

ENTERED

September 27, 2021

Nathan Ochsner, Clerk

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re: CHESAPEAKE ENERGY CORPORATION, <i>et al.</i> , ¹ <div style="text-align: right;">Reorganized Debtors.</div>	§ § § § § § §	Chapter 11 Case No. 20-33233 (DRJ) (Jointly Administered)
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**STIPULATION AND AGREED ORDER
REGARDING LARCHMONT RESOURCES, LLC'S PROOFS OF CLAIM
NOS. 12507, 12566, 12573, 12584, 12591, 12612, 12617, 12625 & 12638
(Docket No. 3927)**

The above-captioned reorganized debtors (before the Effective Date² of the Plan, the “Debtors,” and after the Effective Date of the Plan, the “Reorganized Debtors”) and Larchmont Resources, LLC (“Larchmont” or “Claimant,” and together with the Debtors or Reorganized Debtors, as applicable, the “Parties”) hereby enter into this stipulation and agreed order (this “Stipulation and Agreed Order”) as follows:

WHEREAS, the Debtors and Larchmont had an oil and gas contractual and operational relationship between each other where Debtors operated numerous wells in which Larchmont held working interests and from which certain disputes arose wherein Larchmont asserted claims for, *inter alia*, non-payment of well revenue, erroneously reversed well revenue payments, missing

¹ A complete list of each of the Reorganized Debtors in these chapter 11 cases may be obtained on the website of the Reorganized Debtors’ claims and noticing agent at <https://dm.epiq11.com/chesapeake>. The location of Reorganized Debtor Chesapeake Energy Corporation’s principal place of business and the Reorganized Debtors’ service address in these chapter 11 cases is 6100 North Western Avenue, Oklahoma City, Oklahoma 73118.

² All terms used but not otherwise defined herein have the meanings ascribed to them in the *Fifth Amended Joint Chapter 11 Plan of Reorganization of Chesapeake Energy Corporation and Its Debtor Affiliates* [Docket No. 2915, Ex. A] (the “Plan”).

well revenue payments and for repayment of joint interest billing payments on wells where Larchmont's working interests was reassigned to a third party ("Disputes");

WHEREAS, on June 28, 2020, the Debtors filed voluntary petitions for relief under title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court");

WHEREAS, on August 13, 2020, the Bankruptcy Court entered the *Order (I) Setting Bar Dates For Filing Proofs of Claim, Including Requests For Payment Under Section 503(b)(9), (II) Establishing Amended Schedules Bar Date and Rejection Damages Bar Date, (III) Approving the Form of and Manner For Filing Proofs of Claim, Including Section 503(b)(9) Requests, (IV) Approving Notice of Bar Dates, and (V) Granting Related Relief* [Docket No. 787];

WHEREAS, on or before November 30, 2020, and as a result of these Disputes and an Arbitration Award related thereto, Larchmont timely filed the following proofs of claim (collectively, the "Larchmont Claims");

(1) Claim Nos. 12612, 12617 and 12625 against Chesapeake Energy Corporation, Chesapeake Exploration, L.L.C., and Chesapeake Louisiana, L.P., respectively, each in the unsecured amount of \$80,689.00 for non-payment of well revenue;

(2) Claim Nos. 12566 and 12573 against Chesapeake Exploration, L.L.C. and Chesapeake Energy Corporation, each in the unsecured amount of \$217,143.00 for erroneously reversed well revenue payments;

(3) Claim Nos. 12507 against Chesapeake Energy Corporation in the unsecured amount of \$41,382.00 for repayment of joint interest billing payments on wells where Larchmont's working interests was reassigned to a third party;

(4) Claim Nos. 12584 and 12591 against Chesapeake Exploration, L.L.C. and Chesapeake Energy Corporation, each in the unsecured amount of \$644,118.61 related to missing well revenue payments; and

(5) Claim No. 12638 against Chesapeake Energy Corporation in the unsecured amount of \$35,948.00 related to well insurance overcharges;

WHEREAS Larchmont agrees that the following Larchmont Claims are duplicative and are entitled to be disallowed: Larchmont Claim Nos. 12617, 12625, 12573, and 12591, as set forth herein;

WHEREAS Larchmont has been provided sufficient information such that it has agreed to withdraw Larchmont Claim No. 12638 in the amount of \$35,948.00 for well insurance overcharges, as set forth herein;

WHEREAS Larchmont asserts that Larchmont Claim Nos. 12612, 12566, 12584 and 12507 are good and valid claims but has agreed with Reorganized Debtors that such claims should be reduced and Allowed in the amount set forth below;

WHEREAS, on January 16, 2021, the Bankruptcy Court entered the *Order Confirming Fifth Amended Joint Chapter 11 Plan of Reorganization of Chesapeake Energy Corporation and Its Debtor Affiliates* [Docket No. 2915] (the “Confirmation Order”) confirming the Plan;

WHEREAS, the Claimant and the Debtors have consensually agreed, after good faith, arm’s-length negotiations, to resolve these Disputes, as well as Larchmont’s related Claims set forth above on the terms set forth in this Stipulation and Agreed Order.

NOW, THEREFORE, IT IS STIPULATED AND AGREED as follows:

1. The following Larchmont Claims are duplicative and shall be disallowed in full: Larchmont Claim Nos. 12617, 12625, 12573, and 12591.

2. In full and final satisfaction of Larchmont Claim Nos. 12612, 12566, 12584 and 12507, the Reorganized Debtors shall reduce and Allow each such Larchmont Claim as an Allowed General Unsecured Claim, as such term is defined in the Plan, in the amount of set forth below, and such Allowed General Unsecured Claims shall be treated in accordance with the terms of the Plan:

<u>Claim No.</u>	<u>Debtor Name</u>	<u>Claimant Name</u>	<u>Amount</u>	<u>Reason</u>	<u>Reduced and Allowed</u>
Pending					
12612	Chesapeake Energy Corporation	Larchmont Resources, LLC	\$80,689.00	Non-payment of well revenue	\$56,482.30
12566	Chesapeake Energy Corporation	Larchmont Resources, LLC	\$217,143.00	Erroneously reversed well revenue payments	\$152,000.10
12584	Chesapeake Energy Corporation	Larchmont Resources, LLC	\$644,118.61	Missing well revenue payments	\$450,883.03
12507	Chesapeake Energy Corporation	Larchmont Resources, LLC	\$41,382.00	Payments made on wells where working interest was	\$28,967.40
		Total:	\$983,332.61		\$688,332.83

3. Larchmont Claim No. 12638 in the amount of \$35,948.00 for well insurance overcharges is hereby withdrawn.

4. Epiq Corporate Restructuring, LLC is hereby authorized and directed to update the Larchmont Claims on the Official Claims Register to reflect the terms of this Stipulation and Agreed Order.

5. Nothing in this Stipulation and Agreed Order shall be interpreted to impair in any way the rights, claims or defenses reserved under the Plan with regard to or on behalf of the Reorganized Debtors, except to the extent inconsistent with the terms of the Stipulation and Agreed Order.

Signed: September 27, 2021.



DAVID R. JONES
UNITED STATES BANKRUPTCY JUDGE

STIPULATED AND AGREED TO THIS 28TH DAY OF JULY, 2021:

By: /s/ Matthew D. Cavanaugh

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