

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

	)		
In re:	)	Chapter 11	
	)		
EXTRACTION OIL & GAS, INC., <i>et al.</i> , <sup>1</sup>	)	Case No. 20-11548 (CSS)	
	)		
Reorganized Debtors.	)	(Jointly Administered)	
	)		
	)	Hearing Date: August 9, 2021 @ 11:00 a.m. (ET)	
	)	Response Deadline: July 22, 2021 @ 4:00 p.m. (ET)	

**REORGANIZED DEBTORS’ OBJECTION  
TO PROOF OF CLAIM NO. 485 FILED BY JENNIFER AND NORMAN CARTER**

**THIS IS AN OBJECTION TO YOUR CLAIM. THE OBJECTING PARTY IS ASKING THE COURT TO DISALLOW THE CLAIM THAT YOU FILED IN THESE BANKRUPTCY CASES. YOU SHOULD IMMEDIATELY CONTACT THE OBJECTING PARTY TO RESOLVE THE DISPUTE. IF YOU DO NOT REACH AN AGREEMENT, YOU MUST FILE A RESPONSE TO THIS OBJECTION AND SEND A COPY OF YOUR RESPONSE TO THE OBJECTING PARTY. YOUR RESPONSE MUST STATE WHY THE OBJECTION IS NOT VALID.**

**A HEARING WILL BE CONDUCTED ON THIS MATTER ON AUGUST 9, 2021 AT 11:00 A.M. PREVAILING EASTERN TIME**

**REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.**

The above-captioned reorganized debtors (the “Reorganized Debtors”) hereby object to Proof of Claim No. 485 (the “Proof of Claim”) filed by Jennifer and Norman Carter (“the Carters”). A true and correct copy of the Proof of Claim is attached as **Exhibit A**. In support of this objection, the Reorganized Debtors rely upon the declaration of Allyson Boies (the “Boies Declaration”) attached as **Exhibit B**. In further support, the Reorganized Debtors respectfully represent as follows:

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<sup>1</sup> The Reorganized Debtors in these chapter 11 cases, along with the last four digits of each Reorganized Debtor’s federal tax identification number, are: Extraction Oil & Gas, Inc. (3923); 7N, LLC (4912); 8 North, LLC (0904); Axis Exploration, LLC (8170); Extraction Finance Corp. (7117); Mountaintop Minerals, LLC (7256); Northwest Corridor Holdings, LLC (9353); Table Mountain Resources, LLC (5070); XOG Services, LLC (6915); and XTR Midstream, LLC (5624). The location of the Reorganized Debtors’ principal place of business is 370 17th Street, Suite 5200, Denver, Colorado 80202.



**PRELIMINARY STATEMENT**

1. In the Proof of Claim, the Carters assert a general unsecured claim arising from the sale of certain net mineral acres (“NMAs”) to Principal Energy LLC (“Principal”). The Proof of Claim should be disallowed and expunged. The Reorganized Debtors are not obligated to compensate the Carters for the missed opportunity to sell their NMAs. Further, payment of the Proof of Claim would result in a windfall for the Carters as they are still the current owners of the NMAs at issue.

**JURISDICTION AND VENUE**

2. The United States Bankruptcy Court for the District of Delaware (the “Court”) has jurisdiction over this matter under 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. The Reorganized Debtors confirm their consent, pursuant to Rule 7008 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Local Rules”), to the entry of a final order by the Court in connection with this objection to the extent it is later determined that the Court, absent party consent, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

3. Venue is proper under 28 U.S.C. §§ 1408 and 1409.

4. The bases for the relief requested herein are sections 105(a) and 502(b) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”), Bankruptcy Rules 3003 and 3007, and Bankruptcy Local Rule 3007-1.

**FACTUAL BACKGROUND**

**I. THE CARTERS' NET MINERAL ACRES**

5. On June 14, 2020, Extraction Oil & Gas, Inc. ("Extraction") and its affiliated debtors filed voluntary petitions for relief under the Bankruptcy Code. *See* Voluntary Petition [Docket No. 1] at 1.

6. The Carters own certain NMAs in Denver, Colorado. *See* Proof of Claim.

7. On or about June 9, 2014, Extraction and the Carters (the "Parties") entered into a lease where the Carters would lease the mineral rights of 10.428 NMAs, more or less, to Extraction. *See* Oil and Gas Lease, dated June 9, 2014 (the "First Lease").

8. On October 15, 2018, Extraction made an offer to lease the Carters' mineral interests in approximately 8.534 acres more or less.

9. On or about November 8, 2018, the Parties entered into a lease substantially similar to the First Lease for the same 10.428 NMAs, more or less. Oil and Gas Lease, dated November 8, 2018 (the "Second Lease" and together with the First Lease, the "Lease").

10. Unbeknownst to Extraction, the Carters had entered into negotiations with Principle to purchase the Carters' NMAs.

11. On information and belief, in connection with the negotiations with Principle to purchase the Carters' NMAs, Principle raised issues with Carters' title to 0.93 of NMAs.

12. The Carters eventually entered into an agreement with Principle to sell Principle 9.5175 NMAs at a price of \$14,130 per NMA for a total purchase price of \$134,482.28 (the "Sale Agreement"). *See* Proof of Claim.

13. Principle did not purchase the Carters' disputed amount of 0.93 NMAs.

14. On information and belief, in order to clear up title issues, the Carters eventually obtained quitclaim deeds for the disputed amount of 0.93 NMAs.

15. The Carters have filed the Proof of Claim, asserting that Extraction’s “activities” have rendered the 0.93 NMAs worthless and asserting a claim in the amount of \$13,140.90—the price the Carters assert that Principle would have been willing to pay for the 0.93 NMAs owned by the Carters. However, the Carters fail to specify or disclose what activities of Extraction have allegedly rendered the 0.93 NMAs worthless.

**RELIEF REQUESTED**

16. The Reorganized Debtors request that the Court enter the Proposed Order attached as **Exhibit C**, (i) sustaining the objection to the Proof of Claim, (ii) disallowing and expunging the Proof of Claim for all purposes, and (iii) authorizing the Reorganized Debtors’ Court-appointed claims and noticing agent to reflect the disallowance and expungement of the Proof of Claim on the official Claims Register.

**BASIS FOR OBJECTION**

17. The Carters’ Proof of Claim is unenforceable and should be disallowed and expunged for two reasons. *First*, the Proof of Claim requests compensation for the sale of NMAs that were not included in the Lease and Extraction is not obligated to “step into the shoes” of Principle and compensate the Carters as if the acquisition (to which Extraction was not a party) had occurred. Moreover, the Proof of Claim fails to specify or disclose what activities of Extraction allegedly clouded the title on or otherwise rendered the 0.93 NMAs worthless. *Second*, the Carters are still the owners of the NMAs that they did not sell to Principle and are free to sell their NMAs to any willing buyer. If the Proof of Claim is allowed, the Carters will receive a distribution under the Plan that compensates them as if a sale of the NMAs has occurred but will still retain ownership of the NMAs, effectively granting the Carters a windfall.

## I. LEGAL STANDARD

18. “Not all claims have equal merit; neither will the filing of a proof of claim automatically result in payment of that claim from the estate.” *Torres v. Asset Acceptance, LLC*, 96 F. Supp. 3d 541, 544 (E.D. Pa. 2015). Instead, once “a proof of claim has been filed, the court must determine whether the claim is ‘allowed’ under [section] 502(a) of the Bankruptcy Code.” *Id.* (quoting *Travelers Cas. & Sur. Co. of Am. v. Pac. Gas & Elec. Co.*, 549 U.S. 443, 449 (2007)). “Upon objection, the bankruptcy court decides whether to allow or disallow the claim.” *Id.* “One reason for disallowance is that ‘such claim is unenforceable against the debtor . . . under any agreement or applicable law.’” *Id.* (quoting 11 U.S.C. § 502(b)(1)).

## II. ARGUMENT.

19. The Carters do not assert in the Proof of Claim that Extraction intentionally interfered with the Carters’ sale of NMAs to Principle (or even that Extraction knew about the Carters’ negotiations with Principle at all). Instead, the Carters assert the Proof of Claim to effectively force Extraction to “step into the shoes” of Principle and pay the price that Principle and the Carters agreed to pursuant to the Sale Agreement, including for NMAs that were not included in the Lease.<sup>2</sup> However, Extraction did not dispute ownership of the Carters’ NMAs, never initiated any quiet title action nor took any other actions against the Carters’ NMAs. Accordingly, Extraction is not at fault for the Carters failure to sell the 0.93 NMAs to Principle. Extraction is not obligated to compensate the Carters for the missed opportunity to sell their NMAs and, even if Extraction was, the Carters offer no evidence that such a price was reasonable or still is reasonable, given that the Sale Agreement was executed over two years ago.

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<sup>2</sup> The Carters owned approximately 10.4475 NMAs and leased 10.428 NMAs to Extraction. The Carters sold 9.5175 NMAs to Principle. The Proof of Claim requests compensation for .93 of NMAs that were not sold to Principle—i.e., the Proof of Claim requests compensation for .02 NMAs that were not included in the Lease.

20. Further, the Carters still retain ownership of the NMAs and, accordingly, are free to find another buyer to purchase the NMAs and compensate the Carters accordingly for such a sale. If the Proof of Claim were to be allowed, the Carters would effectively receive the proceeds of the sale of the NMAs *and* still retain the ability to sell the NMAs in the future. As such, if the Carters decided to sell their remaining NMAs after recovering payment from Extraction, they would effectively be compensated twice for the sale of the same NMAs. If the Carters elect to keep the NMAs, they will retain ownership of their property while receiving compensation from the Proof of Claim for the sale of such property. Payment of the Proof of Claim would grant the Carters a windfall on account of their NMAs and, accordingly, the Proof of Claim should be disallowed and expunged.

#### **RESERVATION OF RIGHTS**

21. The Reorganized Debtors reserve the right to amend, modify, or supplement this objection upon response from any interested party.

#### **NOTICE**

22. Notice of the hearing on the relief requested in this objection will be provided by the Reorganized Debtors in accordance and compliance with Bankruptcy Rules 4001 and 9014, as well as the Bankruptcy Local Rules, and is sufficient under the circumstances. Without limiting the foregoing, due notice will be afforded by first-class mail to parties-in-interest, including: (a) the U.S. Trustee for the District of Delaware; (b) the administrative agent under the Reorganized Debtors' prepetition senior credit facility or, in lieu thereof, counsel thereto; (c) the lenders under the Reorganized Debtors' prepetition senior credit facility or, in lieu thereof, counsel thereto; (d) the indenture trustee for the Reorganized Debtors' prepetition senior notes or, in lieu thereof, counsel thereto; (e) the holders of the Reorganized Debtors' prepetition senior notes or, in lieu thereof, counsel thereto; (f) the ad hoc group of holders of the Reorganized Debtors' preferred

equity or, in lieu thereof, counsel thereto; (g) the United States Attorney's Office for the District of Delaware; (h) the Internal Revenue Service; (i) the United States Securities and Exchange Commission; (j) the state attorneys general for states in which the Reorganized Debtors conduct business; (k) the Carters; and (l) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Reorganized Debtors believe, in light of the relief requested, no other or further notice is needed.

**CONCLUSION**

23. The Carters are not entitled to the the amount requested in the Proof of Claim, and allowance of the Proof of Claim would effectively grant the Carters the proceeds of the sale of the NMAs while allowing the Carters to retain ownership of the NMAs. For the reasons stated, the Reorganized Debtors respectfully request that the Court disallow and expunge the Proof of Claim.

Dated: July 8, 2021  
Wilmington, Delaware

*/s/ Stephen B. Gerald*

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**WHITEFORD, TAYLOR & PRESTON LLC<sup>3</sup>**

Marc R. Abrams (DE No. 955)  
Richard W. Riley (DE No. 4052)  
Stephen B. Gerald (DE No. 5857)  
The Renaissance Centre  
405 North King Street, Suite 500  
Wilmington, Delaware 19801  
Telephone: (302) 353-4144  
Facsimile: (302) 661-7950  
Email: mabrams@wtplaw.com  
riley@wtplaw.com  
sgerald@wtplaw.com

*Co-Counsel to Reorganized Debtors*

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<sup>3</sup> Whiteford, Taylor & Preston LLC operates as Whiteford Taylor & Preston L.L.P. in jurisdictions outside of Delaware.

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

In re:	)	
	)	Chapter 11
	)	
EXTRACTION OIL & GAS, INC., <i>et al.</i> , <sup>1</sup>	)	Case No. 20-11548 (CSS)
	)	
Reorganized Debtors.	)	(Jointly Administered)
	)	
	)	Hearing Date: August 9, 2021 @ 11:00 a.m. (ET)
	)	Response Deadline: July 22, 2021 @ 4:00 p.m. (ET)

**NOTICE OF REORGANIZED DEBTORS’ OBJECTION  
TO PROOF OF CLAIM NO. 485 FILED BY JENNIFER AND NORMAN CARTER**

TO: Jennifer and Norman Carter  
524 East County Road 8  
Berthoud, CO 80513

**PLEASE TAKE NOTICE** that the Reorganized Debtors have filed the **Reorganized Debtors’ Objection to Proof of Claim No. 485 Filed by Jennifer and Norman Carter** (the “Objection”) with the United States Bankruptcy Court for the District of Delaware (the “Court”). The Objection seeks to alter your rights by disallowing and expunging your claim.

**PLEASE TAKE FURTHER NOTICE** that you are required to file a response to the Objection on or before **July 22, 2021 at 4:00 p.m. (ET)** with the Clerk of the Bankruptcy Court for the District of Delaware, 824 Market Street, 3<sup>rd</sup> Floor, Wilmington, Delaware 19801. At the same time, you must also serve a copy of the response upon the undersigned counsel for the Reorganized Debtors.

**PLEASE TAKE FURTHER NOTICE THAT IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED BY THE OBJECTION WITHOUT FURTHER NOTICE OR HEARING.**

**PLEASE TAKE FURTHER NOTICE, IF A RESPONSE IS FILED, A HEARING (THE “HEARING”) ON THE OBJECTION WILL BE HELD ON AUGUST 9, 2021 AT 11:00 A.M. (ET) BEFORE THE HONORABLE CHRISTOPHER S. SONTCHI, UNITED STATES BANKRUPTCY JUDGE, UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT**

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<sup>1</sup> The Reorganized Debtors in these chapter 11 cases, along with the last four digits of each Reorganized Debtor’s federal tax identification number, are: Extraction Oil & Gas, Inc. (3923); 7N, LLC (4912); 8 North, LLC (0904); Axis Exploration, LLC (8170); Extraction Finance Corp. (7117); Mountaintop Minerals, LLC (7256); Northwest Corridor Holdings, LLC (9353); Table Mountain Resources, LLC (5070); XOG Services, LLC (6915); and XTR Midstream, LLC (5624). The location of the Reorganized Debtors’ principal place of business is 370 17th Street, Suite 5200, Denver, Colorado 80202.



OF DELAWARE, 824 NORTH MARKET STREET, 5<sup>TH</sup> FLOOR, COURTROOM NO. 6, WILMINGTON, DELAWARE 19801.

**PLEASE TAKE FURTHER NOTICE THAT IF YOU FILE A RESPONSE TO THE OBJECTION, YOU SHOULD BE PREPARED TO ARGUE THAT RESPONSE AT THE HEARING. YOU NEED NOT APPEAR AT THE HEARING IF YOU DO NOT OBJECT TO THE RELIEF REQUESTED.**

**PLEASE TAKE FURTHER NOTICE THAT THE HEARING MAY BE CONTINUED FROM TIME TO TIME UPON WRITTEN NOTICE TO YOU OR AS DECLARED ORALLY AT THE HEARING.**

Dated: July 8, 2021  
Wilmington, Delaware

*/s/ Stephen B. Gerald*

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**WHITEFORD, TAYLOR & PRESTON LLC<sup>2</sup>**

Marc R. Abrams (DE No. 955)  
Richard W. Riley (DE No. 4052)  
Stephen B. Gerald (DE No. 5857)  
The Renaissance Centre  
405 North King Street, Suite 500  
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Telephone: (302) 353-4144  
Facsimile: (302) 661-7950  
Email: mabrams@wtplaw.com  
riley@wtplaw.com  
sgerald@wtplaw.com

*Co-Counsel to Reorganized Debtors*

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<sup>2</sup> Whiteford, Taylor & Preston LLC operates as Whiteford Taylor & Preston L.L.P. in jurisdictions outside of Delaware.

**Exhibit A**

**(Proof of Claim)**

**Fill in this information to identify the case:**

Debtor Extraction Oil & Gas, Inc.

United States Bankruptcy Court for the: \_\_\_\_\_ District of Delaware  
 (State)

Case number 20-11548

**Official Form 410  
 Proof of Claim**

04/19

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

**Part 1: Identify the Claim**

1. **Who is the current creditor?** Jennifer and Norman Carter  
 Name of the current creditor (the person or entity to be paid for this claim)  
 Other names the creditor used with the debtor \_\_\_\_\_

2. **Has this claim been acquired from someone else?**  No  
 Yes. From whom? \_\_\_\_\_

3. **Where should notices and payments to the creditor be sent?**

Where should notices to the creditor be sent?	Where should payments to the creditor be sent? (if different)
<u>Jennifer and Norman Carter</u> <u>524 East County Road 8</u> <u>Berthoud, CO 80513, United States</u>	
Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)  Contact phone <u>9705673421</u> Contact email <u>greg.carter@homemail.com</u>	Contact phone _____ Contact email _____
Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____	

4. **Does this claim amend one already filed?**  No  
 Yes. Claim number on court claims registry (if known) \_\_\_\_\_ Filed on \_\_\_\_\_  
 MM / DD / YYYY

5. **Do you know if anyone else has filed a proof of claim for this claim?**  No  
 Yes. Who made the earlier filing? \_\_\_\_\_



**Part 2: Give Information About the Claim as of the Date the Case Was Filed**

6. Do you have any number you use to identify the debtor?  No  
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: \_\_\_\_ \_

7. How much is the claim? \$ 13,140.90. Does this amount include interest or other charges?  
 No  
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.  
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).  
 Limit disclosing information that is entitled to privacy, such as health care information.  
  
See summary page

9. Is all or part of the claim secured?  No  
 Yes. The claim is secured by a lien on property.  
**Nature or property:**  
 Real estate: If the claim is secured by the debtor's principle residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.  
 Motor vehicle  
 Other. Describe: \_\_\_\_\_  
  
**Basis for perfection:** \_\_\_\_\_  
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)  
  
**Value of property:** \$ \_\_\_\_\_  
**Amount of the claim that is secured:** \$ \_\_\_\_\_  
**Amount of the claim that is unsecured:** \$ \_\_\_\_\_ (The sum of the secured and unsecured amount should match the amount in line 7.)  
  
**Amount necessary to cure any default as of the date of the petition:** \$ \_\_\_\_\_  
  
**Annual Interest Rate** (when case was filed) \_\_\_\_\_ %  
 Fixed  
 Variable

10. Is this claim based on a lease?  No  
 Yes. Amount necessary to cure any default as of the date of the petition. \$ \_\_\_\_\_

11. Is this claim subject to a right of setoff?  No  
 Yes. Identify the property: \_\_\_\_\_



12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check all that apply:

	Amount entitled to priority
<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	\$ _____
<input type="checkbox"/> Up to \$3,025* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$13,650*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
<input type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies.	\$ _____

\* Amounts are subject to adjustment on 4/01/22 and every 3 years after that for cases begun on or after the date of adjustment.

13. Is all or part of the claim pursuant to 11 U.S.C. § 503(b)(9)?

No

Yes. Indicate the amount of your claim arising from the value of any goods received by the debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim.

\$ \_\_\_\_\_

**Part 3: Sign Below**

**The person completing this proof of claim must sign and date it. FRBP 9011(b).**

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

**A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.**

*Check the appropriate box:*

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

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

Executed on date 08/09/2020  
MM / DD / YYYY

/s/Norman M. Carter, Jr.  
Signature

**Print the name of the person who is completing and signing this claim:**

Name Norman M. Carter, Jr.  
First name Middle name Last name

Title \_\_\_\_\_

Company \_\_\_\_\_  
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address \_\_\_\_\_

Contact phone \_\_\_\_\_ Email \_\_\_\_\_



Case 20-11548-CSS Doc 1974-2 Filed 07/08/21 Page 5 of 7  
**KCC ePOC Electronic Claim Filing Summary**

For phone assistance: Domestic (866) 571-1791 | International (781) 575-2049

<b>Debtor:</b> 20-11548 - Extraction Oil & Gas, Inc. <b>District:</b> District of Delaware		
<b>Creditor:</b> Jennifer and Norman Carter 524 East County Road 8  Berthoud, CO, 80513 United States <b>Phone:</b> 9705673421 <b>Phone 2:</b>  <b>Fax:</b>  <b>Email:</b> greg.carter@homemail.com	<b>Has Supporting Documentation:</b> Yes, supporting documentation successfully uploaded <b>Related Document Statement:</b>	
	<b>Has Related Claim:</b> No <b>Related Claim Filed By:</b>	
	<b>Filing Party:</b> Creditor	
<b>Other Names Used with Debtor:</b>	<b>Amends Claim:</b> No <b>Acquired Claim:</b> No	
<b>Basis of Claim:</b> 0.93 NMA which XOGs activities have rendered worthless when 9.517 adjacent NMA sold for 134,428.28	<b>Last 4 Digits:</b> No	<b>Uniform Claim Identifier:</b>
<b>Total Amount of Claim:</b> 13,140.90	<b>Includes Interest or Charges:</b> No	
<b>Has Priority Claim:</b> No	<b>Priority Under:</b>	
<b>Has Secured Claim:</b> No <b>Amount of 503(b)(9):</b> No <b>Based on Lease:</b> No <b>Subject to Right of Setoff:</b> No	<b>Nature of Secured Amount:</b> <b>Value of Property:</b> <b>Annual Interest Rate:</b> <b>Arrearage Amount:</b> <b>Basis for Perfection:</b> <b>Amount Unsecured:</b>	
<b>Submitted By:</b> Norman M. Carter, Jr. on 09-Aug-2020 5:14:12 p.m. Eastern Time <b>Title:</b> <b>Company:</b>		



January 30, 2019

## Memorandum of Title Verification Findings - Carter

### Legal Description

#### Township 4 North, Range 69 West, 6th P.M.

**Section 13:** That portion of the SW/4 of said section which is more particularly described in that certain Warranty Deed recorded under Reception No. 19970020283 of the records of the Larimer County Clerk and Recorder, Colorado, **LESS AND EXCEPT** any portion thereof which lies within the boundaries of the lands described in a Sheriff's Deed recorded at Book 839, Page 154 of the records of the Larimer County Clerk and Recorder, Colorado

### Ownership

- **Gross Acres** – 9.5175
- **NMA** – 9.5175
- **Net Revenue Interest** – 20%\* (*subject to your clients' execution of the Affidavit of Non-Payment discussed below*)

### Identified Lien(s)

- **Reception No. 20140056075** - Deed of Trust dated 8/30/2014, securing a line of credit with a \$225,000 max, with a maturity date of 9/1/2024. *Elaine McClure has been contact with you about this instrument.*

### Curative / Misc. Items

- 1) **Release of Identified Lien** – We either need to get a partial release of this, or we'll need this line of credit to be fully paid off and confirmation from the bank that the account is closed.
- 2) **Affidavit of Non-Payment** – The prior lease the Carters signed in June 2014 (*recorded at Rec. No. 20140033241 and again with Lessee's signature at Rec. No. 20140041974*) had a 3 year primary with a 2 year option. Because there is no release of record and, further, because the Larimer County fails to substantiate that Extraction never exercised and paid this option from, we'll need an Affidavit of Non-Payment from the Carters in which they aver that the option payment set out in Paragraph 17 was never paid to them. We'd also request that they aver that they never saw the operator begin any work to prepare drilling the Enright wells on or before June 9, 2017 (the final day of the original 3 year primary term).



January 30, 2019

- 3) **Division Orders** – Please check to see if your client has received any DO’s from Extraction. If so, please forward them our way.
- 4) **Contract for Sale** – Not a hard requirement, but we’d like a copy of the Contract for Sale from your clients’ original purchase of the property in 1997, if your clients still have a copy in their possession. It will help cure a defect our counsel spotted with the Power of Attorney associated with the parties who sold them the property.

**Final Purchase Price**

<b>Total Purchase Price*:</b>	\$134,482.28
- <b><u>Down Payment:</u></b>	<u>\$ 5,000.00</u>
<b>Remaining Balance:</b>	\$129,482.28

*\*Purchase Price Calculation = (9.5175 NMA) x (\$14,130/ NMA) x (1.0 Net Revenue Multiplier)*  
*= \$134,482.28*



**Exhibit B**

**(Declaration of Allyson Boies)**

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

	)	
In re:	)	Chapter 11
EXTRACTION OIL & GAS, INC., <i>et al.</i> , <sup>1</sup>	)	Case No. 20-11548 (CSS)
	)	
Reorganized Debtors.	)	(Jointly Administered)
	)	
	)	

**DECLARATION OF ALLYSON BOIES IN SUPPORT OF REORGANIZED  
DEBTORS’ OBJECTION TO PROOF OF CLAIM NO. 485 FILED BY JENNIFER  
AND NORMAN CARTER**

Allyson Boies, née Vistica, pursuant to 28 U.S.C. § 1746 hereby declares as follows:

1. I am over eighteen years of age, of sound mind, and otherwise competent to make this Declaration. The evidence set out in this Declaration is based on my personal knowledge.

2. I am authorized to submit this declaration (the “Declaration”) in support of the Reorganized Debtors’ Objection to Proof of Claim No. 485 Filed by Jennifer and Norman Carter (the “Objection”). All matters set forth in this Declaration are based on: (a) my personal knowledge; (b) my review of relevant documents or the review by other personnel or representatives of the Reorganized Debtors of such documents; (c) my view, based on my experience and knowledge of the Reorganized Debtors and the Reorganized Debtors’ operations, books and records, and personnel; (d) information supplied to me by the Reorganized Debtors and by others at the Reorganized Debtors’ request; or (e) as to matters involving United States

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<sup>1</sup> The Reorganized Debtors in these chapter 11 cases, along with the last four digits of each Reorganized Debtor’s federal tax identification number, are: Extraction Oil & Gas, Inc. (3923); 7N, LLC (4912); 8 North, LLC (0904); Axis Exploration, LLC (8170); Extraction Finance Corp. (7117); Mountaintop Minerals, LLC (7256); Northwest Corridor Holdings, LLC (9353); Table Mountain Resources, LLC (5070); XOG Services, LLC (6915); and XTR Midstream, LLC (5624). The location of the Reorganized Debtors’ principal place of business is 370 17th Street, Suite 5200, Denver, Colorado 80202.

bankruptcy law or rules or other applicable laws, my reliance on the advice of counsel or other advisors to the Reorganized Debtors. If called upon to testify, I could and would testify competently to the facts set forth herein.

3. I was, at all relevant times, a Land Manager with Extraction Oil and Gas, Inc. (“Extraction”). In 2019, I became Vice President of Land at Extraction. I submit this Declaration in support of the Reorganized Debtors’ Objection to Proof of Claim No. 485 Filed by Jennifer and Norman Carter. In my capacity as Land Manager, I was heavily involved in the negotiations between Extraction and Jennifer and Norman Carter (the “Carters”) concerning the Carters’ lease of certain net mineral acres (“NMAs”) to Extraction and the allegation by the Carters regarding the actual amount of NMAs owned by the Carters.

4. On or about June 9, 2014, Extraction and the Carters (the “Parties”) entered into a lease where the Carters would lease the mineral rights of 10.428 NMAs to Extraction. *See* Oil and Gas Lease, dated June 9, 2014 (the “First Lease”).

5. On October 15, 2018, Extraction made an offer to lease the Carters’ mineral interests in approximately 8.534 acres more or less.

6. On or about November 8, 2018, the Parties entered into a lease substantially similar to the First Lease for the same 10.428 NMAs, more or less. *See* Oil and Gas Lease, dated November 8, 2018 (the “Second Lease” and together with the First Lease, the “Lease”).

7. I have reviewed the proof of claim filed by the Carters.

8. I have also reviewed the Objection<sup>2</sup> and am directly, or by and through other personnel or representatives of the Reorganized Debtors, familiar with the information contained therein.

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<sup>2</sup> All capitalized terms used but otherwise not defined herein shall have the meanings set forth in the Objection.

9. The information contained in the Objection is true and correct to the best of my knowledge.

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

Executed on July 8, 2021.

/s/ Allyson Boies  
Allyson Boies

**Exhibit C**

**(Proposed Form of Order)**



the Objection and at the hearing establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Reorganized Debtors' Objection is SUSTAINED.
2. Proof of Claim No. 485 filed by Jennifer and Norman Carter is disallowed and expunged for all purposes.
3. The Court-appointed claims agent is authorized to, and shall, reflect the disallowance and expungement of the aforesaid Proof of Claim No. 485 on the Official Claims Register.
4. This Court shall retain jurisdiction with respect to all matters arising from or relating to the implementation of this Order.