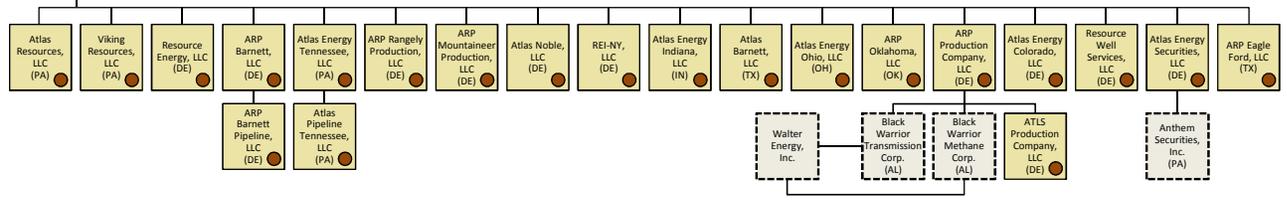
**ARP First/Second Lien Credit Facility**  
Admin Agent: 1st lien – Wells Fargo Bank, NA; 2nd lien – Wilmington Trust, NA  
Obligors: ARP; all ARP Restricted Subsidiaries  
Term: The earlier of the Maturity Date and the date of termination of the Commitments.  
Maturity Date: 1st lien - July 31, 2018; 2nd lien - February 23, 2020  
Amount Outstanding: 1st lien - \$440 million; 2nd lien - \$250 million  
EOD: Any Borrower or Restricted Subsidiary declares bankruptcy or misses a payment, subject to forbearance agreement forbearing debt lenders' rights/remedies through July 11, 2016.

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**7.75% Senior Notes due 2021**  
Trustee: U.S. Bank National Association  
Obligors: Atlas Resource Partners Holdings, LLC; Atlas Resource Finance Corporation; Atlas Resource Partners, L.P.; all ARP Restricted Subsidiaries  
Maturity Date: 2021  
Face Amount: \$375,000,000  
EOD: Bankruptcy of ARP, Atlas Resource Partners Holdings, Atlas Resource Finance Corporation, Significant Subsidiary (under Rule 1-02 under Reg S-X) or any group of ARP Restricted Subsidiaries that, together, would constitute a Significant Subsidiary, subject to forbearance agreement forbearing Note Holders' rights/remedies through July 11, 2016.

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**9.25% Senior Notes due 2021**  
Trustee: Wells Fargo Bank, National Association  
Obligors: Atlas Resource Partners Holdings, LLC; Atlas Resource Finance Corporation; Atlas Resource Partners, L.P.; all ARP Restricted Subsidiaries  
Maturity Date: 2021  
Face Amount: \$325,000,000  
EOD: Bankruptcy of ARP, Atlas Energy Holdings Operating Company, LLC; Atlas Resource Finance Corporation, Significant Subsidiary (under Rule 1-02 under Reg S-X) or any group of ARP Restricted Subsidiaries that, together, would constitute a Significant Subsidiary, subject to forbearance agreement forbearing Note Holders' rights/remedies through July 11, 2016.



**EXHIBIT B**

**Committees Organized Prepetition**

Ad Hoc Group

**EXHIBIT C**

**Consolidated List of the Holders of the Debtors' 40 Largest Unsecured Claims**

Pursuant to Local Bankruptcy Rule 1007-2(a)(4), the following is a consolidated list of the Debtors' creditors holding the 40 largest unsecured claims (the "Consolidated Creditor List") based on the Debtors' unaudited books and records as of the Petition Date. The Consolidated Creditor List has been prepared in accordance with Bankruptcy Rule 1007(d) and does not include (i) persons who come within the definition of "insider" set forth in section 101(31) of the Bankruptcy Code or (ii) secured creditors, unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 40 largest unsecured claims.

The information contained herein shall not constitute an admission of liability by, nor is it binding on, the Debtors. The Debtors reserve all rights to assert that any debt or claim included herein is a disputed claim or debt, and to challenge the priority, nature, amount, or status of any such claim or debt. In the event of any inconsistencies between the summaries set forth below and the respective corporate and legal documents relating to such obligations, the descriptions in the corporate and legal documents shall control.

Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of the claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of unsecured claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
1 ARCHROCK PARTNERS LP ARCHROCK PARTNERS OPERATING LLC PO BOX 201160	PHONE: 281-836-8000 FAX: 281-836-8060 donald.wayne@archrock.com	TRADE DEBT				\$158,507.54

Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of the claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of unsecured claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
DALLAS, TX 75320-1160						
2 KINDER MORGAN TREATING LP PO BOX 201607 DEPT 3015 DALLAS, TX 75320-1607	PHONE: 713-369-9000 william_stokes@kindermorgan.com	TRADE DEBT				\$129,291.98
3 ENABLE MIDSTREAM PARTNERS LP SERVICESTAR PO BOX 301392 DALLAS, TX 75303-1392	PHONE: 405-576-8555 r@enablemidstream.com	TRADE DEBT				\$110,807.53
4 SPECTRA ENERGY PARTNERS LP EAST TENNESSEE NATURAL GAS LLC JP MORGAN CHASE BANK PO BOX 301563 DALLAS, TX 75303-1563	PHONE: 713-627-5400	TRADE DEBT				\$109,945.83
5 CSI COMPRESSCO LP (FORMERLY COMPRESSOR SYSTEMS INC) PO BOX 841807 DALLAS, TX 75284-1807	PHONE: 432-563-1170 contract@csicompressco.com	TRADE DEBT				\$69,875.01
6 J-W POWER COMPANY PO BOX 205856	PHONE: 972-233-8191 FAX: 372-991-0704	TRADE DEBT				\$69,703.25

Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of the claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of unsecured claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
DALLAS, TX 75320-5856	JTaylor@jwenergy.com					
7 WRIGHT & COMPANY, INC. TWELVE CADILLAC DR SUITE 260 BRENTWOOD, TN 37027	PHONE: 615-370-0755 FAX: 615-370-0756 randy@wrightandcompany.com	TRADE DEBT				\$64,700.00
8 HARRISON COUNTY TREASURER 100 W MARKET ST CADIZ, OH 43907	PHONE: 740-942-8864 FAX: 740-942-4693 vicki.sefsick@yahoo.com	TRADE DEBT				\$60,947.05
9 TARRANT COUNTY TAX ASSESSOR/COLL ATTN: RON WRIGHT P.O. BOX 961018 FORT WORTH, TX 76161-0018	PHONE: 817-884-1100 tax-sdc@tarrantcounty.com	TRADE DEBT				\$58,727.42
10 HAHN LOESER & PARKS, LLP PO BOX 643434 CINCINNATI, OH 45264-3434	PHONE: 216-621-0150 FAX: 216-241-2824 cwick@hahnlaw.com	TRADE DEBT				\$49,754.57
11 ANDERSON LUBRICANTS INC DBA PETROCHOICE DBA LUBRICORP PO BOX 7190 KNOXVILLE, TN 37921-7190	PHONE: 800-788-4552 FAX: 865-474-7401	TRADE DEBT				\$47,046.94
12 CIGANOVICH CONSTRUCTION INC ATTN: MARK CIGANOVICH 429 STONE ST	PHONE: 575-445-4192 FAX: 575- 445-5621 ciganovichconst@msn.com	TRADE DEBT				\$45,469.97

Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of the claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of unsecured claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
RATON, NM 87740						
13 CDW LLC CDW DIRECT PO BOX 75723 CHICAGO, IL 60675-5723	PHONE: 312-705-2915 FAX: 312-705-4715 credit@cdw.com	TRADE DEBT				\$42,938.03
14 ARCHROCK SERVICES LP PO BOX 201160 DALLAS, TX 75320-1160	PHONE: 281-836-8000 FAX: 281-836-8060 donald.wayne@archrock.com	TRADE DEBT				\$40,455.53
15 D&T WELL SERVICES LLC ATTN: DONNIE SANDOVAL 521 ADAMS ST RATON, NM 87740	PHONE: 575-445-0414 dtwellservices@gmail.com	TRADE DEBT				\$39,032.59
16 TRANSTEX HUNTER LLC PO BOX 841847 DALLAS, TX 75284-1847	PHONE: 713-574-9525 FAX: 713-654-7155 jdavis@eurekamidstream.com	TRADE DEBT				\$38,200.00
17 UNITED EXCAVATING AND GENERAL CONTRACTING INC ATTN: JORDAN DANT 2381 S 500 E MONTGOMERY, IN 47558	PHONE: 812-486-3209 FAX: 812-486-3958 jordan.dant@unitedexcavating.com	TRADE DEBT				\$37,413.49

Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of the claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of unsecured claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
18 PANHANDLE OILFIELD SERVICE CO INC 14000 QUAIL SPRINGS PKWY STE 300 OKLAHOMA CITY, OK 73134-2600	PHONE: 405-608-5330 desirae.morrison@posci.net	TRADE DEBT				\$36,671.87
19 CROSS M RANCH LLC 520 BILLIMEK RD SCHULEMBURG, TX 78956		TRADE DEBT				\$32,935.00
20 JAY R LITTLE J LITTLE OIL WELL SERVICING & PLUGGING 5460 NICHOLS RUN LIMESTONE, NY 14753	PHONE: 716-244-3781 inchester5145@gmail.com	TRADE DEBT				\$30,098.00
21 RR DONNELLEY PO BOX 538602 ATLANTA, GA 30353-8602	PHONE: 312-326-8000 FAX: 215-561-8687 john.gfeller@rrd.com	TRADE DEBT				\$29,500.00
22 R L LAUGHLIN & CO INC 5012 WASHINGTON ST W CHARLESTON, WV 25313-1527	PHONE: 304-776-7740 FAX: 304-776-7742 jgoff@rllco.com; davidc@rllco.com	TRADE DEBT				\$29,021.20
23 NICK'S WELL PLUGGING LLC ATTN: TAMMY ANGUS 1800 N RIVER RD NE WARREN, OH 44483	PHONE: 234-600-5839 tammy@nickswellplugging.com	TRADE DEBT				\$28,540.00

Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of the claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of unsecured claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
24 J & P SERVICE INC PO BOX 207 GIDDINGS, TX 78942	PHONE: 979-542-0500 FAX: 979-542-0531 JPSI@VERIZON.NET	TRADE DEBT				\$28,390.19
25 ROGERS OILFIELD INC PO BOX 702 GRAHAM, TX 76450	PHONE: 817-641-8876	TRADE DEBT				\$28,287.87
26 PYRAMID INSTRMNTN & ELECTRICAL CORP 2030 E MURPHY ST ODESSA, TX 79761-5802	PHONE: 432-580-3200 FAX: 432-580-3201 CREDIT@PYRAMIDCORPORATION.COM	TRADE DEBT				\$24,556.44
27 JEFFREY L DWIGGINS DWIGGINS CONSULTING LLC 2004 KIAWAH CIR EDMOND, OK 73025	PHONE: 405-627-8539 JEFF.DWIGGINS@DWIGGINS CONSULTING.COM	TRADE DEBT				\$24,500.00
28 NATURAL GAS COMPRESSION SYSTEMS INC ATTN: AL YUNCKER 2480 AERO PARK DRIVE TRAVERSE CITY, MI 49686	PHONE: 231-941-0107 FAX: 231-941-0177 yuncker@ngcsi.com	TRADE DEBT				\$23,630.00
29 ACORN PETROLEUM INC ATTN: GLENDA LOPEZ 2918 FREEDOM ROAD TRINIDAD, CO 81082	PHONE: 719-846-7712 FAX: 719-634-8811 glopez@acornpetroleuminc.com	TRADE DEBT				\$23,537.32

Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of the claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of unsecured claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
30 KNL INC 114 FOXBOROUGH ST NORTH TAZEWELL, VA 24630	PHONE: 276-963-8929 FAX: 276-963-8928 gslade@knlinc.net	TRADE DEBT				\$21,304.18
31 USA COMPRESSION PARTNERS LP PO BOX 974206 DALLAS, TX 75397-4206	PHONE: 512-473-2662 FAX: 512-320-0706 holloway@usacompression.com	TRADE DEBT				\$21,250.00
32 SULLIVAN CONTRACTING INC 6750 5TH ST NORTHPORT, AL 35476-3447	PHONE: 205-333-6946 FAX: 205-333-6933 tim.sullivan@sul-con.com	TRADE DEBT				\$21,121.47
33 CARTER MACHINERY COMPANY INC PO BOX 751053 CHARLOTTE, NC 28275-1053	PHONE: 800-835-1166 FAX: 540-387-3871 tom_messer@cartermachinery.com	TRADE DEBT				\$20,653.37
34 EASTERN COLORADO WELL SVC LLC PO BOX 244 CHEYENNE WELLS, CO 80810	PHONE: 719-767-5100 FAX: 719-767-5228 kpevler@ecws1.com	TRADE DEBT				\$20,630.11
35 CITIZENS GAS UTILITY DISTRICT OF SCOTT & MORGAN COUNTIES PO BOX 320 HELENWOOD, TN 37755	PHONE: 423-569-4457 FAX: 423-569-5303 citgasfb@highland.net	TRADE DEBT				\$20,000.00
36 LEE HECHT HARRISON LLC DEPT CH #10544	PHONE: 800-670-8084 invoices@lhh.com	TRADE DEBT				\$19,200.00

Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of the claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of unsecured claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
PALATINE, IL 60055-0544						
37 ALAMO SERVICES KERRY V CHANDLER PO BOX 1082 NORTHPORT, AL 35476	PHONE: 205-361-4192 alamok@hughes.net	TRADE DEBT				\$18,397.00
38 ABRAMS TECHNICAL SERVICES INC 10375 RICHMOND AVE STE 1180 HOUSTON, TX 77042-4152	PHONE: 713-954-4660 FAX: 713-954-4661	TRADE DEBT				\$18,200.71
39 JOHNSON COUNTY TAX A/C P.O. BOX 75 CLEBURNE, TX 76033	PHONE: 817-558-0122 FAX: 817-556-0826 scott@johnsoncountytexas.org	TRADE DEBT				\$17,840.30
40 4T TILLERY INC. DBA JET OILFIELD SERVICES 1211 US HWY 380 WEST JACKBOARD, TX 76458		TRADE DEBT				\$17,735.00

**EXHIBIT D**

**Consolidated List of the Holders of the Debtors' Five Largest Secured Claims**

Pursuant to Local Bankruptcy Rule 1007-2(a)(5), the following is a list of creditors holding the five largest secured claims against the Debtors, on a consolidated basis, as of the Petition Date.

The information contained herein shall not constitute an admission of liability by, nor is it binding on, the Debtors. The Debtors reserve all rights to assert that any debt or claim included herein is a disputed claim or debt, and to challenge the priority, nature, amount, or status of any such claim or debt. The descriptions of the collateral securing the underlying obligations are intended only as brief summaries. In the event of any inconsistencies between the summaries set forth below and the respective corporate and legal documents relating to such obligations, the descriptions in the corporate and legal documents shall control.

<b>Creditor Name</b>	<b>Creditor Contact</b>	<b>Amount of Claim</b>	<b>Collateral Description</b>
Wells Fargo Bank, N.A., as Administrative Agent	1445 Ross Avenue, Suite 4500 Dallas, TX 75202	\$440 million	Substantially all of the oil and gas properties and personal property of the Debtors
Wilmington Trust, N.A., as Administrative Agent	50 South Sixth St., Suite 1290 Minneapolis, MN 55402	\$250 million	Substantially all of the oil and gas properties and personal property of the Debtors

**EXHIBIT E**

**Summary of the Debtors' Assets and Liabilities**

Pursuant to Local Bankruptcy Rule 1007-2(a)(6), the following are estimates of the Debtors' total assets and liabilities on a consolidated basis. The following financial data is the latest available information and reflects the Debtors' financial condition, as consolidated with its affiliated Debtors and non-Debtors.

The information contained herein shall not constitute an admission of liability by, nor is it binding on, the Debtors. The Debtors reserve all rights to assert that any debt or claim included herein is a disputed claim or debt, and to challenge the priority, nature, amount, or status of any such claim or debt.

<b>Assets and Liabilities<sup>1</sup></b>	<b>Amount</b>
Total Assets	\$1,320,824,000
Total Liabilities	\$1,539,018,000

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<sup>1</sup> The assets and liabilities listed herein constitute the book values as of June 30, 2016, adjusted to include the pay down of the First Lien Credit Facility following the monetization of the hedges.

**EXHIBIT F**

**Summary of the Publicly Held Securities of the Debtors**

Pursuant to Local Bankruptcy Rule 1007-2(a)(7), the following lists the number and classes of shares of stock, debentures, or other securities of the Debtors that are publicly held, and the number of holders thereof as of the Petition Date.

<b>Equity Security</b>	<b>Number of Shares Outstanding<sup>2</sup></b>	<b>Approximate Numbers of Record Holders<sup>3</sup></b>
Common Stock	102,429,720	173
Preferred Stock	Class C Units: 3,749,986 Class D Units: 4,090,328 Class E Units: 256,083	108

<b>Debt Security</b>	<b>Value Outstanding<sup>4</sup></b>	<b>Approximate Number of Record Holders<sup>5</sup></b>
9.25% Senior Notes	\$312,935,000	321
7.75% Senior Notes	\$354,730,000	336

<b>Directors and Officers</b>	<b>Common Unit Amount and Nature of Beneficial Ownership as of March 2, 2016</b>
Mark C. Biderman	1,746
Edward E. Cohen	924,743
Jonathan Z. Cohen	896,586
Jeffrey F. Kupfer	1,183
Dennis A. Holtz	618
Walter C. Jones	-
Ellen F. Warren	186
DeAnn Craig	5,114
Daniel C. Herz	155,130
Freddie M. Kotek	98,660

<sup>2</sup> The number of shares outstanding is as of July 20, 2016.

<sup>3</sup> The number of record holders for common stock is as of June 27, 2016. The number of record holders for preferred stock is as of June 30, 2016.

<sup>4</sup> The value outstanding is as of March 31, 2016.

<sup>5</sup> The number of record holders for the 9.25% Senior Notes is as of April 7, 2016. The number of record holders for 7.75% Senior Notes is as of April 7, 2016.

Jeffrey M. Slotterback	11,579
Mark D. Schumacher	107,202
Dave Leopold	22,047
Lisa Washington	14,999
Matthew J. Finkbeiner	-

**EXHIBIT G****Summary of Debtors' Property From Which the Debtors' Operate Their Business**

Pursuant to Local Bankruptcy Rule 1007-2(a)(9), the following lists the location of the premises owned, leased, or held under other arrangement from which the Debtors operate their businesses as of the Petition Date.

<b>Property Address</b>	<b>City</b>	<b>State</b>	<b>Country</b>	<b>Owned or Leased</b>
27404 Walls Road	Cameron	Oklahoma	USA	Leased
31007 Mustang Fuel Road	Kinta	Oklahoma	USA	Leased
6625 The Corners Pkwy, Suite 150	Norcross	Georgia	USA	Leased
6630 Corporation Pkwy, Suite 240	Fort Worth	Texas	USA	Leased
2388 Harper Road	Beckley	West Virginia	USA	Leased
3165 Dublin Lane	Bessemer	Alabama	USA	Leased
6020 Birmingham Road	Mulga	Alabama	USA	Leased
58 Tiger Mine Road	Oakman	Alabama	USA	Leased
2615 Steelsburg Highway	Cedar Bluff	Virginia	USA	Leased
106 Ridgeview Way	Clinton	Tennessee	USA	Leased
1823 State Rt 14, PO Box 160	Deerfield	Ohio	USA	Owned
425 Houston St., Ste 300	Fort Worth	Texas	USA	Leased
P.O. Box 40, 6697 State Hwy 199	Jacksboro	Texas	USA	Owned
101 McQuiston Drive	Jackson Center	Pennsylvania	USA	Owned
1460 Lillian Avenue	Jourdanton	Texas	USA	Leased
126 East Chautauqua St.	Mayville	New York	USA	Leased
PO Box #6	Nash	Oklahoma	USA	Owned
1026A Cookson Ave., SE	New Philadelphia	Ohio	USA	Leased
712 Fifth Ave., 11 <sup>th</sup> Floor	New York	New York	USA	Leased
1845 Walnut Street, 10 <sup>th</sup> Floor	Philadelphia	Pennsylvania	USA	Leased
Park Place Corporate Center One, 1000 Commerce Drive, Suite 400	Pittsburgh	Pennsylvania	USA	Leased
309 Silver Street	Raton	New Mexico	USA	Leased
32 South Court Street, Suite F	Sullivan	Indiana	USA	Leased
3500 Massillon Road, Suite 100	Uniontown	Ohio	USA	Leased
125 Industry Road	Waynesburg	Pennsylvania	USA	Leased

**EXHIBIT H**

**Summary of Debtors' Property Held by Third Parties**

Pursuant to Local Bankruptcy Rule 1007-2(a)(8), the following lists the Debtors' property, as of the Petition Date, that is in the possession or custody of any custodian, public officer, mortgagee, pledge, assignee of rents, secured creditor, or agent for any such entity.

Certain property of the Debtors is likely to be in the possession of various other persons, including maintenance providers, shippers, common carriers, materialmen, custodians, public officers, mortgagees, pledges, assignees of rents, secured creditors, or agents. Through these arrangements, the Debtors' ownership interest is not affected. In light of the movement of this property, providing a comprehensive list of the persons or entities in the possession of the property, their addresses and telephone number, and the location of any court proceeding affecting such property would be impractical.

**EXHIBIT I****Location of the Debtors' Substantial Assets, Books and Records, and Nature and Location of Debtors' Assets Outside the United States**

Pursuant to Local Bankruptcy Rule 1007-2(a)(10), the following provides the location of the Debtors' substantial assets, books and records, and the nature, location, and value of any assets held by the Debtors outside the territorial limits of the United States as of the Petition Date.

<b>Debtors' Assets</b>	<b>Location</b>
Books and Records	27404 Walls Road, Cameron, OK 74932
Books and Records	31007 Mustang Fuel Road, Kinta, OK 74552
Books and Records	6625 The Corners Pkwy, Suite 150, Norcross, GA 30092
Books and Records	6630 Corporation Pkwy, Suite 240, Fort Worth, TX 76126
Books and Records	2388 Harper Road, Beckley, WV 25801
Books and Records	3165 Dublin Lane, Bessemer, AL 35022
Books and Records	6020 Birmingham Road, Mulga, AL 35118
Books and Records	58 Tiger Mine Road, Oakman, AL 35579
Books and Records	2615 Steelsburg Highway, Cedar Bluff, VA 24609
Books and Records	106 Ridgeview Way, Clinton, TN 37716
Books and Records	1823 State Rt 14, PO Box 160, Deerfield, OH 44411
Books and Records	425 Houston St., Ste 300, Fort Worth, TX 76102-7411
Books and Records	P.O. Box 40, 6697 State Hwy 199, Jacksboro, TX 76458
Books and Records	101 McQuiston Drive, Jackson Center, PA 16133
Books and Records	1460 Lillian Avenue, Jourdanton, TX 78026
Books and Records	126 East Chautauqua St., Mayville, NY 14757-0162
Books and Records	PO Box #6, Nash, OK 73761
Books and Records	1026A Cookson Ave., SE, New Philadelphia, OH 44663
Books and Records	712 Fifth Ave., 11 <sup>th</sup> Floor, New York, NY 10019
Books and Records	1845 Walnut Street, 10 <sup>th</sup> Floor, Philadelphia, PA 19103
Books and Records	Park Place Corporate Center One, 1000 Commerce Drive, Suite 400, Pittsburgh, PA 15275
Books and Records	309 Silver Street, Raton, NM 87740
Books and Records	32 South Court Street, Suite F, Sullivan, IN 47882
Books and Records	3500 Massillon Road, Suite 100, Uniontown, OH 44685
Books and Records	125 Industry Road, Waynesburg, PA 15370

**EXHIBIT J**

**Summary of Legal Actions Against the Debtors**

Pursuant to Local Bankruptcy Rule 1007-2(a)(11), the following lists actions and proceedings pending or threatened against the Debtors or their properties where a judgment against the Debtors or a seizure of their property may be imminent as of the Petition date. This list reflects actions or proceedings considered material by the Debtors and, if necessary, will be supplemented in the corresponding schedules to be filed by the Debtors in these chapter 11 cases.

<b>Entity</b>	<b>Counterparty</b>	<b>Nature of the Claim</b>	<b>Status</b>	<b>Case No.</b>	<b>Court and Jurisdiction</b>
Atlas Resources, LLC	The Brimstone Company and Brimstone Energy Company, Inc.	Plaintiffs brought suit for declaratory judgment against Knox for breach of the lease and Atlas has an interest in the lease.	Settlement discussions are on-going.	10,686	Chancery Court for Scott County, TN at Huntsville
ARP Eagle Ford, LLC	Compass Well Services, LLC	Plaintiff alleges breach of contract, claims for quantum meruit and unjust enrichment, and foreclosure on a lien.	Atlas recently responded to discovery.	DC-15-14070	Dallas County, TX District Court
Atlas Resources, LLC	Dongxiao Yue	Plaintiff alleges fraud (misrepresentation and concealment), unfair competition and breach of fiduciary duty.	Matter is currently in discovery.	HG15768190	Superior Court of California, Alameda County
Atlas Barnett, LLC	Borderline Operating Corp.	Plaintiff is attempting to foreclose on a mechanic's lien.	Matter has been dormant since it was filed.	1504039	Jack County, TX 271st Judicial District Court

Entity	Counterparty	Nature of the Claim	Status	Case No.	Court and Jurisdiction
Atlas Noble, LLC	Croxton, Beau	Plaintiff alleges breach of contract, damages, intentional interference with contractual or business relations, and breach of obligations to a third party beneficiary, specific performance, reasonable fees and expenses.	Atlas filed a Motion to Stay Proceedings in April, pending the outcome of the Krizman Appeal with the Sixth Circuit Court of Appeals.	2015 CV 04 0234	Tuscarawas County Common Pleas Court, New Philadelphia, OH
Atlas Resources, LLC	Lengauer, Kyle Tina Lengauer; G.L., a minor by Kyle Lengauer and Tina Lengauer, guardians; E.L., a minor by Kyle Lengauer and Tina Lengauer, guardians; and B.L., a minor by Kyle Lengauer and Tina Lengauer, guardians	Plaintiffs allege private temporary nuisance and negligence.	Matter is currently in discovery.	GD13-16920	Allegheny County, PA Court of Common Pleas
Atlas Noble, LLC	Krizman Enterprises, et al.	Defendant alleges breach of contract, substantial performance and/or anticipatory repudiation.	Both parties have filed their briefs in connection with their respective appeals to the Sixth	5:13 CV 01505	US Northern District of Ohio

Entity	Counterparty	Nature of the Claim	Status	Case No.	Court and Jurisdiction
Atlas Resources, LLC	David Headley, Bezjak, Groover, Lavery, Nicklow, and Stronko, et al.	Plaintiffs allege private temporary continuing abatable nuisance and negligence.	Matter is currently in discovery.	GD 13-11271	Allegheny County, PA Court of Common Pleas
Resource Energy, LLC, Atlas Noble, LLC	Dennison Bridge Inc.	Plaintiffs allege private temporary continuing abatable nuisance and negligence.	Matter is currently in discovery.	CVH.2012.0024	Harrison County, OH, Court of Common Pleas
Atlas Resources, LLC and Atlas Noble, LLC	Rachel E. Lawrence as Trustee of the Rachel E. Lawrence Revocable Living Trust, Louis L. Giovannelli, Sally J. Giovannelli, Alvin B. Christofel, Nancy E. Christofel, Robert Krukowski, and Catherine Krukowski, on behalf of themselves and all others similarly situated	Class Action with one remaining claim in which Plaintiffs allege that Atlas failed to properly pay royalties.	Matter is currently in discovery.	GD-10-011904	Allegheny County, PA Court of Common Pleas
Atlas Resources, LLC	Patrick M. Gismondi	Plaintiff alleges claims for trespass and nuisance.	Matter is pending.	2904 of 2006 GD	Fayette County, PA Common Pleas Court
Atlas Resource Partners, LP	William A. Hutto	Plaintiff alleges he was retaliated against for complaining about harassment.	Matter is pending.	450-2014-01444	EEOC Dallas District Office, TX

Entity	Counterparty	Nature of the Claim	Status	Case No.	Court and Jurisdiction
Atlas Resources, LP & Kent D. Lowry	Paul R. Matis	Plaintiff filed an action seeking compensatory damages (limited tort option) under PA Motor Vehicle Financial Responsibility Law.	Matter is currently in discovery.	923-2014	Greene County, Common Pleas Court
Atlas Resources, LLC	Thomas R. Doman, Jr., as Admin. Of the Estate of Rock A. Doman, Deceased	Plaintiff alleges wrongful death.	Atlas is being indemnified by Nomac. Nomac was successful in its motion for summary judgment and the plaintiff appealed the decision. The appeal is currently pending.	GD-09-013573	Allegheny County Court of Common Pleas

**EXHIBIT K**

**The Debtors' Senior Management**

Pursuant to Local Bankruptcy Rule 1007-2(a)(12), the following provides the names of the individuals who constitute the Debtors' existing senior management, their tenure with the Debtors, and a brief summary of their responsibilities and relevant experience as of the Petition Date.

Name / Position	Relevant Experience / Responsibility	Tenure
<p>Edward E. Cohen Executive Chairman</p>	<p>Edward Cohen has been the Executive Chairman of Atlas Resource Partners since August 2015. He has served as the Chief Executive Officer and Executive Vice Chairman of Atlas Energy Group, LLC (the "<u>General Partner</u>") since February 2015. He served as President of the General Partner from February 2015 to April 2015, and before that was Chairman and Chief Executive Officer since February 2012. Mr. Cohen has also served as Chairman of the Board and Chief Executive Officer of the general partner of Atlas Growth Partners, L.P. since its inception in 2013. Mr. Cohen was the Chairman of the Board of Atlas Energy's general partner from its formation in January 2006 until February 2011, when he became its Chief Executive Officer and President until February 2015. He served as the Chief Executive Officer of Atlas Energy's general partner from its formation in January 2006 until February 2009. He served on the executive committee of Atlas Energy's general partner from 2006 until February 2015. Mr. Cohen also was the Chairman of the Board and Chief Executive Officer of Atlas Energy, Inc. (formerly known as Atlas America, Inc.) from its organization in 2000 until February 2011 and also served as its President from September 2000 to October 2009. He was the Executive Chair of the managing board of Atlas Pipeline Partners GP, LLC from its formation in 1999 until February 2015. Mr. Cohen was the Chief Executive Officer of Atlas Pipeline Partners GP, LLC from 1999 to January 2009. He was the Chairman of the Board and Chief Executive Officer of Atlas Energy Resources, LLC and its manager, Atlas Energy Management, Inc. from their formation in June 2006 until February 2011. In addition, Mr. Cohen has been a director of Resource America, Inc. (a publicly-traded specialized asset management company) since 1994. Mr. Cohen has vast experience as a financier, investor and operator in various parts of the country.</p> <p>Mr. Cohen presides over the board meetings of Atlas Resource Partners. He ensures that the meetings run smoothly and in an orderly fashion and works to reach a consensus in board decisions to guide company strategy.</p>	<p>2015-Present</p>

<p>Jonathan Z. Cohen Executive Vice Chairman</p>	<p>Jonathan Cohen has served as the Executive Vice Chairman of Atlas Resource Partners since August 2015. He has served as the Executive Chairman of the Board of the General Partner since February 2015, and before that was Vice Chairman of the General Partner since February 2012. Mr. Cohen has served as the Executive Vice Chairman of the board of the general partner of Atlas Growth Partners, L.P. since its inception in 2013. Mr. Cohen served as Executive Chairman of the Board of Atlas Energy's general partner from January 2012 until February 2015. Before that, he served as Chairman of the Board of Atlas Energy's general partner from February 2011 until January 2012 and as Vice Chairman of the Board of its general partner from its formation in January 2006 until February 2011. Mr. Cohen served as Chairman of the executive committee of Atlas Energy's general partner from 2006 until February 2015. He was the Vice Chairman of the Board of Atlas Energy, Inc. from its incorporation in September 2000 until February 2011. Mr. Cohen was the Executive Vice Chair of the managing board of Atlas Pipeline GP from its formation in 1999 until February 2015. He was the Vice Chairman of the Board of Atlas Energy Resources, LLC and its manager, Atlas Energy Management, Inc. from their formation in June 2006 until February 2011. He has been a senior officer of Resource America, Inc. (a publicly-traded specialized asset management company) since 1998, serving as the Chief Executive Officer since 2004, President since 2003 and a director since 2002. Mr. Cohen has been the Chief Executive Officer, President and a director of Resource Capital Corp. since its formation in 2005. Mr. Cohen has extensive experience as a financier and an investor.</p> <p>Mr. Cohen assists in running the board meetings of Atlas Resource Partners. He also monitors the implementation of the strategies of Atlas Resource Partners.</p>	<p>2015-Present</p>
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<p>Daniel C. Herz Chief Executive Officer</p>	<p>David Herz has served as the Chief Executive Officer of Atlas Resource Partners since August 2015. He has served as President of the General Partner since April 2015. He has served as President and a director of the general partner of Atlas Growth Partners, L.P. since its inception in 2013. He served as Senior Vice President of Corporate Development and Strategy of the General Partner from March 2012 to April 2015. Mr. Herz served as Senior Vice President of Corporate Development and Strategy of Atlas Energy's general partner from February 2011 until February 2015. He was Senior Vice President of Corporate Development of Atlas Pipeline Partners GP, LLC from August 2007 until February 2015. He also was Senior Vice President of Corporate Development of Atlas Energy, Inc. and Atlas Energy Resources, LLC from August 2007 until February 2011. Before that, Mr. Herz was Vice President of Corporate Development of Atlas Energy, Inc. and Atlas Pipeline Partners GP, LLC from December 2004 and of Atlas Energy's general partner from January 2006.</p> <p>Mr. Herz oversees all business and operating units. He also determines overall company objectives, major strategies, and general policies, activities and organization of the company.</p>	<p>2015-Present</p>
<p>Mark D. Schumacher President</p>	<p>Mark Schumacher has served as the President of Atlas Energy Group, LLC since April 2015 and as a Senior Vice President of the General Partner since April 2015. He served as Chief Operating Officer of the General Partner from October 2013 to April 2015. Mr. Schumacher has been the Executive Vice President of Operations of the general partner of Atlas Growth Partners, L.P. since its inception in 2013. He has served as Executive Vice President of Atlas Energy, L.P. from July 2012 to October 2013. From August 2008 to July 2012, Mr. Schumacher served as President of Titan Operating, LLC, which Atlas Energy Group acquired in July 2012. From November 2006 until August 2008, he served as President of Titan Resources, LLC, which built an acreage position in the Barnett Shale that it sold to XTO Energy in October 2008. From February 2005 to November 2006, Mr. Schumacher served as the Team Lead of Encana Oil &amp; Gas (USA) Inc. where he was responsible for Encana's Barnett Shale development. Mr. Schumacher was an engineer with Union Pacific Resources from 1984 to 2000. He has over 29 years of experience in drilling, production and reservoir engineering management, operations and business development in East Texas, Austin Chalk, Barnett Shale, Mid-Continent, the Rockies, the Gulf of Mexico, Latin America and Canada.</p> <p>Mr. Schumacher helps to determine overall company objectives, major strategies, and general policies, activities and organization of the company.</p>	<p>2015-Present</p>

<p>Jeffrey M. Slotterback Chief Financial Officer</p>	<p>Jeffrey Slotterback has served as the Chief Financial Officer of Atlas Energy Group, LLC since September 2015. He has served as Chief Financial Officer of the General Partner since September 2015. He served as the Chief Accounting Officer of the General Partner from March 2012 to October 2015. Mr. Slotterback has also served as the Chief Financial Officer of the general partner of Atlas Growth Partners, L.P. since September 2015 and served as its Chief Accounting Officer from its inception in 2013 to October 2015. Mr. Slotterback served as Chief Accounting Officer of Atlas Energy's general partner from March 2011 until February 2015. He was the Manager of Financial Reporting for Atlas Energy, Inc. from July 2009 until February 2011 and then served as the Manager of Financial Reporting for Atlas Energy GP, LLC from February 2011 until March 2011. Mr. Slotterback served as Manager of Financial Reporting for both Atlas Energy GP, LLC and Atlas Pipeline Partners GP, LLC from May 2007 until July 2009. He was a Senior Auditor at Deloitte and Touche, LLP from 2004 until 2007, where he focused on energy and health care clients. Mr. Slotterback is a Certified Public Accountant.</p> <p>Mr. Slotterback oversees financial activities as well as controller activities, budgets, treasury, tax and investor relations.</p>	<p>2015-Present</p>
<p>Freddie M. Kotek Senior Vice President, Investment Partnership Division</p>	<p>Freddie Kotek has served as the Senior Vice President of the Investment Partnership Division of Atlas Resource Partners since August 2015 and as Senior Vice President of the Investment Partnership Division of the General Partner since March 2012. He has also served as Executive Vice President and a director of the board of directors of the general partner of Atlas Growth Partners, L.P. since its inception in 2013. Mr. Kotek served as Senior Vice President of the Investment Partnership Division of Atlas Energy's general partner from February 2011 until February 2015. He was an Executive Vice President of Atlas Energy, Inc. from February 2004 until February 2011 and served as a director from September 2001 until February 2004. Mr. Kotek was also Chief Financial Officer of Atlas Energy, Inc. from February 2004 until March 2005. Mr. Kotek has been Chairman of Atlas Resources, LLC since September 2001 and Chief Executive Officer and President since January 2002. Mr. Kotek was a Senior Vice President of Resource America, Inc. from 1995 until May 2004 and President of Resource Leasing, Inc. (a wholly owned subsidiary of Resource America, Inc.) from 1995 until May 2004.</p> <p>Mr. Kotek oversees certain tax-advantaged partnerships in which Atlas Resource Partners invests to develop and monetize a portion of their undeveloped natural gas, crude oil and natural gas liquids production activities.</p>	<p>2015-Present</p>

<p>Lisa Washington Vice President Chief Legal Officer Secretary</p>	<p>Lisa Washington has been the Vice President, Chief Legal Officer and Secretary of Atlas Resource Partners since August 2015. She has served as the Senior Vice President of the General Partner since September 2015, the Chief Legal Officer and Secretary of the General Partner since February 2012, and the Vice President of the General Partner from February 2015 to September 2015. Ms. Washington has served as Chief Legal Officer and Secretary of the general partner of Atlas Growth Partners, L.P. since its inception in 2013. She served as Chief Legal Officer and Secretary of Atlas Energy GP, LLC from January 2006 to October 2009, and as Senior Vice President from October 2008 to October 2009, and as Vice President, Chief Legal Officer and Secretary from February 2011 to February 2015. Ms. Washington served as Chief Legal Officer and Secretary of Atlas Pipeline Partners GP, LLC from November 2005 to October 2009, a Senior Vice President from October 2008 to October 2009 and a Vice President from November 2005 until October 2008. Ms. Washington served as Chief Legal Officer and Secretary of Atlas Energy, Inc. from November 2005 until February 2011, a Senior Vice President from October 2008 until February 2011, and a Vice President from November 2005 until October 2008. Ms. Washington served as Chief Legal Officer and Secretary of Atlas Energy Resources, LLC from 2006 until February 2011, a Senior President from July 2008 until February 2011 and a Vice President from 2006 until July 2008. From 1999 to 2005, Ms. Washington was an attorney in the business department of the law firm of Blank Rome LLP.</p> <p>Ms. Washington manages Atlas Resource Partners' in-house attorneys. She is the corporate secretary for the board. She advises the company on a variety of matters, including, but not limited to corporate, litigation and regulatory matters. Ms. Washington is responsible for the efficient administration of legal matters of the company.</p>	<p>2015-Present</p>
<p>Matthew Finkbeiner Chief Accounting Officer</p>	<p>Matthew Finkbeiner has been the Chief Accounting Officer of Atlas Resource Partners since October 2015. He has been the Chief Accounting Officer of the General Partner and the general partner of Atlas Growth Partners, L.P. since October 2015. He has held positions with Deloitte &amp; Touche LLP, including Audit Senior Manager from September 2010 until joining Atlas Resource Partners in October 2015, Audit Manager from September 2007 to September 2010, and Audit Senior/Staff from September 2002 until September 2007. While at Deloitte &amp; Touche LLP, Mr. Finkbeiner managed audits for a diversified base of clients in the oil and gas industry, including master limited partnerships. Mr. Finkbeiner is a Certified Public Accountant.</p> <p>Mr. Finkbeiner oversees all of the accounting functions of Atlas Resource Partners. He ensures that all ledger accounts, financial statements and cost control systems are operating effectively.</p>	<p>2015-Present</p>

<p>Dave Leopold Chief Operating Officer</p>	<p>Dave Leopold has served as the Chief Operating Officer of Atlas Resource Partners since April 2015. He previously served as Senior Vice President of Operations from December 2013 until April 2015 and served as Regional Vice President of Operations from March 2013 to December 2013. Mr. Leopold has been the Vice President of Operations of the general partner of Atlas Growth Partners, L.P. since its inception in 2013. From March 2008 to February 2013, Mr. Leopold was the Operations Manager for Chesapeake Energy in Fort Worth, Texas where he led the Barnett Shale operations team to become the second largest producer in the play. From August 2000 to September 2006, Mr. Leopold held various management positions at Anadarko Petroleum Corporation, most recently serving as Production Engineering Manager over the Austin Chalk, Bossier Shale and what is now known as the Eale Ford Shale. From 1991 to 2000, Mr. Leopold held various engineering and management roles with Union Pacific Resources in Fort Worth, Texas. From 1987 to 1991, he held drilling and reservoir engineering roles with Plains Petroleum Operating Company in Kansas and Colorado.</p> <p>Mr. Leopold oversees and directs exploration and production activities as well as business development, asset development, operations, information technology and environmental, health &amp; and safety.</p>	<p>2013-Present</p>
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**EXHIBIT L<sup>6</sup>**

**Debtors' Payroll for the 30 Day Period Following the Petition Date**

Pursuant to Local Rules 1007-2(b)(1)-(2)(A) and (C), the following provides, for the 30-day period following the Petition Date, the estimated amount of weekly payroll to employees (exclusive of officers, directors, and stockholders), the estimated amount paid and proposed to be paid to officers, stockholders, and directors, and the amount paid or proposed to be paid to financial and business consultants retained by Debtors.

<b>Payments</b>	<b>Payment Amount</b>
Payments to employees (not including officers, directors, and stockholders)	\$2,889,460
Payments to officers, directors, and stockholders	\$142,546
Estimated payments to financial and business consultants	\$125,000

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<sup>6</sup> Other than four executives, the Debtors do not employ any persons to manage or operate their businesses. Instead, non-debtor affiliates provide the personnel responsible for managing and operating the Debtors' business and the Debtors fund the payroll for such personnel. The Debtors have pre-funded the payments to employees and payments to officers listed herein.

**EXHIBIT M**

**Debtors' Estimated Cash Receipts and Disbursements for the Thirty-Day Period Following the Filing of the Chapter 11 Petitions**

Pursuant to Local Rule 1007-2(b)(3), the following provides, for the 30-day period following the Petition Date, the Debtors' estimated cash receipts and disbursements, net cash gain or loss, and obligations and receivables expected to accrue that remain unpaid, other than professional fees.

<b>Type</b>	<b>Amount</b>
Cash Receipts	\$68,352,000
Cash Disbursements	\$44,131,000
Net Cash Loss	\$24,222,000
Unpaid Obligations (excluding professional fees)	N/A
Unpaid Receivables (excluding professional fees)	N/A