



ENTERED
01/18/2018

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

In re: § Case Number 15-50120
Thomas A. Lamont, §
Debtor(s). § (Chapter 11)

**ORDER (I) GRANTING FINAL APPROVAL OF DISCLOSURE STATEMENT AND
(II) CONFIRMING THE THIRD AMENDED UNIFORM INDIVIDUAL CHAPTER 11
PLAN OF REORGANIZATION FOR THOMAS A. LAMONT UNDER CHAPTER 11 OF
THE BANKRUPTCY CODE**

On January 16, 2018, the Court conducted a combined hearing (“Combined Hearing”) to consider confirmation of the *Third Amended Uniform Individual Chapter 11 Plan of Reorganization for Thomas A. Lamont under Chapter 11 of the United States Bankruptcy Code* [Docket No. 84] (as modified, amended, or supplemented from time to time, the “Plan”)¹, attached hereto in final form as **Exhibit A**, and filed by Thomas A. Lamont (the “Debtor”). Based on the evidence presented, the arguments and representations of counsel, and the entire record in this Chapter 11 Case, the Court makes the following findings of fact and conclusions of law in accordance with Federal Rule of Bankruptcy Procedure 7052.²

FINDINGS OF FACT

A. On August 14, 2015 (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) commencing the above captioned case (the “Chapter 11 Case”).

B. An official committee of unsecured creditors was not appointed in this Chapter 11

¹ Capitalized terms not defined herein shall have the meaning ascribed to them in the Plan.

² Each finding of fact set forth or incorporated herein, to the extent it is or may be deemed a conclusion of law, shall also constitute a conclusion of law. Each conclusion of law set forth or incorporated herein, to the extent it is or may be deemed a finding of fact, shall also constitute a finding of fact.

Case.

C. On May 6, 2016, the Plan and a ballot (the “Solicitation Package”) was served on all holders of Impaired Classes.

D. On November 6, 2017, the Debtor filed the Plan with technical modifications and its *Notice of Filing Plan with Technical Modifications* [Docket No. 160]. The Court commenced the confirmation hearing on November 6, 2017 and set a status conference in December. After the status conference, the Court set a hearing for January 18, 2018 at 2:30 p.m. On January 17, 2018, the Debtor filed Notice of Filing Plan with Second Technical Modifications [Docket No. 172], which have been agreed to by all the primary creditors of the Debtor including JOB. Pursuant to Bankruptcy Code § 1127 and Bankruptcy Rule 3019, all of the modifications and amendments to the Plan constitute non-material modifications, do not adversely change the treatment of the Claim or Interest of any Holder, and they are, therefore: (a) approved by the Court without the necessity for any further notice or balloting, (b) incorporated into the Plan and this Confirmation Order by reference herein as if fully set forth at length therein, and (c) deemed accepted by all Holders of Claims and Interests who have accepted the Plan and/or who are bound by the terms of the Plan.

E. Solicitation of the Plan was adequate and complied with the Bankruptcy Code, the Bankruptcy Rules, and applicable non-bankruptcy law.

F. The deadline for returning ballots was April 7, 2017 unless extended by agreement. On November 6, 2017, the Debtor filed the Declaration of Eric Terry, Debtor’s Counsel Regarding Solicitation of Votes and Tabulation of Ballots Cast on the Plan [Docket No. 158]. The only objections were made by Vaquillas Energy Lopeno, Ltd., LLP and JOB Energy Partners II, Ltd. (collectively, “JOB”). Based on the Second Technical Modifications to the Plan, JOB is voting for the Plan.

G. On January 18, 2018, this Court conducted the Combined Hearing to consider final

approval of the Disclosure Statement and confirmation of the Plan. Adequate and sufficient notice of the Combined Hearing was given in compliance with the Bankruptcy Rules, and no other or further notice is or shall be required. All parties in interest had a full and fair opportunity to appear and be heard at the Combined Hearing and no other or further notice is or shall be required.

H. At the Combined Hearing, the Court approved the Disclosure Statement and confirmed the Plan.

I. The Court's oral findings of fact on the record at the Combined Hearing are incorporated herein by reference in their entirety.

CONCLUSIONS OF LAW

A. Jurisdiction and Venue

1. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(L). This matter arises under the Bankruptcy Code, and jurisdiction is vested in this Court to enter a final order by virtue of 28 U.S.C. § 1334, 28 U.S.C. §§ 157(a) and (b)(2), and the Standing Order of Reference in this District. Venue is proper under 28 U.S.C. §§ 1408 and 1409. This Court enters these findings of fact and conclusions of law pursuant to Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") 7052, 9014, and 9019.

B. Approval of the Disclosure Statement

2. The information contained in the Disclosure Statement and presented at the Combined Hearing, along with the record in this Chapter 11 Case provides adequate information as defined in Bankruptcy Code § 1125(a) and required under Bankruptcy Code § 1126(b).

3. The notice of the filing of the Chapter 11 Case, the Proof of Claim Bar Date, the Combined Hearing, the Plan, and the Disclosure Statement was appropriate under all the circumstances and complied with the applicable provisions of the Bankruptcy Code and the

Bankruptcy Rules. The opportunity for a hearing on these matters was adequate under the circumstances. All parties required to be given notice of the Combined Hearing have been given due, proper, timely, and adequate notice in accordance with the orders of this Court and in compliance with the Bankruptcy Code, the Bankruptcy Rules and the Local Rules, and any applicable non-bankruptcy law, rule and regulation, and such parties have had an opportunity to appear and be heard with respect thereto.

4. Pursuant to Bankruptcy Code § 1125(g) and Bankruptcy Rule 3017(b), the Disclosure Statement is **APPROVED**.

C. Confirmation of the Plan

5. The Plan complies with the applicable provisions of the Bankruptcy Code, as required by Bankruptcy Code § 1129(a)(1) thereof, including Bankruptcy Code §§ 1122 and 1123, and meets all of the applicable requirements of Bankruptcy Code § 1129(a) and (b), and should be approved.

6. The Plan is therefore **CONFIRMED** in its entirety under Bankruptcy Code § 1129, and all of the terms and conditions contained in the Plan, are **APPROVED**. The terms of the Plan are incorporated herein by reference into, and are an integral part of, this Confirmation Order.

7. The classification of Claims and Interests contained in the Plan is reasonable and appropriate and complies with Bankruptcy Code § 1122.

8. The Debtor has complied with the applicable provisions of the Bankruptcy Code and Bankruptcy Rules as required by Bankruptcy Code § 1129(a)(2).

9. The Plan has been proposed in good faith and not by any means forbidden by law as required by Bankruptcy Code § 1129(a)(3).

10. The payments referenced in Bankruptcy Code § 1129(a)(4) have been approved by or remain subject to the approval of the Court as reasonable.

11. The Plan complies with Bankruptcy Code § 1129(a)(5).
12. The Plan does not provide for a “rate change” as contemplated by Bankruptcy Code § 1129(a)(6), and such provision therefore does not prohibit confirmation of the Plan.
13. As required by Bankruptcy Code § 1129(a)(7), with respect to each Impaired Class, each Holder of a Claim or Interest of such Class has either accepted the Plan or will receive or retain under the Plan, on account of such Claim or Interest, property of a value, as of the Effective Date, that is not less than the amount such Holder would so receive or retain if the Debtor was liquidated in a Chapter 7 proceeding.
14. Bankruptcy Code § 1129(a)(8) is satisfied.
15. The Holders of Allowed Claims of the type identified in Bankruptcy Code § 1129(a)(9) shall receive the treatment required to be provided by such section under the Plan.
16. Bankruptcy Code § 1129(a)(10) is satisfied.
17. The information in the Disclosure Statement and the evidence proffered or adduced at the Confirmation Hearing: (i) is reasonable, persuasive, credible and accurate; (ii) utilizes reasonable and appropriate methodologies and assumptions; and (iii) has not been controverted by other evidence. Confirmation and consummation of the Plan is not likely to be followed by the need for further financial reorganization of the Debtor or any successor of the Debtor under the Plan, and accordingly, the Plan complies with 11 U.S.C. § 1129(a)(11).
18. All fees payable under 28 U.S.C. § 1930 have been paid or have payment provided for as required by Bankruptcy Code § 1129(a)(12).
19. Bankruptcy Code §§ 1129(a)(13), (14) and (16) are not implicated by the Plan.
20. Section 1129(a)(15) is satisfied.
21. The principal purpose of the Plan is not the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act of 1933.

22. The Debtor is authorized to implement the Plan in accordance with its terms and conditions.

23. All objections to confirmation of the Plan or approval of the Disclosure Statement not withdrawn or otherwise resolved at or before the Confirmation Hearing are expressly overruled.

D. Effects of Confirmation of the Plan

24. As to all claims that arose against the Debtor or his assets prior to the date of this order, except as explicitly provided otherwise in the Plan, the automatic stay in 11 U.S.C. § 362 shall remain in effect until payments on the Plan are completed or the case is closed or dismissed but, absent an order of extension, in no event later than the date five years from the date of entry of the confirmation order.

E. Transfer of Causes of Action and Assets

25. Unless a cause of action of the Debtor (including the right to object to any Claim asserted against the estate) is expressly waived, relinquished, released, assigned, compromised, or settled in the Plan, or in a Final Order, all rights of the Debtor's estate and/or the Reorganized Debtor from and after the Effective Date with respect to causes of action are expressly preserved for the benefit of, assigned to, and fully vested in, the Debtor's estate for the benefit of the creditors as stated in the Plan.

F. Miscellaneous Confirmation Provisions

26. The failure to include specifically any particular provision of the Plan in this Confirmation Order will not diminish the effectiveness of such provision nor constitute a waiver thereof, it being the intent that the Plan is confirmed in its entirety.

27. Each of the settlements identified or referenced in the Plan, including without


limitation in part 6 Class 2 of the Plan and the settlement with the Bankruptcy Estate of LOG Energy Exploration stated in part 6 6 Class 5. The settlements are in the best interests of the Debtor, the Reorganized Debtor, the Liquidating Trustee, and the Estate, and each such settlement is fair, equitable, and reasonable. Therefore, each of the foregoing settlements is hereby approved and shall be binding on the Debtor, the Reorganized Debtor, the Liquidating Trustee, and all creditors of the Debtor and/or the Reorganized Debtor.

28. The fourteen-day stay under Bankruptcy Rule 3020(e) is waived and this Confirmation Order shall become effective immediately upon its entry. The period in which an appeal with respect to this Confirmation Order must be filed shall commence immediately upon the entry of this Confirmation Order.

29. In the event of a conflict between the terms of this Confirmation Order, the Plan, and/or any other supporting document, the provisions of this Confirmation Order shall control.

30. Notwithstanding the entry of this Confirmation Order, prior to the Effective Date the Debtor may modify the Plan consistent with 11 U.S.C. § 1127(b). Notwithstanding the entry of this Confirmation Order or the occurrence of the Effective Date, the Bankruptcy Court, even after the Chapter 11 Case has been closed, shall retain jurisdiction over all matters arising under, arising in, or relating to the Chapter 11 Case pursuant to Bankruptcy Code § 1142 and 28 U.S.C. § 1334 to the fullest extent permitted by the Bankruptcy Code and other applicable law.

SIGNED January 18, 2018.



THE HONORABLE DAVID E. JONES
UNITED STATES BANKRUPTCY JUDGE

Submitted by:

Eric Terry Law PLLC
Eric Terry

3511 Broadway
San Antonio, TX 78209
Phone: 210-468-8274
Fax: 210-319-5447
Email: eric@ericterrylaw.com
ATTORNEY FOR THE DEBTOR-IN-POSSESSION

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

In re:	§	Case Number
	§	15-50120
Thomas A. Lamont,	§	(Chapter 11)
Debtor(s).	§	

THIRD AMENDED UNIFORM INDIVIDUAL CHAPTER 11
PLAN OF REORGANIZATION
AND DISCLOSURE STATEMENT OF THOMAS A. LAMONT *WITH SECOND
TECHNICAL MODIFICATIONS*

NOTICE: THIS DISCLOSURE STATEMENT HAS BEEN *CONDITIONALLY* APPROVED BY THE BANKRUPTCY COURT FOR USE IN THE SOLICITATION OF ACCEPTANCES OF THE DEBTOR'S PLAN OF REORGANIZATION. THE DISCLOSURE STATEMENT CONTAINS IMPORTANT INFORMATION THAT MAY BEAR UPON YOUR DECISION TO ACCEPT OR REJECT THE PLAN PROPOSED BY THE DEBTOR. PLEASE READ THIS DOCUMENT WITH CARE.

Thomas A. Lamont ("Debtor") files this Plan of Reorganization and Disclosure Statement with Technical Modification. The Debtor is seeking to repay his debts over time pursuant to the terms of his Plan of Reorganization, and to establish a Creditors' Trust under the supervision of a Liquidating Trustee to facilitate such effort. As required by the Bankruptcy Code, the Plan classifies claims and interests in various classes according to their right to priority of payments as provided in the Bankruptcy Code. The Plan states whether each class of claims or interests is impaired or unimpaired. The Plan provides the treatment each class will receive under the Plan. This Plan supersedes and replaces all prior plans filed in this case, and contains technical modifications which the Debtor believes are in the best interest of the Debtor's estate and creditors and do not materially adversely affect the treatment of any creditor that has not or will not accept the Plan.

The Court has not yet confirmed the Plan. In other words, the terms of the Plan are not yet binding on anyone. If the Court later confirms the Plan, then the Plan will be binding on the Debtor and on all creditors and interest holders in this case.

The Debtor represents that everything in this document is true to the best of his knowledge. **READ THIS DOCUMENT CAREFULLY IF YOU WANT TO KNOW:**

- Who can vote or object.
- The treatment of your claim is (*i.e.*, what your claim will receive if the plan is confirmed).
- The history of the debtor and significant events during the bankruptcy.

- How the court will decide whether to confirm the plan.
- The effect of plan confirmation.
- Whether this plan is feasible.

1. Background

The Debtor filed a voluntary petition on August 14, 2015 that commenced this chapter 11 bankruptcy case. The filing of the petition constituted an order for bankruptcy relief under § 301 of the Bankruptcy Code. Upon the filing of the case, an automatic stay was imposed pursuant to § 362(a) of the Bankruptcy Code. The automatic stay prohibits most collection activities against the Debtor and his property. There are certain exceptions set forth in § 362(b) of the Bankruptcy Code.

The first date scheduled for the meeting of creditors under § 341(a) of the Bankruptcy Code was October 13, 2015. The meeting took place as scheduled and was concluded on that date.

When the Debtor filed this bankruptcy case, all of his property (including his spouse's interest in any community property) became property of his bankruptcy estate. The Debtor was allowed to claim that certain property should be treated as exempt property and excluded from the bankruptcy estate. On August 28, 2015, the Debtor filed his list of claimed exempt property. Federal Rule of Bankruptcy Procedure 4003(b) requires that all objections to the claimed exemptions be filed not later than 30 days after the conclusion of the § 341 meeting of creditors. No timely objections to exemptions were filed. Accordingly, the exemptions have been allowed.

The following bankruptcy case is related to this bankruptcy case.

Case Name	Case Number	Date Filed	Nature of Relationship
L.O.G. Energy Exploration, Ltd.	13-50114	6/14/13	Limited partner

2. Description of Assets

The Debtor filed schedules of all of his assets and liabilities on August 28, 2015. Complete copies of the schedules are available from the Clerk of the Court. The primary assets of the bankruptcy estate, the Debtor's estimated values and associated liens are:

Description of Asset	Estimated Fair Market Value	Amount of Debt Secured by Liens Against this Asset	Amount Claimed Exempt	Value Available to Estate	Basis of Estimate of Value
Condominium ¹	\$544,869.00	\$544,869.00	0	\$ 0.00	Tax appraisal
20% undivided interest in Lamont Family Enterprises LLC ²	\$0	0	0	\$ 0.00	Minority interest in entity holding land
Equity in Hal's entities ³	\$0	\$0	0	\$ 0	See filed B26
TOTAL				\$ 0	

The Debtor has identified the following lawsuits that may be filed by him.

X Lawsuits arising under non-bankruptcy law:

Potential Defendant	Description of claim	Amount of Claim	Describe Whether Debtor Intends to Pursue Lawsuit and, if not, Why
Ricochet Energy, Inc.; Jerry Hamblin; and Ray Galloway---- Cause No 2008-CVF-000665-D2, <i>Thomas A. Lamont, et al v Jerry L. Hamblin, et al</i> , in the 49 th Judicial District Court, Webb County, Texas (the "Ricochet Lawsuit")	Breach of Contract, Breach of Fiduciary Duties, Negligent Misrepresentations, Statutory and Common Law Fraud, and Declaratory Relief	Debtor's 60% portion of recovery. The total amount of recovery is estimated to be in excess of \$15,000,000.00 ⁴	Debtor intends to pursue and has engaged special counsel.

3. Events Leading Up to Bankruptcy

¹ With regard to the Condominium, there will be no value available for unsecured creditors because the debt of the lien holders in in excess of the value of the Condominium. The Debtor's interest in the Condominium is a community property interest.

² The Debtor asserts that this asset has no value because it is a minority interest in a LLC. The LLC holds certain land. Certain of the land was sold on or about 2/16. The Debtor's interest in the proceeds of the sale of this land has been deposited in the dip account and will be available to creditors as demonstrated in the forecast.

³ Texas Community Bank foreclosed on this asset on January 2, 2018.

⁴ The Liquidating Trustee may not agree with this assessment.

The Debtor filed bankruptcy after the following events made him determine that bankruptcy was the best course of action for himself and his creditors. 1. The judgment obtained by JOB Energy Partners II Ltd. and Vaquillas Energy Lopeno (collectively, "Vaquillas") was affirmed by the state appellate court and the Texas Supreme Court denied review. 2. Vaquillas began collection activity against the Debtor. 3. The Debtor wanted to protect the Ricochet Lawsuit for the benefit of all of his creditors. 4. The Debtor wanted to commit to pay his creditors their pro rata share of his disposable income over five (5) years.

4. Sources of Income

See filed Statement of Financial Affairs for past sources of income. The Debtor has no income at this time based on the foreclosure of the Hal's entities. The Debtor is currently looking for employment.

5. Description of Reorganization

The Debtor intends to reorganize his finances through a combination of the following:

A. The Liquidating Trustee either surrendering or selling the following collateral to eliminate the obligation to repay secured indebtedness.

Lender	Description of Collateral	Total Debt secured by Collateral
Compass Bank	Condominium	\$238,000.00 ⁵

The Debtor has an agreement with Compass Bank as described below.

B. The Liquidating Trustee selling the following assets:

Description of Asset	Forecast Net Proceeds from Sale	Forecast Date of Sale
Condominium ⁶	\$544,869.00	Six (6) months from Effective Date

C. Ricochet Lawsuit

Tom Lamont ("Lamont") and Jerry Hamblin ("Hamblin") were the founding shareholders of Ricochet Energy, Inc. ("Ricochet"), an oil and gas exploration and production company with operations primarily located in South Texas. In 2006, Lamont and Hamblin decided to go their separate ways and divide all of their mutual business interests. Effective December 31, 2006,

⁵ Plus the indebtedness out to Vaquillas and JOB secured by the abstracts of judgments liens.

⁶ Vaquillas and JOB have judgment liens against the condominium and would be paid any excess proceeds after payment of any senior lien indebtedness.

Lamont and Hamblin entered into a Master Agreement to Sell, Transfer, Assign and/or Dissolve Certain Business Interests (the "Master Agreement").

In the Master Agreement, Hamblin warranted that he had fully disclosed certain matters to Lamont. Hamblin and Ray Galloway ("Galloway"), Ricochet's in-house counsel, both executed Disclosure Statements dated February 15, 2007, wherein they represented and warranted that the "identification of the 'Undeveloped Prospects' as set forth in Exhibit 'A-4' to the Master Agreement was a true, correct, complete and accurate listing of all such 'Undeveloped Prospects' in accordance with Sections 1.08 and 3.02d of the Master Agreement."

Hamblin and Galloway failed to disclose all of the unleased prospects which were identified and targeted by Ricochet during the six months prior to the Effective Date of the Master Agreement, resulting in damages to Lamont in excess of \$15,000,000.00 dollars. Prospects that were not disclosed as required by the Master Agreement included, but are not limited to, (1) the Robert Meeks prospect; (2) the Holt Prospect; (3) the Carriere-Henderson Prospect; and (4) other unnamed Prospect. Lamont sued Ricochet, Hamblin and Galloway for Breach of Contract, Breach of Fiduciary Duties, Negligent Misrepresentations, Statutory and Common Law Fraud and for Declaratory Relief.

The Defendants filed counter-claims for Mis-appropriation of Trade Secrets, Conversion, Tortious Interference with Existing Contracts, Civil Conspiracy and Aiding & Abetting. Both Plaintiff and Defendants seek actual and exemplary damages.

Debtor has a claim for 60% of the proceeds from any recovery (after expenses) from the Ricochet Lawsuit ("Ricochet Claim"). With this plan and as provided in the Creditors' Trust created hereunder, the Debtor assigns the Ricochet Claim for the benefit of his creditors treated pursuant to this Plan up to the full value of their respective Allowed claims. To the extent Allowed Claims are paid in full, if ever, the remaining proceeds from the Ricochet Lawsuit, if any, shall be remitted to the Debtor. On February 11, 2016, Lamont amended his schedules to clarify that Chendo Carranco holds an interest/claim in the proceeds from the recovery from the Ricochet Lawsuit. Chendo Carranco has agreed to subordinate his interest/claim to the claims by Vaquillas Energy Lopeno, Ltd., JOB and other unsecured creditors, and will not receive any distribution until such claims are paid in full, if ever. To the extent Allowed Claims are paid in full, the Debtor may enter into an agreement to share his proceeds with Chendo Carranco.

6. Classification and Treatment of Claims

The following is the classification and treatment of claims under this plan (Note: This chart does not include payments that may be received by creditors from liquidation of all of the Debtor's non-exempt assets by the Liquidating Trustee in the Creditors Trust created hereunder):

Class #	Description of Class	Impaired or Unimpaired	Total Amount of Claims Forecast to be in this Class	Terms of Repayment, including security, if any, and abandonment of collateral, if any (See Section 5 for a More Complete Description of any Abandonments)	Total payable in Months 1-12	Total payable in Months 13-24	Total payable in Months 25-36	Total payable in Months 37-48	Total payable in Months 49-60
1	Allowed Secured Claims	Unimpaired		See below	0	0	0	0	0
2	Allowed Secured Claims on Condominium	Impaired	\$544,869.00	See below	\$0				
4	Allowed Priority Unsecured Non-Tax Claims	Unimpaired	0	See below	0	0	0	0	0
5	Allowed General Unsecured Claims ⁷	Impaired	Approx. \$10.3 million	See below	0	Unknown	Unknown	Unknown	Unknown
	Administrative Claims			See below	Unknown	Unknown			
TOTALS					\$ Unknown	\$ Unknown	\$ Unknown	\$ Unknown	\$ Unknown

Class 1 – UNIMPAIRED - At the Liquidating Trustee’s option, on the Effective Date (a) the Plan may leave unaltered the legal, equitable, and contractual rights of the holder of an Allowed Secured Claim, or (b) the Debtors may pay the Allowed Secured Claim in full, in cash, on the later of the Effective Date or the Allowance Date, or (c) the Liquidating Trustee may deliver to the holder of an Allowed Secured Claim the property securing such Claim, or (d) the Liquidating Trustee may pay an Allowed Secured Claim in such manner as may be agreed to by the holder of such Claim.

Class 2 – IMPAIRED. Compass Bank d/b/a BBVA Compass (“Compass”) shall be deemed to have an Allowed Secured Claim in the amount of \$243,620.23, which includes \$243,027.88 in principal, \$592.35 in interest, and \$0 in fees and expenses, and Compass shall be deemed to have valid, duly perfected, first priority security title to, and a valid, duly perfected, first priority lien and security interest on and in, the Condominium. Notwithstanding anything to the contrary herein or in any order of the Bankruptcy Court, the Promissory Note, Deed of Trust, and all other documents, instruments or agreements evidencing the Allowed Secured Claim of Compass

⁷ This includes the claims of Vaquillas and JOBS, which has also been determined by final judgment of the Court to be non-dischargeable.

(collectively, the “Compass Loan Documents”) shall remain in full force in and effect. Additionally, Vaquillas and JOB have filed abstracts of judgment lien against the Condominium and all of the Debtor’s real property.

With respect to the Condominium, (i) within 30 days after confirmation of this Plan, the Liquidating Trustee shall hire a broker approved by Compass to list the Condominium for sale at a price approved by Compass; (ii) a sale of the Condominium at a price and upon terms acceptable to Compass shall be approved by the Bankruptcy Court and closed within 180 days after entry of an order confirming this Plan or such later date as Compass and the Liquidating Trustee may agree to in writing in their discretion (the “Sale Period”); (iii) if a sale of the Condominium is not approved and closed within the Sale Period, Compass shall be deemed to have been granted relief from the automatic stay, if applicable, and any injunction included in this Plan or any order of the Bankruptcy Court, and shall be permitted without further order of the Bankruptcy Court to proceed with foreclosure of its Deed of Trust in accordance with the terms of the Deed of Trust and applicable Texas state law; (iv) Compass shall be authorized to inspect and/or appraise the Condominium at any time following confirmation of this Plan, and the Liquidating Trustee shall reasonably accommodate any such request; (v) Compass shall have an Allowed General Unsecured Claim for the deficiency, if any, following the sale or foreclosure sale of the Condominium; (vi) the Liquidating Trustee shall not be required to make regular monthly payments of principal and interest coming due under the Compass Loan Documents during the Sale Period, but the Liquidating Trustee shall comply with all other terms and conditions set forth in the Compass Loan Documents (including, without limitation, the obligations to insure the Condominium against loss or damage and to pay when due all ad valorem real property taxes owed with respect to the Condominium), and interest shall continue to accrue during the Sale Period at the non-default interest rate set forth in the Compass Loan Documents, and (vii) upon the occurrence of any default or Event of Default under (and as defined in) the Compass Loan Documents (other than a payment default arising by virtue of the Debtor’s non-payment of principal and interest during the Sale Period), Compass shall be authorized to exercise any and all of its rights and remedies pursuant to the Compass Loan Documents and applicable law, including, without limitation, foreclosure rights and the right to impose the default rate of interest . The proceeds of any sale of the Condominium shall be applied in the following order: (a) commissions owed to any broker engaged by the Debtor with Compass’s approval, (b) the Debtor’s attorneys’ fees and expenses incurred solely with respect to (i) the filing and prosecution of a motion to approve a Compass-approved sale of the Condominium, and (ii) the closing of any such sale, (c) the full payment of Compass’s Allowed Secured Claim, including interest accruing after confirmation, (d) the full payment of any creditors holding a lien on or security interest in the Condominium, in the priority of their respective security interests, (e) ratably to the Allowed Administrative Claims until they are paid in full, and (f) ratably to the Allowed General Unsecured Claims. The Debtor shall file a motion to sell with the Court with notice to all parties and opportunity to object. The Court shall retain jurisdiction to consider/approve/deny such motion and sale

Class 2A – Impaired – All holders of Claims with liens that are junior to the lien of Compass (including Vaquillas and JOB) shall be paid as described above after the sale of the Condominium in the priority of their respective security interest.

Class 4 – UNIMPAIRED - Each holder of an Allowed Priority Unsecured Non-Tax Claim shall be paid in full within 10 days of the Effective Date or such date as is mutually agreed upon by the holder of such claim.

Class 5 – IMPAIRED Holders of Allowed General Unsecured Claims shall each receive their pro rata share after payment of allowed administrative expenses from (i) the Debtor’s disposable income over 5 years; plus (ii) the Debtor’s share of proceeds recovered from the Ricochet Lawsuit; plus (iv) an interest in the Creditors’ Trust created under this Plan created for the purposes of facilitating the forgoing distributions.

Only holders of claims that are “impaired” have the right to vote to accept or reject the plan. If a claim is not marked as impaired, it will be paid in accordance with the pre-petition contract that governs the claim. If there is a discrepancy between the payments reflected in the above chart and the pre-petition contract, the pre-petition contract will control.

The forecast claims in this class are the amount of claims that the Debtor believes will ultimately be **allowed** by the Court. The following claims either have been made or are expected to be made and are disputed. However, the Debtor has reached a settlement with respect to this claim, and pursuant to a Stipulation to be entered into the record at the confirmation hearing, the below claim shall be allowed solely as an unsecured claim against the Debtor in the amount of \$1,750,000 and the Bankruptcy Estate of L.O.G. Energy Exploration shall not have a claim against any other entity and any lawsuit shall be dismissed. This claim is dischargeable to the extent Lamont fulfills his obligations under this Plan and receives a discharge subject to the claim of Vaquillas and JOB which is nondischargeable.

Class	Holder of Claim	Amount of Claim Asserted by Holder	Amount of Claim Agreed by	Description of Dispute
	Bankruptcy Estate of L.O.G. Energy Exploration Ltd.	Approx. \$3,000,000.00		Fraudulent Transfers

The Debtor is not aware of any present disputes over any other claim. Unless otherwise specified in the following paragraph, payments shall be made monthly, on the first day of each month.

7. Payment of Administrative Claims

Administrative claims are the claims allowed under § 503(b) of the Bankruptcy Code for administration of this bankruptcy case. These claims will be paid in cash on the Effective Date of the plan, unless a written agreement to the contrary is made with the holder of any such allowed claim.

The Court must approve all professional fees listed in this table. Professionals must file and serve a properly noticed fee application and the Court must rule on the application. Only the amount of fees allowed by the Court will be required to be paid under this plan.

The following are the estimated administrative claims:

Claimant	Nature of Claim	Amount Claimed by Claimant	Amount Forecast to be Paid by the Debtor	Total payable in Months 1-12	Total payable in Months 13-24	Total payable in Months 25-36	Total payable in Months 37-48	Total payable in Months 49-60
Eric Terry Law PLLC	Professional Fees	Estimate: \$85,657.51	Interim Paid \$40,657.51 Estimate Remaining \$45,000.00	\$27,180	\$17,820 ⁸	0	0	0
Cuellar Morales Gonzalez & Co.	Professional Fees	\$6525.00	Interim paid \$3825.00 Estimate remaining \$2700.00 Total \$6525.00	\$2,700	0	0	0	0
				\$ Unknown	\$Unknown	\$ 0.00	\$ 0.00	\$ 0.00

8. Payment of Priority, Unsecured Tax Claims of Governmental Units

Pre-petition claims held by governmental units of the type described in § 507(a)(8) of the Bankruptcy Code will be paid in full, with interest at an annual rate of ____% (or such other rate as noted below), in equal monthly installments over a period beginning 30 days after the Effective Date of the plan and ending five years after the date of the filing of the petition. Notwithstanding the foregoing treatment, any holder of a § 507(a)(8) claim may file a written election to be treated on the same basis as any nonpriority unsecured claim. Any such election must be filed in writing not later than 14 days after entry of the order confirming the plan.

The debt owed by the Debtor to the IRS is a non-dischargeable debt, except as otherwise provided for in the Bankruptcy Code, and if the Debtor defaults, the IRS is not subject to the provisions of the Bankruptcy Code so that the IRS can take whatever actions are necessary to collect said debt in the event of default; any federal tax liens survive the plan confirmation, a bankruptcy discharge, and dismissal of the case. The liens continue to be enforceable against all of the debtor=s property under federal law.

A failure by the Debtor to make a payment to the IRS pursuant to the terms of the plan shall be an event of default, and as to the IRS, there is an event of default if payment is not received by the 15th day of each month. If there is a default, the IRS must send written demand for payment, and

⁸ If the Chapter 11 plan is confirmed, Eric Terry Law PLLC has agreed to be paid over time from the liquidation of the non-exempt assets. Eric Terry Law PLLC reserves its rights with respect to its administrative status as non-exempt assets are liquidated.

said payment must be received by the IRS within 15 days of the date of the demand letter. The debtor can receive up to three notices of default from the IRS; however, on the third notice of default from the IRS, said third notice cannot be cured, and the IRS may accelerate its allowed claim(s), past and future, and declare the outstanding amount of such claim(s) to be immediately due and owing, and pursue any and all available state and federal rights and remedies. These default provisions pertain to the entire claim(s) of the IRS, secured, unsecured priority, and unsecured general.

The IRS is bound by the provisions of the confirmed plan and is barred under 11 U.S.C. ' 1141 from taking any collection actions against the debtors for prepetition claims during the duration of the plan (provided there is no default as to the IRS). The period of limitations on collection remains suspended under 26 U.S.C. ' 6503(h) for the tax periods being paid under the plan and terminates on the earlier of (1) all required payments to the IRS having been made; or (2) 30 days after the date of the demand letter (described above) for which the debtor failed to cure the default.

9. Forecasts

The Debtor has no regular income (other than the below) as of the date of this filing. If the Debtor obtains employment, he will devote his disposable income to the plan based on the forecasts of expenses and on the provisions of the plan (NOTE: THIS FORECAST DOES NOT INCLUDE AVAILABE CASH IN THE CREDITORS TRUST RELATED TO THE DISPOSITION OF THE TRUST ASSETS BY THE LIQUIDATING TRUSTEE, AND THEREFORE UNDERSTATES WHAT CREDITORS ARE LIKELY TO RECEIVE UNDER THIS PLAN):

	Months 1-12	Months 13-24	Months 25-36	Months 37-48	Months 49-60
Beginning cash balance	\$3,060.00	\$Unknown	\$Unknown	\$Unknown	\$Unknown
Income from Employment	\$0	0	0	0	0
Gross Income from operation of business	0	0	0	0	0
Income from sale of assets	0	0	0	0	0
Retirement/social security income	0	0	0	0	0
Domestic support received	0	0	0	0	0
Rental income	0	0	0	0	0
Other income	1,500 plus 7,461 (2015 and 2015 Tax Refund)	1,400.00	1,300.00	1,200.00	1,100.00
TOTAL INCOME	\$Unknown	\$Unknown	\$Unknown	\$Unknown	\$Unknown

	Months 1-12	Months 13-24	Months 25-36	Months 37-48	Months 49-60
Taxes on income	Unknown	Unknown	Unknown	Unknown	Unknown
Property taxes	12,173.28	12,173.28	12,173.28	12,173.28	12,173.28
Insurance	10,445.96	10,415.96	10,415.96	10,415.96	10,415.96
Household expenses	20,424.00	20,424.00	20,424.00	20,424.00	20,424.00
Charitable contributions	2,400	2,400	2,400	2,400	2,400
Business expenses	0	0	0	0	0
Transportation expenses	2,400	2,400	2,400	2,400	2,400
Medical and dental	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00
Domestic support payments	0	0	0	0	0
Recreation and entertainment	960.00	960.00	960.00	960.00	960.00
Other expenditures (specify)	\$0	0	0	0	0
TOTAL EXPENDITURES	\$Unknown	\$ Unknown	\$Unknown	\$Unknown	\$ Unknown
NET CASH FLOW THIS PERIOD	\$Unknown	\$ Unknown	\$Unknown	\$Unknown	\$ Unknown
Payments Pursuant to Plan	\$Unknown	\$Unknown	\$Unknown	\$Unknown	\$ Unknown
Cash Flow this Period after Plan Payments	\$Unknown	\$Unknown	\$Unknown	\$Unknown	\$ Unknown
Ending Cash balance	\$Unknown	\$Unknown	Unknown	\$Unknown	\$ Unknown

Monthly reports have been filed showing actual income and expenses during the period of the bankruptcy case. These forecasts vary from the monthly reports for the reasons described in the following narrative.

These forecasts vary from the monthly reports primarily because the Debtor intends to sell the the Condominium and the Debtor no longer has employment.

10. Disposable Income Test

If an unsecured creditor objects to confirmation, the plan can be confirmed only if it provides for (x) a 100% distribution to creditors; and (y) a distribution to creditors that is of a value of not less than the debtor's projected disposable income to be received during the longer of (i) the 5-year period beginning on the date that the first payment is due under the plan; or (ii) the term of the plan. Disposable income is the difference between income and necessary expenses.

Notwithstanding any provision in this plan to the contrary, the Debtor commits to make payments of a value not less than required by the preceding paragraph.

11. Cramdown and Absolute Priority Rule

If a class of creditors does not accept the plan, the Debtor will seek to obtain confirmation through the cramdown provisions of § 1129(b). This means that the plan must be fair and equitable to the class that does not accept the plan. The definition of whether the plan is fair and equitable may be found in § 1129(b) of the Bankruptcy Code.

The balance of this section only applies if a class of unsecured claims does not accept the plan. In that instance, the Debtor seeks confirmation of the plan pursuant to § 1129(b). The Absolute Priority Rule is contained in § 1129(b)(2)(B) of the Bankruptcy Code. If a class of unsecured claims has not voted to accept the plan, the Absolute Priority Rule provides that the debtor may not retain property unless the holders of claims in the class are paid in full.

If a class of unsecured claims does not accept this plan, the Debtor will (mark all that apply):

- _____ Allege that the Absolute Priority Rule does not apply in a chapter 11 case in which the debtors are individuals.
- _____ Withdraw this plan.
- x _____ Sell or surrender all of his non-exempt property and pay any resulting proceeds to their creditors. The Debtor has proposed to do this as part of this Plan, even if the creditors vote to accept this Plan..
- _____ Increase the distribution to the holders of unsecured claims such that each holder is paid in full.
- _____ Other. Describe: Liquidation Analysis

Section 1129(a)(7)(A) of the Bankruptcy Code requires that each holder of a claim must either accept the plan or receive payments or property with a value of at least as much as would be available in a chapter 7 liquidation of the Debtor's assets.

As set forth above, each holder of a secured claim is either receiving its collateral or is being paid the value of its claim, with interest. This treatment satisfies the liquidation test under § 1129(a)(7)(A). Holders of priority claims are paid in full, with interest. This also satisfies the requirements of § 1129(a)(7).

Holders of general unsecured claims are forecast to receive a dividend of unknown of their allowed claim. The Debtor has estimated that their assets, after payment of liens would generate the following amounts in a chapter 7 liquidation. Vaquillas and JOB dispute this analysis because it does not consider the equity in the Hal's Entities, the value of the Ricochet Lawsuit and condominium that may be obtained by a trustee):

Description of Asset	Estimated Liquidation Value	Amount of Debt Secured by Liens Against this Asset	Amount Claimed Exempt	Value Available to Estate in Liquidation	Basis of Estimate of Value
See above.				\$ 0.00	
				\$ 0.00	
				\$ 0.00	
				\$ 0.00	
				\$ 0.00	
				\$ 0.00	
				\$ 0.00	
				\$ 0.00	
				\$ 0.00	
TOTAL				\$ 0.00	

In a chapter 7 liquidation, the estimated liquidation value of \$ 0.00 would be applied to the chapter 7 Trustee's fees and expenses and then to priority claims. This would produce the following:

Liquidation Value	\$ 0.00
Estimated Trustee's Fees and expenses	
Estimated priority claims	
Total available for holders of unsecured claims	\$ 0.00
Estimated unsecured claims	\$10.3 million
Estimated percentage recovery in liquidation	0.00

The plan satisfies the liquidation test as to holders of unsecured claims because it pays unsecured claims at least as much as it would in a Chapter 7.

The liquidation test deserves explanation in this situation. The Debtor asserts, and Vaquillas and JOB dispute, that he has no non exempt, unencumbered assets of any value. From a practical standpoint, the Debtor believes that a chapter 7 (i) would add unnecessary costs of administration; (ii) would add possible surcharges to any sales of collateral; and (iii) would not maximize the recovery of the Ricochet Lawsuit.

12. Prepayment

Any claim may be prepaid at any time, without penalty. Interest as provided in this plan must be paid through the date of prepayment.

13. Tax Issues

The federal income tax effects on holders of claims will vary depending on how the holder has treated its claim for tax purposes. For example, if the holder has a basis in its debt claim and is paid an amount less than its basis, the holder may be entitled to a federal income tax deduction for its loss. This will depend on the holder’s own tax characteristics and cannot be assured. Conversely, if the holder has no basis in its debt claim, the holder may recognize income for federal income tax purposes based on payments under the plan.

Because each holder’s federal income tax situation may vary, you are urged to consult your own tax advisors to determine the federal income tax effect of the plan on you.

The Debtor may also have a federal income tax effect from the plan. To the extent that indebtedness is discharged, the Debtor may have a basis adjustment in their assets. Moreover, any sale of assets may produce taxable income. The forecasts set forth above incorporate the Debtor’s best estimate of the federal income tax effect of the plan.

14. Executory Contracts and Leases

Except for the assumed contracts and leases listed in the following chart, all executory leases and contracts are rejected as of the Effective Date. Proofs of claim for damages arising from the rejection of an executory lease or contract must be filed not later than 30 days after the Effective Date. Claims filed after that date will not be paid.

Contracting Party	Description of Contract	Amount Required to Cure Any Default
None		

The amount shown under “Amount Required to Cure Any Default” will be paid not later than 30 days after the Effective Date of the Plan.

If you are the Contracting Party on an assumed contract and disagree with the cure amounts shown, you must file an objection prior to the objection deadline of (Not applicable). If you do not file an objection prior to the objection deadline, the Court may confirm the plan and you will be bound by the terms of the confirmed plan as to the cure amount.

15. Claims Objections

Claims objections must be filed not later than 30 days after entry of the order confirming the plan. This deadline may be extended by the Court, on motion by a party in interest. Any such motion must be filed not later than 30 days after entry of the order confirming the plan. A claim shall be an “Allowed Claim” (i) if the Debtor, Liquidating Trustee, or any creditor does not object to the proof of claim on file, on the deadline to file claim objections; or (ii) if the Debtor, Liquidating

Trustee, or any creditor objects to the proof of claim on file, on the 15th day after entry of an order allowing such claim.

The objecting party shall litigate to Final Judgment, settle or withdraw objections to disputed Claims. All Professional Fees of the Liquidating Trustee incurred in the prosecution of objections to Claims shall be paid as expenses of the Plan.

In determining the amount of the distribution due the holders of Allowed Claims prior to the resolution of all Claim disputes, the appropriate Pro Rata calculations pursuant to the Plan shall be made as if all disputed Claims were Allowed Claims in the full amount claimed by the holders thereof; provided however, that the Court may estimate a lesser amount for a Claim holder to be used in such Pro Rata calculation or the Debtor and the disputed Claim holder may agree upon a distribution in an amount less than that claimed.

The Liquidating Trustee shall hold and separately account for distributions in respect to disputed Claims (the "Disputed Claims Reserve").

At such time as a disputed Claim becomes an Allowed Claim, the distributions reserved for such Allowed Claim shall be released from the Disputed Claims Reserve and delivered to the holder of such Allowed Claim. In the event that, or to the extent that, a disputed Claim is disallowed, the distributions reserved for such Claim shall be released from the Disputed Claims Reserve for Pro Rata distribution to Allowed Claims within 20 days of the determination.

Except as the Court may order otherwise, no payments or distribution shall be made with respect to all or any portion of a disputed Claim unless and until all objections to that Claim have been determined by Final Order. Payments and distributions to each holder of a disputed Claim, to the extent that it ultimately becomes an Allowed Claim, shall be made in accordance with the provisions of the Plan with respect to the Class of Claim in which the respective holder is a member.

16. Injunctions

Collection Injunction – During the five (5) year period of time that the Debtor is complying with this Plan, creditors, including creditors with nondischargeable debt, are enjoined from any collection activity against the Debtor. The purpose of this injunction is to treat all creditors similarly during the plan payment period. Section 362(c)(1) provides that the stay of an action against property of the estate ...continues until such property is no longer property of the estate. Post-petition assets of the chapter 11 debtor are property of the estate until the case is closed. As provided under section 1115 of the Bankruptcy Code all property acquired by the Debtor after the commencement of the case, including all property described in section 541 of the Bankruptcy Code, shall automatically be transferred and vested in the Liquidating Trust. To the extent that this case is dismissed or converted before the five year period, or when the case is closed by Final Decree after the five (5) year period, this injunction shall dissolve.

Injunction regarding Ricochet Lawsuit – Creditors and the Debtor (but not the Liquidating Trustee) are enjoined from collection activity or other activity that interferes with the prosecution, defense and final disposition of the Ricochet Lawsuit by the Liquidating Trustee, provided however, that with respect to the judgments which Vaquillas Energy Lopeno, Ltd., LLP and JOB Energy Partners II, Ltd. have against Rosendo A. Carranco (“Carranco”) and Montecristo Energy Development, LLC (“Montecristo”) in Cause No. 2008-CVF-000353-D1, styled Vaquillas Energy, Ltd., et al. v. Thomas A. Lamont, et al., in the 49th District Court of Webb County, Texas (“the Judgments”), nothing set forth in this Plan or in the preceding injunction shall affect, impair, prevent, preclude, or bar Vaquillas Energy Lopeno, Ltd., LLP or JOB Energy Partners II, Ltd. from taking any actions to collect, secure, execute upon, garnish, intervene, pursue or obtain any turnover order, or other post-judgment collection efforts against Carranco and Montecristo with respect to the Judgments.

17. Payment of Disposable Income

Debtor shall, for a period of five years after the Effective Date and in four equal installments each year (on March 15th, June 15th, September 15th and December 15th), pay each class of creditors in order of priority their pro rata share of his disposable income each quarter. The final quarterly payments shall be distributed on December 15th, 2022. For simplicity, from his disposable income, the Debtor shall pay in the following order: (i) the Condominium is to be sold by the Debtor within six (6) months of the Effective Date, to Compass Bank the amounts owed pursuant to the present monthly mortgage; (ii) to the Allowed Administrative Claims until they are paid in full; and then (iii) to the Allowed Unsecured Claims.

18. Liquidating Trustee and Creditors’ Trust

A. APPOINTMENT OF THE LIQUIDATING TRUSTEE

1. Appointment of The Liquidating Trustee

There will be one Liquidating Trustee under the Plan who will be vested with all the powers of a debtor-in-possession and Chapter 11 trustee. The proposed Liquidating Trustee shall be Randy Williams. The Liquidating Trustee shall be approved at the Confirmation Hearing, and shall thereafter immediately undertake the required duties under the Plan. The appointment of the Liquidating Trustee to be effective as of the Effective Date.

The selection of any successor Liquidating Trustee shall be made by the Trust Advisory Board, with the approval of the Court. The Liquidating Trustee shall be empowered to act on behalf of the Trust and to carry out the provisions of this Plan. The Liquidating Trustee shall not have an interest that is materially adverse to the Debtor, the Bankruptcy Estate, or the Trust.

2. Powers and Duties of the Liquidating Trustee.

The Liquidating Trustee shall be deemed to possess the same powers and duties as would

a Chapter 11 Trustee consistent with Section 1123(b)(3)(B) of the Bankruptcy Code. On the Effective Date, the Liquidating Trustee shall receive into the Liquidating Trust all unadministered non-exempt property of the Bankruptcy Estate of any kind and nature whatsoever, real, personal, intellectual or otherwise, including causes of action, and all proceeds thereof, and any books and records of the Debtor, including any attorney-client privilege, work product privilege, or other privilege or immunity in connection therewith. The Liquidating Trustee shall be empowered and authorized to take or cause to be taken all actions which in his judgment are necessary to secure the effective implementation of the Plan. The Liquidating Trustee shall also be empowered to file claims objections as to all Claims (the "Claims Objections"). The Liquidating Trustee will be a representative of the Debtor's Bankruptcy Estate pursuant to Bankruptcy Code section 1123(b)(3) and as such will have the power to prosecute and defend, the retained causes of actions and the Claims Objections. In that regard, the Liquidating Trustee shall have the power and authority to perform the following acts with respect to the assets transferred to the Liquidating Trust, including the Equity Interests:

1. Distribute available proceeds;
2. Establish any necessary reserves;
3. Open bank accounts, deposit proceeds and draw checks and make disbursements thereof;
4. Employ and have such attorneys, accountants, professionals, and clerical assistance as may be deemed necessary;
5. Pay and discharge any costs, expenses, fees or obligations incurred by the Liquidating Trustee as are necessary to liquidate any assets of the Bankruptcy Estate;
6. Take any action required or permitted by the Plan;
7. Appear in and prosecute and defend the Ricochet Litigation;
8. Make any and all business decisions as the Liquidating Trustee deems appropriate in connection with the management of the Equity Interests and the assets of the Equity Interests;
9. Sue and be sued with respect to the retained claims and the Claims Objections;
10. Settle, compromise or adjust by arbitration, mediation or otherwise, any retained claim or any of the Claims Objections;
11. Update and consult with the Trust Advisory Board regarding the implementation of the Plan; and

12. In general, without in any manner limiting any of the foregoing, take any action that would be lawful for any person having the duties and responsibilities described in this Plan, whether similar to or different from the ways above specified.

The Liquidating Trustee may consult with the Trust Advisory Board, however, the Trust Advisory Board shall have no power or authority to control the Liquidating Trustee.

3. Release.

The Liquidating Trustee will be released and indemnified for all obligations and liabilities of the Debtor, save and except those duties and obligations of the Liquidating Trustee set forth in the Plan and those attributable to the gross negligence or willful misconduct of the Liquidating Trustee.

4. Monitoring, Auditing and Bonding.

The Liquidating Trustee will not be required to post bond or be audited or monitored except as otherwise expressly provided herein.

5. Available Cash.

All funds collected by the Liquidating Trustee and maintained pending distribution, shall be deposited with a bank approved by the Office of the United States Trustee as an approved entity for maintenance of debtor- in-possession bank accounts.

6. Compensation of Liquidating Trustee And Compensation And Retention Of Professionals.

1. The Liquidating Trustee shall be entitled to receive compensation for services rendered consistent with the Section 326 of the Bankruptcy Code. The Liquidating Trustee may receive such compensation without the need for filing fee applications under the Bankruptcy Code or for prior Bankruptcy Court approval but subject to ten (10) days prior notice to the Trust Advisory Board. To the extent the Board objects to such fees and expenses, the Trustee shall seek Court approval.

2. The Liquidating Trustee may retain agents and professionals. Unless provided for otherwise herein, the fees and costs incurred by the agents and professionals of the Liquidating Trustee shall be paid not more frequently than on a monthly basis, out of cash reserved for that purpose by the Liquidating Trustee. The professionals may receive such compensation without the need for filing fee applications under the Bankruptcy Code or for prior Bankruptcy Court approval but subject to ten (10) days prior notice to the Trust Advisory Board. To the extent the Board objects to such fees and expenses, the Trustee shall seek Court approval.

7. Resignation.

The Liquidating Trustee may resign as such by an instrument in writing signed by the Liquidating Trustee and filed with the Bankruptcy Court, provided that the Liquidating Trustee will continue to serve as Liquidating Trustee after his resignation until the time when appointment of his successor shall become effective. The Trust Advisory Board may file a motion to remove the Liquidating Trustee for cause, and the Liquidating Trustee may oppose such motion.. In addition, any creditor or interest holder has the right to petition the Bankruptcy Court to remove the Liquidating Trustee for cause as outlined in section 324 of the Bankruptcy Code. In the event of the death, resignation, incompetency, or removal of the Liquidating Trustee, the Trust Advisory Board may seek n order of the Bankruptcy Court following a hearing the appointment of a successor Liquidating Trustee. Every successor Liquidating Trustee appointed shall execute, acknowledge and deliver to the Bankruptcy Court and the retiring Liquidating Trustee an instrument accepting such appointment, and thereupon such successor Liquidating Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers and duties of the retiring Liquidating Trustee.

8. Reporting Duties.

Forty-five (45) days after the end of each calendar quarter following confirmation, the Liquidating Trustee will file with the Court an unaudited written report and account showing (i) the assets and liabilities at the end of such quarter or upon termination, (ii) any changes in the assets which have not been previously reported, and (iii) any material action taken by the Liquidating Trustee in the performance of his or her duties under the under the Plan that has not been previously reported, and (iv) fees of professionals and the Liquidating Trustee. In addition, the Liquidating Trustee shall provide to the Trust Advisory Board such reports on the progress of the Plan, as may be reasonably requested by the Trust Advisory Board.

9. Termination.

The Liquidating Trustee shall continue to perform his duties until all proceeds have been fully distributed and all assets of the Bankruptcy Estate have been fully liquidated. The Liquidating Trustee shall pay all accrued but unpaid fees and expenses of the Liquidating Trustee and his professionals, file a Motion to Close the Chapter 11 Case with the Bankruptcy Court, providing notice of same to the Creditors and Interest holders.

B. THE LIQUIDATING TRUST

1. The Liquidating Trust Transfer Date.

On the Effective Date (such time referred to as the “*Liquidating Trust Transfer Date*”), any non-exempt property of the Bankruptcy Estate of any kind and nature whatsoever, real, personal, intellectual or otherwise, including any community property held by the Debtor, and causes of action, and all proceeds thereof, and any books and records of the Debtor, including any attorney-client privilege, work product privilege, or other privilege or immunity in connection therewith (the “*Liquidating Trust Assets*”) shall be transferred to the Liquidating Trust, as provided below, which shall be deemed to be the Liquidating Trust Transfer Date, for further disposition as provided in this Plan and the Liquidating Trust Agreement. For clarity, the Condominium shall be liquidated pursuant to the agreement with BBVA Compass except that the

Liquidating Trustee shall be in control of liquidating the asset.

2. Establishment of the Liquidating Trust.

On the Liquidating Trust Transfer Date, the Liquidating Trust Agreement shall be executed, creating the Liquidating Trust. The Liquidating Trust shall be established for the sole purpose of receiving the benefit of the ongoing obligations of third parties and liquidating and distributing the remaining assets of the Bankruptcy Estate in accordance with this Plan with no objective to continue or engage in the conduct of a trade or business. For all federal income tax purposes, all parties shall treat the Liquidating Trust as a liquidating trust pursuant to Treasury Regulations § 301.7701-4(d), and as a grantor trust subject to the provisions of Subchapter J, Part I, Subpart E of the Internal Revenue Code of 1986, as amended, owned by the Beneficiaries (defined below) of the Liquidating Trust as grantors. The affairs and administration of the Liquidating Trust shall be governed by this Plan, the Confirmation Order, the Liquidating Trust Agreement, any other Final Orders, and applicable bankruptcy and non-bankruptcy law. The Liquidating Trust and the Liquidating Trustee shall be vested with all the power and authority granted to a trustee pursuant to section 1106(a) of the Bankruptcy Code.

3. Transfer of Estate Property to the Liquidating Trust.

On the Liquidating Trust Transfer Date and after the execution of the Liquidating Trust Agreement, all the Liquidating Trust Assets shall be transferred to the Liquidating Trust. The Liquidating Trust shall hold the Liquidating Trust Assets in its exclusive possession, custody and control for the benefit of holders of Claims entitled to payment under this Plan. For all federal income tax purposes, the Bankruptcy Estate shall treat the transfer of all of the Liquidating Trust Assets to the Liquidating Trust as a transfer to holders of Claims to the extent such holders are Beneficiaries of the Liquidating Trust. The Liquidating Trustee shall ensure that, for all federal income tax purposes, consistent valuations are used by the Liquidating Trustee and the holders of Claims for all property transferred to the Liquidating Trust. The Debtor shall also promptly pay his disposable income on a monthly basis to the Liquidating Trustee.

4. Transfer Free and Clear of Claims.

All Liquidating Trust Assets transferred to the Liquidating Trust shall be free and clear of all Claims, interests, Liens and encumbrances, and such property shall remain as property of the Liquidating Trust until distributed pursuant to this Plan. On the Liquidating Trust Transfer Date, a stay of all actions to the same extent as set forth in section 362(a) of the Bankruptcy Code with respect to the Bankruptcy Estate, the Liquidating Trust, and the Liquidating Trustee shall be and remain in effect pending consummation of this Plan. The transfer of assets to the Liquidating Trustee pursuant to this section shall not constitute a default or breach under or result in any forfeiture whatsoever with respect to any asset or property interest transferred to the Liquidating Trust.

5. Beneficiaries of the Liquidating Trust.

Upon creation of the Liquidating Trust, holders of Allowed Administrative Claims, Class 2 and 2A Claims, and Class 5 Claims shall be Beneficiaries of the Liquidating Trust.

6. Distributions from the Liquidating Trust.

The Liquidating Trustee may make interim distributions to Beneficiaries of the Liquidating Trust in the exercise of reasonable business judgment. Upon the liquidation of any remaining assets of the estate, and after the payment of all costs and expenses of collection, the Liquidating Trustee must distribute the corpus of the Liquidating Trust to the Beneficiaries of the Liquidating Trust in accordance with their priority and percentage interests in the Liquidating Trust. In the event that all Allowed Claims of the Beneficiaries of the Liquidating Trust are paid in full, with interest, then any remaining cash shall become property of the Debtor. For clarity, distributions to Beneficiaries shall be made, to holders of liens in the collateral related to Class 2 and 2 A. Then, to payment of all costs and expenses and fees of the Liquidating Trustee and its professionals, and thereafter to payment of the Allowed Administrative Expenses until they are paid in full and finally to Claims in Class 5.

7. Dissolution of the Liquidating Trust.

Except as otherwise provided in the Liquidating Trust Agreement, upon the distribution to the Beneficiaries of the Liquidating Trust of all of the rest of the Trust, the Liquidating Trustee shall file a notice of final distribution with the Court. Upon the expiration of thirty (30) days after the filing of such notice, if no objection has been received then the Liquidating Trust shall terminate and the Liquidating Trustee shall be discharged.

C. THE APPOINTMENT OF THE TRUST ADVISORY BOARD

1. Establishment of the Trust Advisory Board.

On the Effective Date, the Trust Advisory Board shall be established and staffed by three members. One member shall be appointed by TCB. One member shall be the Debtor. One member shall be appointed by either Vaquillas Energy Lopeno, Ltd. or JOB Energy Partner II, Ltd. The Trust Advisory Board may adopt such bylaws as it may deem appropriate; provided, however, that no provision of any adopted bylaws shall supersede any express provision of the Plan.

2. Role of the Trust Advisory Board.

The Trust Advisory Board shall be appointed to consult with and advise the Liquidating Trustee from time to time regarding the administration of the Liquidating Trust in accordance with the provisions of the Plan and the Liquidating Trust Agreement. The members of the Trust Advisory Board shall act in the best interests of the Beneficiaries of the Liquidating Trust. **HOWEVER, THE TRUST ADVISORY BOARD SHALL HAVE ABSLOUTELY NO POWER OR AUTHORITY TO CONNTROL THE LIQUIDATING TRUSTEE.**

Subject to and in accordance with the provisions of the Plan, the Confirmation Order, the Liquidating Trust Agreement and any other Final Order of the Bankruptcy Court, the Trust Advisory Board shall have right to seek relief from the Bankruptcy Court regarding the appointment of a successor Liquidating Trustee if the Liquidating Trustee resigns.

19. Discharge, Vesting and Effective Date

Upon completion of all payments, the Debtor must file a motion for discharge, served on all holders of allowed claims, in which they will certify that (i) they meet the standards set forth in § 1141(d)(5)(C) of the Bankruptcy Code; and (ii) have completed all payments under the plan. Unless a party objects and the Court sustains the objection to the motion for discharge, the Debtor will be discharged of their liability on debts to the maximum extent allowed by § 1142 of the Bankruptcy Code. Notwithstanding anything to the contrary herein, Vaquillas Energy Lopeno, Ltd. and JOB Energy Partners II, Ltd. have already secured a judgment barring the discharge of their claims against the Debtor and the preceding sentences in this paragraph shall not apply to Vaquillas Energy Lopeno, Ltd., LLP and JOB Energy Partners II, Ltd.

Pending completion of the payments under the plan, the plan's provisions bind all persons to the extent allowed by § 1141(a) of the Bankruptcy Code.

All estate property is vested in the Liquidating Trustee for the benefit of the Trust for the creditors on the Effective Date of the plan, free and clear of all claims and interests except (i) as provided in this plan; and (ii) for claims and interests that are excepted from discharge under § 523 of the Bankruptcy Code.

This Effective Date of this plan is the 15th day after entry of the order confirming the plan, unless the confirmation order is stayed. If the confirmation order is stayed, the Effective Date shall be the 15th day following the termination of the stay. No party may act pursuant to this plan prior to the Effective Date.

Pursuant to the plan, all property of the Estate shall vest automatically in the Liquidating Trustee on the effective date for the express purpose of allowing the Liquidating Trustee to make distributions to holders of allowed claims pursuant to the terms and conditions of the plan. If the Chapter 11 case is converted to a case under Chapter 7 of the Bankruptcy Code, all property of the estate then remaining shall revert to the estate and shall be administered by the duly appointed Chapter 7 Trustee.

Confirmation of this Chapter 11 plan does not discharge the debtor from taxes excepted from discharge under Section 523. Furthermore, 11 U.S.C. § 1141(5)(A) provides that in a case in which the debtor is an individual, unless after notice and hearing the court orders otherwise for cause, confirmation of the plan does not discharge any debt provided for in the plan until the court grants a discharge on completion of all payments under the plan.

20. Obligations to United States Trustee

The Debtor will be responsible for timely payment of United States Trustee quarterly fees incurred pursuant to 28 U.S.C. § 1930(a)(6). Any fees due as of the date of confirmation will be paid on the Effective Date. After confirmation, the Debtor and Liquidating Trustee will continue to file timely financial reports in the format required by the United States Trustee and continue to pay quarterly fees as accrued until the case is closed, converted to a case under chapter 7, or dismissed.

21. Default

If there is a default in payment to a creditor under this plan, the default must be cured within 21 days of written notice sent by the affected creditor. If the default is not cured within the 21-day period, the creditor may seek any rights available under the Bankruptcy Code or under applicable non-bankruptcy law.

22. Other Disclosures/Issues

TCB's Lien Interest in the Equity Interests TCB has foreclosed on its interest in the Hal's entities.

No Avoidance Actions - A fraudulent transfer claim must be brought within two years from the Petition Date. Two years from the Petition date was August 14, 2017. No fraudulent transfer action or other avoidance action has been brought by the Debtor or any other party.

Ricochet Litigation – Based on the below, Debtor has a claim for 60% of the proceeds from any recovery (after expenses) from the Ricochet Lawsuit (“Ricochet Claim”). With this plan, the Debtor assigns the Ricochet Claim to the Liquidating Trustee pursuant to this Plan up to the full value of their respective Allowed claims. To the extent Allowed Claims are paid in full, the remaining proceeds from the Ricochet Lawsuit, if any, shall be remitted to the Debtor. On February 11, 2016, Lamont amended his schedules to clarify that Rosendo A. “Chendo” Carranco holds an interest/claim in the proceeds from the recovery from the Ricochet Lawsuit. Chendo Carranco has agreed to subordinate his interest/claim below claims by Vaquillas Energy Lopeno, Ltd., JOB and other unsecured creditors. To the extent Allowed Claims are paid in full, the Debtor may enter into an agreement to share his proceeds with Chendo Carranco.

The Debtor obtained a lift stay from this Court to pursue the Ricochet Lawsuit. Further, the Debtor obtained (over objection) a lift stay, from the Bankruptcy Court in the Western District of Texas presiding over the Ricochet bankruptcy, to pursue the Ricochet Lawsuit. Moreover, the Debtor objected to the Ricochet bankruptcy plan and, after negotiations with Ricochet and the creditors committee involved in the Ricochet bankruptcy, obtained an agreement (memorialized in the Ricochet confirmation order) allowing the Debtor to look to certain sources of recovery from Ricochet to the extent that the Debtor is successful in its prosecution of the Ricochet Lawsuit. Upon confirmation of this Plan, the Liquidating Trustee shall have the sole authority to prosecute, defend, and subject to approval of the Court, after notice and hearing to all parties in interest, to compromise and settle the claims by and against the Debtor in in the Ricochet Litigation. IT IS HEREBY DISCLOSED THAT THE LIQUIDATING TRUSTEE INTENDS TO PURSUE THE RICOCHET LITIGATION.

Any settlement of the Ricochet Claim is subject to this Court's approval because as stated the Ricochet Claim has been assigned to the Trust for the benefit of creditors .

JOB interest in Ricochet – JOB has a direct financial interest in Ricochet through its agreements with Ricochet that predate Ricochet's bankruptcy and which were fundamental to the Ricochet plan of reorganization. To the extent that Debtor secures a large verdict against Ricochet such a

verdict may adversely affect the viability of the Ricochet reorganization plan and adversely affect the JOB financial interests in Ricochet. At the same time, a large verdict against Ricochet is the most likely and viable means of securing a repayment to Debtor's general creditors. JOB's interest is contrary to the interest of the general creditors and maximizing recovery to the Estate. JOB entered into a plan support agreement with Ricochet before Ricochet's bankruptcy, which provided the backbone for the confirmed Ricochet plan of reorganization. Also, JOB is a secured creditor of Ricochet and has a prospect generation agreement with Ricochet. Ricochet has filed a proof of claim in this case related to its counterclaim in the Ricochet Lawsuit. The Debtor's position is that JOB's financial interest and relationship with Ricochet demonstrates a conflict of interest for JOB regarding the Estate's interest in the Ricochet Claim.

JOB Energy Partners II, Ltd. and Vaquillas Energy Lopeno, Ltd., LLP disagree with, and dispute, the Debtor's description and characterization set forth in the preceding paragraph.

IRS Objection - The debtor electronically filed his 2014 Form 1040 in a timely manner. Due to someone fraudulently filing using the Debtor's social security number the return was rejected by the Internal Revenue Service. The Debtor has since filed the return by certified mail. The Debtor has spoken to a representative at the service and they have confirmed receipt. The Debtor has been issued a pin number for all subsequent year tax returns to prevent any more fraudulent filings. With this amended plan, the Debtor has included the language requested by the IRS.

Discharge - In a chapter 11 case, the complaint shall be filed no later than the first date set for the hearing on confirmation. See Bankruptcy Rule 4004(a). The first date set for the hearing on confirmation in this case was February 26, 2016.

In October 2015, JOB Energy Partners II, Ltd. and Vaquillas Energy Lopeno, Ltd., LLP filed a dischargeability complaint. Subsequently, the Court entered a judgment in favor of JOB Energy Partners II, Ltd. and Vaquillas Energy Lopeno, Ltd., LLP barring discharge of their claims against the Debtor..

Schmidt on behalf of the estate of L.O.G. Energy Exploration, Ltd., entered into a stipulation extending the deadline for filing any dischargeability complaint until April 26, 2016. Schmidt did not file a dischargeability complaint by April 26, 2016.

Pursuant to the Bankruptcy Code, Lamont will receive a discharge of all of his debts (except with the respect to the debts owed to JOB Energy Partners II, Ltd. and Vaquillas Energy Lopeno, Ltd., LLP as discussed herein) if he complies with the confirmed plan over a five-year period.

Administrative Claims - The Debtor's attorney, Eric Terry of Eric Terry Law PLLC has not been paid since April 30, 2016 pursuant to Docket No. 103. Eric Terry Law PLLC has agreed to receive his Allowed Administrative Claims paid over time through the plan payments and/or from distributions from Hal's to the extent TCB agrees.

Debtor's interest in Condo - With regard to the Condo, as listed on the schedules, the Debtor's interest is a community property interest and will be sold as such, specifically, the Debtor's interest

and his wife's interest are property of the estate and will both be sold. The proceeds from the sale will pay the lien holders in order of priority.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

Conclusion

Thomas A. Lamont has filed these technical modifications to the plan and disclosure statement. He represents that he believes the information contained in this document is true and correct in all respects.

Dated: January 17, 2018.

/s/ Thomas A. Lamont
Thomas A. Lamont, Debtor

Submitted through his counsel:

Eric Terry
Eric Terry Law PLLC
3511 Broadway
San Antonio, TX, 78209
Phone: 210-862-2060
Fax: 210-319-5447
eric@ericterrylaw.com