

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

-----X	
IN RE:	: Chapter 11
	: :
ARCAPITA BANK B.S.C.(c), et al.,	: Case No. 12-11076 (SHL)
	: :
Debtors.	: Jointly Administered
-----X	
IN RE:	: Chapter 11
	: :
FALCON GAS STORAGE COMPANY, INC.,	: Case No. 12-11790 (SHL)
	: :
Debtor.	: Case No. 12-11790 (SHL)
-----X	

STIPULATION DISALLOWING CLAIMS WITH PREJUDICE

This Stipulation (the “*Stipulation*”) is entered into as of February 14, 2014 by and among Falcon Gas Storage Company Inc. (“*Falcon*”), on the one hand; and John M. Hopper, Edmund A. Knolle, Jeffrey H. Foutch, Keith W. Chandler, The Estate of Steven B. Toon, deceased, Thomas B. Wynne, Jr., Steven Jenkins, Tamara Jenkins, Dianne G. Foutch, Lesli Paige Leonard, Sally H. Hopper, Ellecia A Knolle, Michelle P. Foutch, Deborah J. Toon, Rachel Ann Chandler, Daniel Leonard, and Alexander Cocke Trust (collectively, the “*Hopper Parties*”), on the other hand. Falcon and the Hopper Parties are collectively referred to herein as the “*Parties*”.

RECITALS

WHEREAS, the Hopper Parties have each filed proofs of claim against Falcon that have been designated claim numbers 173, 181, 182, 176, 170, 174, 180, 179, 178, 175, 177, 167, 168, 169, 171, 166, and 165 (collectively, the “*Hopper Claims*”).

WHEREAS, the Parties have entered into a Settlement Agreement dated as of December 26, 2013 that resolves the Hopper Claims.

NOW, THEREFORE, in consideration of the foregoing and for good and valuable consideration, the exchange of which is hereby acknowledged, and intending to be legally bound hereby, it is hereby stipulated and agreed that:

TERMS

1. Withdrawal of Claims. The Hopper Parties agree to withdraw the Hopper Claims, with prejudice, and any and all other claims they may have against Falcon.
2. Claims Register. GCG, Inc., as the claims agent appointed in the chapter 11 cases, shall be authorized and empowered to adjust the claims register to reflect the withdrawal of the Hopper Claims with prejudice.
3. Successors, Assigns, and Third Party Beneficiaries. This Stipulation shall be binding upon, and inure to the benefit of, the successors and assigns to the Hopper Parties and Falcon.

Dated: New York, New York
February 14, 2014

ANDREWS KURTH LLP

GIBSON, DUNN & CRUTCHER LLP

/s/ David A. Zdunkewicz
Joseph A. Patella
Cassandra A. Porsch
450 Lexington Avenue, 15th Floor
New York, New York 10017
(212) 850-2800

David A. Zdunkewicz
600 Travis Street, Ste. 4200
Houston, Texas 77002
(713) 220-4200

Attorneys for the Hopper Parties

Dated: February 24, 2014

/s/ Jeremy L. Graves
Michael A. Rosenthal
Craig H. Millet (admitted *pro hac vice*)
Jeremy L. Graves (admitted *pro hac vice*)
200 Park Avenue
New York, New York 10166-0193
Telephone: (212) 351-4000
Facsimile: (212) 351-4035

*Attorneys for Falcon Gas Storage
Company, Inc.*

SO ORDERED:

By: /s/ Sean H. Lane
THE HONORABLE SEAN H. LANE
UNITED STATES BANKRUPTCY JUDGE