

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

SECURITIES AND EXCHANGE COMMISSION

v.

PROVIDENT ROYALTIES, LLC, et al.

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Civil Action No. 3:09-cv-1238

COURT-APPROVED PROCEDURES FOR CLAIMS AND INTERIM DISTRIBUTIONS

Dennis L. Roossien, Jr.
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PREAMBLE

The Provident receivership is an ancillary proceeding commenced at the request of the Securities and Exchange Commission on July 2, 2009 and expanded to include Blimline Entities on December 3, 2009. The Receiver's analysis of the case and further background is available in the Receiver's Quarterly Reports¹, which are filed of record in the Court's file, and are also posted at www.providentroyalties.com.

This Claims Process has been developed to address the claims of creditors and investors in the wake of a number of interrelated securities offerings that are the subject of the main action in the case. These offerings include note programs and/or interest-bearing securities offered through or concerning Winter Park Production Co., LLC, Carole Petroleum Co., LLC, J2 Investments, LLC, Provident Royalties, LLC, and other related parties and investment entities as more fully listed below.

The Claims Process recognizes the existence of a single constructive trust that has resulted with regard to investor funds that flowed through these offerings and into various Blimline Entities. This flow of funds was primarily based upon the purported reliance of all of these offerings, in whole or in part, upon the efforts of Joseph Blimline to identify and/or to acquire and/or to develop oil and gas properties. The offerings can reasonably be divided into four parts, and there are certain parallel proceedings, most notably two bankruptcy proceedings, that call for a four-part division to be established.

The Claims Process also addresses various debts incurred in the course of these offerings and operations of the receivership entities. These debts are addressed on an entity by entity basis.

The Claims Process divides the entities into four essential groups – Provident Entities, Shale Synergy Entities, Jordan River Entities, and Blimline Entities. These are grouped as follows:

Provident Entities – Provident Royalties, LLC, Provident Asset Management, LLC., Provident Energy 1, LP, Provident Resources 1, LP, Provident Energy 2, LP, Provident Energy 3, LP, Shale Royalties II, Inc., Shale Royalties 3, LLC, Shale Royalties 4, Inc., Shale Royalties 5, Inc., Shale Royalties 6, Inc., Shale Royalties 7, Inc., Shale Royalties 8, Inc., Shale Royalties 9, Inc., Shale Royalties 10, Inc., Shale Royalties 12, Inc., Shale Royalties 14, Inc., Shale Royalties 15, Inc., Shale Royalties 16, Inc., Shale Royalties 17, Inc., Shale Royalties 18, Inc., Shale Royalties 19, Inc., Shale Royalties 20, Inc., Shale Royalties 21, Inc., Shale Royalties 22, Inc., Provident Operating Company, LLC, Somerset Lease Holdings, Inc., Somerset Development, Inc.

Blimline Entities – Carole Petroleum, LLC, Daniel And The Lion, LLC, Deer Valley Production Company, J2 Investments, LLC, Marquee Energy, LLC, A Texas Limited Liability Company, Arkoma Mineral Properties, Inc., Novo Acquisitions, LLC, Red River Operations, LLC, RJW Energy, LLC, Snake River Resources, Inc., Sun Valley Productions Company, Tonner Petroleum, LLC, Truluck Enterprises, LLC, Winter Park Production Company, LLC, and any entity owned or controlled by Joseph Blimline.

¹ All capitalized terms shall have the meanings as set forth in Article V below.

Jordan River Entities – Jordan River Resources, Inc., Columbia River Resources, Inc., Delaware River Resources, Inc., Redstone Energy Corporation, Superior Petroleum Corporation, Southwest Energy Resources, Inc., Peach Tree Petroleum, Inc., Apple Tree Resources, Inc., Midwest Diversified, LLC, Huron Hydrocarbons, Inc., Shelf Exploration And Production Gp, LLC, Ok Minerals, LLC, New Star Properties, LLC, Mesquite Oil And Gas, LLC, Great Lakes Energy Company, LLC, Longhorn Energy Corporation, Petroleum Resource Group, LLC.

Shale Synergy Entities – Shale Synergy I, LLC, Shale Synergy II, LLC, Black Rock Royalties, LLC, Black Rock Acquisition, LLC and Ranch Rock Properties, LLC.

Claims are being solicited only with regard to Provident Asset Management, LLC, the Shale Synergy Investors, the Blimline Entities and any other entity that may be added to the Receivership by agreement subsequent to the adoption of this Claims Process. Creditor claims against the Provident Entities, other than Provident Asset Management, LLC, are being addressed in the Provident Royalties, LLC Bankruptcy (*In re Provident Royalties, LLC, et al.*, Case No. 09-33886 (N.D.Tex.Bankr. 2009)). Creditor claims against the Jordan River Entities are being addressed in the Jordan River Bankruptcy (*In re Jordan River Resources, Inc., et al.*, Case No. DL07-1747 (W.D.Mich. 2007)). Creditor claims against the Shale Synergy Entities, and any Blimline Entity not listed by name above are being addressed on a case-by-case basis in accordance with the procedures outlined below. Provident Investor Claims are being adopted from the determinations in the Provident Bankruptcy. Investor claims are not being solicited from the Jordan River Investors, as those claims have been fairly addressed in the Jordan River Bankruptcy.

ARTICLE I – CLAIMS REVIEW AND DETERMINATION

Section 1.01: CLAIM NOTICE. Immediately upon approval of the Claims Process, the Receiver shall post a copy of the Claims Process and the approved Claim Form on the Receiver's Website. The Receiver shall also mail a copy of the Claim Form to all potential claimants for whom the Receiver has an address, and shall provide a copy of the Claim Form to any person who requests one either by mail or by reference to the Receiver's Website. The Receiver shall allow at least ninety days to pass following the initial claims notification effort before commencing any interim distributions.

Section 1.02: CLAIM SUBMISSION. Within ninety days following the mailing of a Claim Form and, in any event, prior to any bar date set by the Court, a Claimant shall return a completed Claim Form together with all necessary Supporting Documents. A Claim containing an incomplete or incorrect return address shall be deemed defective, and may be wholly disregarded by the Receiver.

Section 1.03: CLAIM ACKNOWLEDGMENT. Promptly upon receipt of a signed Claim Form, the Receiver shall send a Claims Acknowledgment, which shall include the date of the Receiver's receipt of the Claim Form and the Claim Number.

Section 1.04: CLAIM DETERMINATION BY RECEIVER. The Receiver shall have a reasonable period of time to review and investigate the Claim, and prepare recommendations for the Court as to whether a Claim should be approved, in whole or in part, or denied, and as to how the Claim should be classified. The Receiver may require that adequate Supporting Documents be provided as a condition to approving a Claim in whole or in part. The Receiver has no obligation to approve an unsubstantiated Claim.

Section 1.05: NOTICE OF CLAIMS DETERMINATIONS. Whenever the Receiver determines that a Claim should be approved, approved in part, denied, or that such determination should be revised, he shall send a Notice of Claim Determination to the involved Claimant(s), and shall post conspicuously on the Receiver's Website a running list of all Claims Determinations, including on such list: (1) the Claim Number; (2) the Claimant's name; (3) a brief statement of the nature of the Claim; (4) the class(es) assigned by the Receiver; and (5) the amount determined for approval, if any. This notice procedure shall be sufficient for all purposes, including for any and all potentially interested Persons.

Section 1.06: OBJECTIONS TO CLAIMS DETERMINATIONS. Any Person seeking to contest a claims determination shall mail to the Receiver an Objection within sixty days of the date of the posting authorized by Section 1.05 above. By mailing in such an Objection, the objecting Person shall be deemed to have submitted to the jurisdiction of this Court, and shall be considered an Ancillary Party for purposes of discovery as permitted by the Federal Rules of Civil Procedure. An Ancillary Party becomes a formal part of the ancillary administration of the receivership and not the main action, and shall accordingly be entitled to notice only with respect to the adjudication of such Objection and the Claim to which the Objection is directed. The Receiver may consider any Objections for ten business days, and may attempt to resolve the Objection during that period. Thereafter, the Objector may file the Objection with the Court. The Objection shall be treated as any other motion before the Court.

Section 1.07: INSPECTION OF CLAIMS FILES. The Receiver shall maintain a Claim File Room, open by appointment between 9 and 5 on weekdays to any Person. Any Person may receive copies of any documents in the Claim File Room by making arrangements with a third-party copy service approved by the Receiver. The Claim File Room shall contain true and correct copies of all Claims Forms received to date and all Supporting Documents submitted by the Claimant, and all non-privileged documents upon which the Receiver relied in reaching a Claim Determination.

ARTICLE II – CLASSIFICATION AND PAYMENT OF CLAIMS

Section 2.01: PRIORITY OF DISTRIBUTIONS. Claims shall be classified according to the following classes and shall ultimately be paid in the following order of priority unless the Court otherwise directs.

Class 1 – Administrative Claims. The Court has separately provided for a procedure for the submission and consideration of administrative claims. Nothing in these procedures alters or limits those procedures. Such expenses may be paid from any Receivership Assets other than Restricted Funds or Restitution Pools.

Class 2 – Ordinary Course Expenses. The Court has separately granted the Receiver authority to pay any ordinary course expense of any Receivership Entity. Nothing in these procedures alters or limits that authority. Such expenses may be paid from any Receivership Assets other than Restricted Funds or Restitution Pools.

Class 3 – Secured Claims. A Secured Party may not foreclose on any Receivership Asset without prior Court approval or the consent of the Receiver. The Receiver may release any collateral subject to a secured claim to any Person that the Receiver determines to be a Secured Party. In determining the amount of any secured claim, the Receiver shall not include any attorneys' fees incurred by the Secured Party nor interest accrued after the inclusion of the record owner in the receivership, and shall deduct any payments made to the Secured Party from any Receivership Entity because those funds are constructive trust funds. The Receiver may require that a Secured Party waive any deficiency claim as a condition to granting his consent to the release of collateral. Any secured claim against any Provident Entity shall be addressed exclusively in the Provident Bankruptcy, and any such claim against any Jordan River Entity shall be addressed exclusively in the Jordan River Bankruptcy.

Class 4 – Unsecured Claims. The Receiver may pay the claims of any creditor who is not an Investor from the assets of the Receivership Entity that incurred the debt in question. Any unsecured claim against any Provident Entity shall be addressed exclusively in the Provident Bankruptcy, and any such claim against any Jordan River Entity shall be addressed exclusively in the Jordan River Bankruptcy.

Class 5 – Priority Claims. The Receiver may pay any claims approved for priority treatment the same as any Class 1 Claim or as the Court may otherwise direct.

Class 6 – Investor Claims. The Receiver may pay claims of Persons who, in exchange for a Security, paid funds to any Provident Entity, Blimline Entity, or Shale Synergy Entity from their respective Restitution Pool (see Sections 2:04 and 2:05 below) according to their net cash losses. Provident Investors shall receive the same pro-rata percentage as assigned in the Provident Bankruptcy.

Class 7 – De Minimis Claims. The Receiver may pay any Claim that is less than \$3,000 at the Receiver's discretion from funds available for payment of the Claim based upon its classification.

Class 8 – Residual Claims. The Receiver has no obligation to pay any Claim that is late, unsubstantiated, or otherwise not presented as required by these procedures, nor is the Receiver obligated to effect a distribution at any point where the costs of effecting the distribution make a general distribution to all members of the class impractical. However, the Receiver may pay late approved claims up to the percentage paid previously to other class members from available funds in the event that such claims are approved before all assets available to the class have been distributed.

Section 2.02: INTERIM DISTRIBUTIONS. After the expiration of the Initial Claims Notice Period, the Receiver may propose amounts for interim distribution in his next following Quarterly Report. The Quarterly Report shall summarize the information provided on the Receiver's Website with regard to approved claims, and provide comparable summary information with regard to claims not yet approved or determined. The Quarterly Report shall identify any Restricted Funds, Restitution Pools, and Reserved Funds. Any Person may object to any proposed distribution within ten business days of the Quarterly Report by sending a written objection to the Receiver in such a manner that it arrives within the ten-day period. The Receiver may effect the proposed distribution fifteen days after the Quarterly Report is presented if no objection is made or if the objection is withdrawn. Otherwise, the Receiver shall act consistent with the Court's resolution of such objection.

Section 2.03: METHOD OF CLAIM SATISFACTION AND PAYMENT. The Receiver may pay Claims from Receivership Assets as described above with respect to each Class of Claim. Payment of Claims shall be made by check made payable to the Claimant and sent via first-class mail to the Claimant using the information listed on the Claim. The check shall be valid for at least sixty days, following which the check, if not cashed, may be voided and the Claim deemed satisfied.

Section 2.04: RESTRICTED FUNDS. The Receiver may agree with any Claimant to segregate certain funds or assets pending resolution of any Claim. In such event, the funds shall not be available to pay any other Claim until such time as the subject Claim is resolved.

Section 2.05: INVESTOR RESTITUTION POOLS. The Receiver shall establish three investor restitution pools as described below.

Provident Restitution Pool. The Provident restitution pool shall be funded by: net recoveries from Defendants Melbye, Harrison and Coughlin; any assets of PAM; and any assets recovered from PAM brokers, any third-party brokers who solicited the subject investments, and other third parties.² The Provident investors will also be entitled to receive distributions from the Plan approved in the Provident Bankruptcy Cases according to the terms of the Plan. The Provident restitution pool will also receive a percentage of the net proceeds of the Blimline Entities Liquidation Account.

Shale Synergy Restitution Pool. The Shale Synergy restitution pool will be funded by net recoveries from the Blimline Entities Liquidation Account, the Shale Synergy Entities, and any persons who solicited the subject investments.

Blimline Entities Restitution Pool. The Blimline Entities restitution pool will be funded by net recoveries from the Blimline Entities Liquidation Account, any assets recovered from any non-receivership entity in which that person invested, and any persons who solicited their investments. This pool is primarily intended to address Persons who invested in note programs offered by a Blimline Entity which were not rolled over into either a Provident, Shale Synergy or Jordan River investment. It is also intended to address Investor Claims that do not fall within the other two pools.

SECTION 2:06: CLAIM RESERVE ACCOUNTS. The Receiver may reserve funds for undetermined claims. The Receiver shall create the following reserve accounts, and may create such other accounts as may be necessary and appropriate.

Reserve for Administrative Claims, Operations, and Unsecured Claims from Blimline Entity Asset Liquidations. The Receiver shall reserve from the proceeds of any liquidated assets of a Blimline Entity thirty percent of such proceeds for the payment of Class 1, 2, 4 and 5 claims with regard to Blimline Entities. The Receiver may adjust this percentage, however, based upon developments in the case. Specifically, for example, the notice provisions of the Claims Process contemplate that a Claim Form will be sent to all Unsecured Creditors promptly upon the approval of the Claims Process, after which any Unsecured Claimant shall have ninety days to submit a claim. Within a further sixty days thereafter, the Receiver will estimate the total of all received Unsecured Claims and may accordingly adjust the reserve amount, if necessary, to account for the payment in full of received Unsecured Claims. Additionally, in the event that operations are profitable, then any such profit would remain available for use as operating funds. Likewise, in the event that operations increase the value of assets prior to sale, then the appreciated value will be treated as available operating funds.

² In the case of brokers who solicited investors in multiple pools, the recovery shall be allocated according to the net cash losses of the investors involved. Claims against other third parties shall likewise be allocated according to the relative impact upon the particular offering.

Reserve for Investor Claims from Blimline Entity Asset Liquidations. As Blimline Entity Assets are sold, the Receiver shall reserve seventy percent of the proceeds in a separate "Blimline Entities Liquidation Account". This reserve is subject to adjustment for the reasons stated above with regard to the parallel reserve for administrative claims, operations, and unsecured claims. Any residual amount after the conclusion of operations will be included in the Blimline Entities Liquidation Account. The Blimline Entities Liquidation Account will be divided to proportionately fund the three restitution pools identified above. The proportions will be determined according to the Net Cash Losses of the respective investor groups relative to Blimline and/or the Blimline Entities. The Receiver will propose respective proportions as soon as practical. As it is anticipated that the claims for Blimline Entity investors will take some time to establish, a ten percent reserve amount will be initially assigned until the contemplated claims process can be completed. Claim determination notice letters will be sent to Shale Synergy investors as soon as the claims process is approved, or, alternatively, Claim Forms will be sent at that time. The Provident Investor aggregate Net Cash Loss relative to funds flowing from Provident Entities to Blimline Entities and Jordan River Entities will be proposed no later than fifteen days after the approval of this Claims Process, and access to the records supporting the proposal shall be afforded at that time to any interested party. At least a thirty day period shall be allowed before the Receiver proposes confirmation of such amount in any Quarterly Report. If any objections are received, they shall be resolved by resort to either a magistrate, or special master agreed upon by a objecting parties and the Receiver within thirty days of the receipt of any objections, or by Judge Lindsay. Any allocation percentage will be determined with resort to company records and/or bank records, and any dispute will be resolved by written submission under the standard timetable of the Federal Rules of Civil Procedure.

Section 2.07: PAYMENT EFFECTS RELEASE. Provided that no objection has been timely received from the Claimant, once a Determined Claim is paid by the Receiver (in whole or in part), the amount of such Claim becomes fixed and the obligation of the Receivership Estate is limited to the rights as set forth herein, and any other claims, rights, and causes of action of any nature whatsoever, whether arising at law or in equity, known or unknown, asserted or unasserted, for all damages (whether actual or punitive, known or unknown, latent or patent, foreseen or unforeseen, direct or indirect or consequential, matured or unmatured, and accrued or not accrued), and debts, and liabilities of whatever nature that are or could be asserted by the Claimant or any other person through the Claimant against the Receiver or his agents, the SEC or any Defendant or Relief Defendant or Receivership Entity or any Receivership Asset are hereby discharged, released, extinguished, and satisfied. By effecting notice of approved Determined Claims according to the terms of this Plan, the Receiver shall be deemed to have provided reasonable and sufficient notice to all Persons, and neither the Receiver nor any Person accepting Receivership Assets from the Receiver shall have any liability to any person to return any assets used for payment or satisfaction of a Determined Claim, nor to compensate any person in any respect for having paid or otherwise satisfied a Determined Claim, nor for any other action taken in good faith under or relating to this Plan or arising out of the processing of any Claim, including, but not limited to, any act or omission in connection with or arising out of the administration of Claims or this Plan or the Receivership Assets to be distributed hereby; except that, the Receiver shall be liable for willful misconduct found by the Court which are attributable to the Receiver's actions. In the event of any claim being made against the Receiver for such matters, whether or not willful misconduct is alleged, the Receiver shall be entitled to full and complete indemnity and a defense by counsel of his choice, payable as any other professional expenses herein.

Section 2.08: RESIDUAL CREDITOR — U.S. TREASURY. The Receiver's primary function is to marshal the Receivership Assets for the reasons shown by the SEC at the outset of the case, including its own claims herein. Pursuant to this Plan, the Receiver is entitled and authorized to resolve Claims and distribute Receivership Assets to Claimants with Determined Claims, but the residual creditor herein is the Securities and Exchange Commission. It is common in these cases, at the very end, for it to become impractical for the Receiver to distribute final residual funds available to the investor class of claimants, particularly in this case, the large class of Provident Investors. The Receiver may, at that point and after obtaining the consent of the Securities and Exchange Commission or the Court, pay any residual administrative expenses incurred after the Receiver's final fee application and pay over the remainder to either the Provident Trustee or his successor and/or the Securities and Exchange Commission.

ARTICLE III – PARALLEL AND RELATED PROCEEDINGS

Section 3.01: CLAIMS OF OTHER CREDITORS AND ACTIONS TO RESOLVE OTHER CLAIMS OR OTHER DISPUTES INVOLVING RECEIVERSHIP ASSETS. Claims made by Persons asserting security interests, attachments, liens, or encumbrances in specific Receivership Assets or Recoverable Assets may be resolved by agreement with the Receiver or by contested motion submitted to the Court. Claims of such Persons may be paid the same as any Secured Claim, without regard to any other provision of this Plan, but only to the extent of such interest. In the event that Claims are not resolved by agreement, the Receiver is hereby expressly authorized to institute legal proceedings herein, or in such court as the Receiver may believe to be most appropriate, against any Person asserting any claim to any Receivership Asset or Recoverable Asset, wherever situated.

Section 3.02: INTERPLEADER — RECEIVER AS STAKEHOLDER. The Receiver is hereby expressly authorized to receive and to hold as Restricted Funds any Receivership Asset, Recoverable Asset, or any other assets to which there are competing claims between the Receiver (on behalf of any Defendant, Relief Defendant, or entity controlled directly or indirectly thereby) and any Person. The intent of this provision is to allow the Receiver to act as stakeholder rather than burdening the Clerk with regard to interpled funds. The Receiver is further authorized to apply to this Court for a determination as to the ownership of any such assets, and to join any parties necessary to effect such a determination. No Person shall withhold Recoverable Assets nor Receivership Assets from the Receiver, nor shall Recoverable Assets nor Receivership Assets be tendered to the Clerk. Rather, the Receiver shall act as stakeholder for any such assets.

ARTICLE IV – SCOPE OF RECEIVERSHIP

Section 4.01: NOTICE OF ABANDONMENT. The Receiver may file a notice or include in a Quarterly Report notice of his intention to abandon any Receivership Entity. Absent objection filed within thirty days of such notice, the Receiver shall be discharged from any further obligation with regard to such Receivership Entity.

Section 4.02: NOTICE OF EXPANSION. The Receiver may by agreement include any entity within the scope of the Order Appointing Receiver. In such event, the Receiver may file a notice or include in a Quarterly Report notice of his intention to include such entity as a Receivership Entity. Absent objection filed within thirty days of such notice, such entity shall be treated as any other Receivership Entity hereunder, and the Receiver shall be entitled to assert all authority granted by the Order Appointing Receiver or any other order of this Court.

Section 4.03: RECOVERABLE ASSETS. Any asset frozen by the Court and/or within the definition of "Recoverable Assets" may be transferred by agreement to the Receiver to be liquidated. Any asset released to the Receiver that is owned by or on behalf of Defendants Melbye, Harrison and Coughlin is to be treated as an asset of PAM. Any asset released to the Receiver that is owned by or on behalf of Defendant Blimline is to be treated as an asset of J2 Investments, LLC or such Blimline Entity as the Receiver may determine to be appropriate. To the extent that the Receiver acts to protect, to preserve, to manage or otherwise to address a Recoverable Asset, the Receiver shall be entitled to charge any approved administrative expenses against the corpus of the Recoverable Assets.

ARTICLE V

All capitalized terms shall have the meanings as stated below:

Section 5.01: "ANCILLARY PARTY" means a Person who is before the Court only with regard to a Claim to a Receivership Asset. Such a Person is not a general intervenor, and has no right to participate in the primary proceeding.

Section 5.02: "BLIMLINE ENTITIES" refers to the Blimline Entities listed above in the preamble.

Section 5.03: "BLIMLINE ENTITIES LIQUIDATION ACCOUNT" refers to the liquidation account outlined in Section 2.06.

Section 5.04: "BLIMLINE INVESTORS" refers to any purchaser of a security from the Blimline Entities.

Section 5.05: "CLAIM" refers to any demand made in writing that is received by the Receiver from any Person that demands payment from Receivership Assets. Claims that do not conform to Claim Form may be considered by the Receiver, in his sole discretion, but the Receiver is not obligated to consider such Claims.

Section 5.06: "CLAIM NUMBER" refers to the number assigned to a Claim by the Receiver as reflected on the Claims Acknowledgment.

Section 5.07: "CLAIMANT" refers to a Person who asserts a Claim in this case.

Section 5.08: "CLAIMS ACKNOWLEDGMENT" is a document sent to a Claimant at their address as specified on their Claim, which provides the date of the Receiver's receipt of the Claim and a Claim Number.

Section 5.09: "CLAIMS FORM" means the form to be utilized to assert a Claim as authorized and approved by this Court. A copy of the approved Claim Form is available on the Receiver's Website.

Section 5.10: "CLAIMS PROCESS" refers to these claim procedures.

Section 5.11: "CLAIM FILE ROOM" refers to adequate space set aside at the address stated on the face of these claims procedures, or such other space as the Receiver may designate.

Section 5.12: "DETERMINED CLAIM" refers to a Claim designated on the Receiver's Website as a Claim that has been approved, approved in part, or denied, or a Claim determined by separate Order of the Court.

Section 5.13: "INITIAL CLAIMS NOTICE PERIOD" means the ninety-day period following the Receiver's first general solicitation of claims as provided for in Section 1.01 above.

Section 5.14: "INVESTOR" means any Person who purchased a security from any Receivership Entity.

Section 5.15: "JORDAN RIVER BANKRUPTCY" refers to *In re Jordan River Resources, Inc., et al.*, Case No. DL07-1747 (W.D.Mich. 2007).

Section 5.16: "JORDAN RIVER ENTITIES" refers to the Jordan River Entities listed above in the preamble.

Section 5.17: "JORDAN RIVER INVESTORS" mean all purchasers of securities from the Jordan River Entities.

Section 5.18: "NET CASH LOSS" refers to the amount the Claimant transferred to any Broker, Defendant, or Relief Defendant less any value received back from any Defendant, Relief Defendant or Broker prior to the appointment of the Receiver for the Receivership Entity in question.

Section 5.19: "NOTICE OF CLAIMS DETERMINATION" refers to a document sent to a Claimant at their address as specified on their Claim, which provides the Claim number assigned by the Receiver as stated in the Claims Acknowledgment, and the amount for which the Claim has been approved, or a statement that the Claim has been denied.

Section 5.20: "OBJECTION" means a written document received by the Receiver at the address shown on the face of these claim procedures that contains the objector's name, address, and telephone number, states the nature of the objection, and is signed under penalty of perjury.

Section 5.21: "ORDER APPOINTING RECEIVER" refers to the Orders Appointing Receiver dated July 2, 2009 and December 3, 2009.

Section 5.22: "PERSON" means any natural person, corporation, partnership, association, trustee, agent, or other entity of any kind.

Section 5.23: "PROVIDENT BANKRUPTCY" refers to *In re Provident Royalties, LLC, et al.*, Case No. 09-33886 (N.D.Tex.Bankr. 2009).

Section 5.24: "PROVIDENT ENTITIES" refers to the Provident Entities listed above in the preamble.

Section 5.25: "PROVIDENT INVESTORS" mean all purchasers of securities from the Provident Entities that have been recognized as such in the course of the Provident Bankruptcy.

Section 5.26: "RECEIVER" refers to Dennis L. Roossien, Jr., Receiver, appointed pursuant to this Court's Order Appointing Receiver (as amended).

Section 5.27: "RECEIVER'S QUARTERLY REPORTS" refers to the reports that the Receiver is obligated to file under the Order Appointing Receiver. These reports are filed thirty days after the end of each calendar quarter, and are also posted promptly thereafter on the Receiver's Website.

Section 5.28: "RECEIVER'S WEBSITE" refers to www.providentroyalties.com.

Section 5.29: "RECEIVERSHIP ASSETS" refers to the assets defined as Receivership Assets in the Court's Order Appointing Receiver (as amended). Receivership Assets also included any asset transferred by agreement to the Receiver by any Person.

Section 5.30: "RECOVERABLE ASSETS" refers to the assets defined as Recoverable Assets in the Court's Order Appointing Receiver (as amended).

Section 5.31: "RECEIVERSHIP ENTITY" refers to any Defendant or Relief Defendant as defined in this Court's Order Appointing Receiver (as amended) other than the Individual Defendants.

Section 5.32: "RECEIVERSHIP ESTATE" refers to the Receivership Assets that have been or may be collected by the Receiver.

Section 5.33: "RESERVED FUNDS" or "RESERVE ACCOUNTS" are defined in Section 2.06.

Section 5.34: "RESTRICTED FUNDS" are defined in Section 2.04.

Section 5.35: "RESTITUTION POOLS" are defined in Section 2.05.

Section 5.36: "SECURED PARTY" refers to any Person who has a perfected, secured interest in a Receivership Asset that was obtained for reasonably equivalent value paid to the record owner of the Receivership Asset.

Section 5.37: "SHALE SYNERGY ENTITIES" refers to the Shale Synergy Entities listed above in the preamble.

Section 5.38: "SHALE SYNERGY INVESTORS" refers to any purchaser of a security from the Shale Synergy Entities.

Section 5.39: "SUPPORTING DOCUMENTS" means documents sufficient to show, more likely than not, that the Claim is valid as asserted.

ARTICLE VI – RETENTION OF JURISDICTION

Section 6.01: EXCLUSIVE JURISDICTION. This Court has had since July 2, 2009, and shall continue to retain exclusive jurisdiction over the Receiver, the Receivership and all Receivership Assets. Accordingly, in determining whether a Claim or any portion thereof is an Approved Claim, the Receiver may, but shall not be required to, consider (nor shall the Receiver be subject to) any judicial determination by any court, tribunal, agency or authority whatsoever (other than this Court) rendered as to any Receivership Asset from and after July 2, 2009, or with respect to assets owned by Blimline Entities from or after December 3, 2009, unless this Court directs otherwise. No action taken by or against the Receiver with regard to any pending matter in any other court shall be deemed to have terminated, limited, reduced, waived, or relinquished this Court's exclusive jurisdiction.

Section 6.02: CONTINUING JURISDICTION. This Plan and the Order approving this Plan is not, and is not intended to be, and therefore shall not be deemed to be either a final adjudication of this matter or a termination, limitation, reduction, waiver or relinquishment of this Court's exclusive jurisdiction with regard to all Receivership Assets and all matters in controversy in this case. This Court shall continue to have and retain exclusive jurisdiction over all matters existing or arising in this Receivership or related in any way thereto, including, but not limited to, all matters relating to approving or disapproving Claims, making Distributions on Determined Claims, and locating, recovering, settling claims to, and liquidating Receivership Assets.