

THIS IS EXHIBIT " 21 "
referred to in the Affidavit of

J. David Rushford

Sworn before me this 8th

day of March 2016



CHRIS SIMARD
Barrister and Solicitor

**QUICKSILVER
RESOURCES**

**Statement of Income
For the Period Ending March 2015**
In thousands, except per unit and share amounts

	Month to date			Quarter to date			Year to date		
	US	Canada	Consolidated	US	Canada	Consolidated	US	Canada	Consolidated
Revenue									
Production	\$ 13,872	\$ 4,335	\$ 18,207	\$ 43,849	\$ 16,887	\$ 60,737	\$ 43,849	\$ 16,887	\$ 60,737
Sales of purchased natural gas	3,575	-	3,575	10,771	-	10,771	10,771	-	10,771
Net derivative gain (loss)	(15,832)	78,467	62,635	4,399	86,077	90,476	4,399	86,077	90,476
Other	5,070	141	5,211	5,324	424	5,748	5,324	424	5,748
Total revenue	6,686	82,943	89,628	64,344	103,388	167,732	64,344	103,388	167,732
Operating expense									
Lease operating expense	2,551	2,244	4,795	8,620	6,835	15,455	8,620	6,835	15,455
Gathering, processing and transportation expense	6,915	1,353	8,268	21,528	6,926	28,454	21,528	6,926	28,454
Production and ad valorem tax expense	815	290	1,105	2,645	881	3,525	2,645	881	3,525
Costs of purchased natural gas	3,576	-	3,576	10,783	-	10,783	10,783	-	10,783
Other operating expense	59	77	136	78	259	337	78	259	337
Depletion, depreciation and accretion	2,531	2,054	4,584	7,931	7,357	15,289	7,931	7,357	15,289
General and administrative expense	9,259	757	10,016	17,602	1,254	18,856	17,602	1,254	18,856
Total expense	25,746	6,778	32,522	69,188	23,511	92,699	69,188	23,511	92,699
Operating Income	(19,060)	76,167	57,106	(4,844)	79,877	75,033	(4,844)	79,877	75,033
Other Income (expense) - net	30	(1,840)	(1,810)	111	(5,698)	(5,588)	111	(5,698)	(5,588)
Partnership Liability Accretion	-	(1,072)	(1,072)	-	(3,228)	(3,228)	-	(3,228)	(3,228)
Interest expense	(7,794)	(1,392)	(9,186)	(33,313)	(3,784)	(37,097)	(33,313)	(3,784)	(37,097)
Reorganization Items, net	(2,041)	-	(2,041)	(2,041)	-	(2,041)	(2,041)	-	(2,041)
Income before Income taxes	(20,866)	71,863	42,997	(40,088)	67,167	27,079	(40,088)	67,167	27,079
Income tax (expense) benefit	(691)	(46)	(737)	(1,956)	430	(1,526)	(1,956)	430	(1,526)
Net Income	\$ (29,557)	\$ 71,817	\$ 42,260	\$ (42,054)	\$ 67,597	\$ 25,543	\$ (42,054)	\$ 67,597	\$ 25,543
Income per common share - basic	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Income per common share - diluted	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Basic weighted average shares outstanding									
Diluted weighted average shares outstanding									

**Earnings per share (EPS) presented does not take into consideration the impact of participating securities share of Income (would reduce EPS). Participating securities do not share in losses.

	Operating Statistics								
	US	Canada	Consolidated	US	Canada	Consolidated	US	Canada	Consolidated
Total natural gas production - Mcf	3,457,805	1,610,144	5,067,949	10,731,365	6,326,986	17,058,351	10,731,365	6,326,986	17,058,351
Natural gas avg \$ / Mcf	\$ 3.28	\$ 2.69	\$ 3.09	\$ 3.34	\$ 2.67	\$ 3.09	\$ 3.34	\$ 2.67	\$ 3.09
Natural gas volumes - Mcfd	111,542	51,940	163,482	119,237	70,300	189,537	119,237	70,300	189,537
Total NGL production - Bbl	127,296	(10)	127,286	450,478	101	450,579	450,478	101	450,579
NGLs avg \$ / Bbl	\$ 16.76	\$ 70.09	\$ 16.75	\$ 15.54	(\$ 9.84)	\$ 15.53	\$ 15.54	(\$ 9.84)	\$ 15.53
NGLs volumes - Bbl/d	4,106	(0)	4,106	5,005	1	5,006	5,005	1	5,006
Total oil production - Bbl	9,482	8	9,490	24,614	(59)	24,555	24,614	(59)	24,555
Oil avg \$ / Bbl	\$ 42.95	\$ 40.49	\$ 42.95	\$ 42.83	\$ 99.23	\$ 42.69	\$ 42.83	\$ 99.23	\$ 42.69
Oil volumes - Bbl/d	306	0	306	273	(1)	273	273	(1)	273
Total production - Mcfe	4,278,475	1,610,129	5,888,604	13,581,917	6,327,241	19,909,159	13,581,917	6,327,241	19,909,159
Avg \$ / Mcfe	\$ 3.24	\$ 2.69	\$ 3.09	\$ 3.23	\$ 2.67	\$ 3.05	\$ 3.23	\$ 2.67	\$ 3.05
Total production - Mcfed	138,015	51,940	189,955	150,910	221,213	150,910	150,910	221,213	150,910
Lease operating expense \$/Mcfe	\$ 0.60	\$ 1.39	\$ 0.81	\$ 0.63	\$ 1.08	\$ 0.78	\$ 0.63	\$ 1.08	\$ 0.78
Gathering, processing & transportation \$/Mcfe	\$ 1.62	\$ 0.84	\$ 1.40	\$ 1.59	\$ 1.09	\$ 1.43	\$ 1.59	\$ 1.09	\$ 1.43
Production tax expense \$/Mcfe	\$ 0.04	\$ 0.00	\$ 0.03	\$ 0.04	\$ 0.00	\$ 0.03	\$ 0.04	\$ 0.00	\$ 0.03
Ad valorem tax expense \$/Mcfe	\$ 0.16	\$ 0.18	\$ 0.16	\$ 0.16	\$ 0.14	\$ 0.15	\$ 0.16	\$ 0.14	\$ 0.15
Production & ad valorem tax expense \$/Mcfe	\$ 0.19	\$ 0.18	\$ 0.19	\$ 0.19	\$ 0.14	\$ 0.18	\$ 0.19	\$ 0.14	\$ 0.18
G&A expense \$/Mcfe	\$ 2.17	\$ 0.47	\$ 1.71	\$ 1.30	\$ 0.20	\$ 0.95	\$ 1.30	\$ 0.20	\$ 0.95
Depletion \$/Mcfe	\$ 0.43	\$ 0.82	\$ 0.54	\$ 0.43	\$ 0.83	\$ 0.56	\$ 0.43	\$ 0.83	\$ 0.56
Depreciation \$/Mcfe	\$ 0.11	\$ 0.30	\$ 0.17	\$ 0.11	\$ 0.22	\$ 0.14	\$ 0.11	\$ 0.22	\$ 0.14
Accretion \$/Mcfe	\$ 0.05	\$ 0.15	\$ 0.08	\$ 0.04	\$ 0.11	\$ 0.07	\$ 0.04	\$ 0.11	\$ 0.07
DD&A \$/Mcfe	\$ 0.59	\$ 1.28	\$ 0.78	\$ 0.58	\$ 1.16	\$ 0.77	\$ 0.58	\$ 1.16	\$ 0.77



QUICKSILVER
RESOURCES

KWK E&P Canada Balance Sheets

In thousands

	March 31, 2015	December 31, 2014	Variance	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 66,311	\$ 11,873	\$ 54,438	458.5%
Accounts receivable, net of allowance for doubtful	5,320	17,860	(12,540)	-70.2%
Derivative assets at fair value	3,447	34,257	(30,810)	-89.9%
Inventories and other current assets	9,189	7,910	1,278	16.2%
Total current assets	<u>84,266</u>	<u>71,900</u>		
Intercompany loan	(413,282)	(413,282)		
Property, plant and equipment				
Oil and gas properties, full cost method	219,910	242,390	(22,480)	-9.3%
Other property and equipment	43,407	51,288	(7,881)	-15.4%
Property, plant and equipment - net	<u>263,318</u>	<u>293,678</u>		
Derivative assets at fair value		13,307	(13,307)	-100.0%
Other assets	4,932	5,405	(473)	-8.8%
	<u>\$ (60,766)</u>	<u>\$ (28,991)</u>		

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities				
Accounts payable	\$ 5,126	\$ 2,245	\$ 2,882	128.4%
Accrued liabilities	8,323	9,404	(1,080)	-11.5%
Current portion of long-term debt	97,591	100,514	(2,923)	-2.9%
Total current liabilities	<u>111,040</u>	<u>112,162</u>		
Long-term debt	(484)		(484)	>500%
Liabilities held for sale				
Accrued Partnership Liability	86,466	91,956	(5,490)	-6.0%
Asset Retirement obligations	54,994	59,501	(4,507)	-7.6%
Stockholders' equity				
Common stock, \$0.01 par value	1,817	1,817		0.0%
Paid in capital in excess of par value	28,118	28,118		0.0%
Accumulated other comprehensive Income	(51,880)	35,889	(87,769)	-244.6%
Retained earnings	<u>(290,838)</u>	<u>(358,435)</u>	67,597	-18.9%
Total equity	<u>\$ (60,766)</u>	<u>\$ (28,991)</u>		

**QUICKSILVER
RESOURCES**

**Statement of Income
For the Period Ending April 2015**

In thousands, except per unit and share amounts

	Month to date			Quarter to date			Year to date		
	US	Canada	Consolidated	US	Canada	Consolidated	US	Canada	Consolidated
Revenue									
Production	\$ 14,047	\$ 3,858	\$ 17,905	\$ 14,047	\$ 3,858	\$ 17,905	\$ 57,897	\$ 20,745	\$ 78,642
Sales of purchased natural gas	3,598	-	3,598	3,598	-	3,598	14,369	-	14,369
Net derivative gain (loss)	(64)	48	(16)	(64)	48	(16)	19,789	7,697	27,485
Other	129	141	270	129	141	270	5,454	565	6,018
Total revenue	17,710	4,047	21,757	17,710	4,047	21,757	97,508	29,007	126,514
Operating expense									
Lease operating expense	2,065	1,769	3,834	2,065	1,769	3,834	10,685	8,610	19,295
Gathering, processing and transportation expense	6,369	646	7,015	6,369	646	7,015	27,897	7,575	35,472
Production and ad valorem tax expense	910	483	1,393	910	483	1,393	3,554	1,364	4,918
Costs of purchased natural gas	3,586	-	3,586	3,586	-	3,586	14,370	-	14,370
Other operating expense	(61)	64	3	(61)	64	3	17	323	340
Depletion, depreciation and accretion	2,515	1,811	4,325	2,515	1,811	4,325	10,446	9,168	19,614
General and administrative expense	2,691	284	2,975	2,691	284	2,975	20,293	1,538	21,831
Total expense	18,074	5,057	23,132	18,074	5,057	23,132	87,262	28,578	115,840
Operating income	(364)	(1,011)	(1,375)	(364)	(1,011)	(1,375)	10,245	429	10,674
Other income (expense) - net	(43)	284	241	(43)	284	241	68	(25,392)	(25,324)
Partnership Liability Accretion	-	(1,110)	(1,110)	-	(1,110)	(1,110)	-	(4,338)	(4,338)
Interest expense	113	(1,258)	(1,145)	113	(1,258)	(1,145)	(32,865)	(5,042)	(37,907)
Reorganization Items, net	(92)	-	(92)	(92)	-	(92)	(60,737)	-	(60,737)
Income before income taxes	(387)	(3,095)	(3,482)	(387)	(3,095)	(3,482)	(83,288)	(34,343)	(117,632)
Income tax (expense) benefit	(801)	(683)	(1,484)	(801)	(683)	(1,484)	(2,767)	(253)	(3,020)
Net income	\$ (1,187)	\$ (3,779)	\$ (4,966)	\$ (1,187)	\$ (3,779)	\$ (4,966)	\$ (86,056)	\$ (34,597)	\$ (120,652)
Income per common share - basic	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Income per common share - diluted	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Basic weighted average shares outstanding									
Diluted weighted average shares outstanding									

**Earnings per share (EPS) presented does not take into consideration the impact of participating securities share of income (would reduce EPS). Participating securities do not share in losses.

	Operating Statistics								
	US	Canada	Consolidated	US	Canada	Consolidated	US	Canada	Consolidated
Total natural gas production - Mcf	3,549,371	1,360,647	4,910,018	3,549,371	1,360,647	4,910,018	14,280,736	7,740,180	22,020,915
Natural gas avg \$ / Mcf	\$ 3.26	\$ 2.83	\$ 3.14	\$ 3.26	\$ 2.83	\$ 3.14	\$ 3.32	\$ 2.68	\$ 3.09
Natural gas volumes - Mcfd	118,312	45,355	163,667	118,312	45,355	163,667	119,006	64,501	183,508
Total NGL production - Bbl	111,293	96	111,390	111,293	96	111,390	561,771	276	562,047
NGLs avg \$ / Bbl	\$ 18.11	\$ 34.22	\$ 18.13	\$ 18.11	\$ 34.22	\$ 18.13	\$ 16.05	\$ 8.30	\$ 16.05
NGLs volumes - Bbl/d	3,710	3	3,713	3,710	3	3,713	4,681	2	4,684
Total oil production - Bbl	9,918	(0)	9,917	9,918	(0)	9,917	34,532	(59)	34,473
Oil avg \$ / Bbl	\$ 48.02	(\$ 5,647.72)	\$ 48.13	\$ 48.02	(\$ 5,647.72)	\$ 48.13	\$ 44.32	\$ 80.84	\$ 44.25
Oil volumes - Bbl/d	331	(0)	331	331	(0)	331	288	(0)	287
Total production - Mcfe	4,276,636	1,361,223	5,637,859	4,276,636	1,361,223	5,637,859	17,850,553	7,741,483	25,600,036
Avg \$ / Mcfe	\$ 3.28	\$ 2.83	\$ 3.18	\$ 3.28	\$ 2.83	\$ 3.18	\$ 3.24	\$ 2.68	\$ 3.07
Total production - Mcfed	142,555	45,374	187,929	142,555	45,374	187,929	148,821	64,512	213,334
Lease operating expense \$/Mcfe	\$ 0.48	\$ 1.30	\$ 0.68	\$ 0.48	\$ 1.30	\$ 0.68	\$ 0.60	\$ 1.11	\$ 0.75
Gathering, processing & transportation \$/Mcfe	\$ 1.49	\$ 0.47	\$ 1.24	\$ 1.49	\$ 0.47	\$ 1.24	\$ 1.56	\$ 0.98	\$ 1.39
Production tax expense \$/Mcfe	\$ 0.04	\$ 0.14	\$ 0.07	\$ 0.04	\$ 0.14	\$ 0.07	\$ 0.04	\$ 0.03	\$ 0.03
Ad valorem tax expense \$/Mcfe	\$ 0.17	\$ 0.21	\$ 0.18	\$ 0.17	\$ 0.21	\$ 0.18	\$ 0.16	\$ 0.15	\$ 0.16
Production & ad valorem tax expense \$/Mcfe	\$ 0.21	\$ 0.36	\$ 0.25	\$ 0.21	\$ 0.36	\$ 0.25	\$ 0.20	\$ 0.18	\$ 0.19
G&A expense \$/Mcfe	\$ 0.63	\$ 0.21	\$ 0.53	\$ 0.63	\$ 0.21	\$ 0.53	\$ 1.14	\$ 0.20	\$ 0.85
Depletion \$/Mcfe	\$ 0.43	\$ 0.82	\$ 0.52	\$ 0.43	\$ 0.82	\$ 0.52	\$ 0.43	\$ 0.82	\$ 0.55
Depreciation \$/Mcfe	\$ 0.11	\$ 0.33	\$ 0.16	\$ 0.11	\$ 0.33	\$ 0.16	\$ 0.11	\$ 0.24	\$ 0.15
Accretion \$/Mcfe	\$ 0.05	\$ 0.18	\$ 0.08	\$ 0.05	\$ 0.18	\$ 0.08	\$ 0.05	\$ 0.13	\$ 0.07
DD&A \$/Mcfe	\$ 0.59	\$ 1.33	\$ 0.77	\$ 0.59	\$ 1.33	\$ 0.77	\$ 0.58	\$ 1.18	\$ 0.77



KWK E&P Canada Balance Sheets

In thousands

	April 30, 2015	December 31, 2014	Variance	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 25,923	\$ 11,873	\$ 14,050	118.3%
Accounts receivable, net of allowance for doubtful	5,578	17,860	(12,282)	-68.8%
Derivative assets at fair value	2,947	34,257	(31,310)	-91.4%
Inventories and other current assets	8,546	7,910	636	8.0%
Total current assets	<u>42,995</u>	<u>71,900</u>		
Intercompany loan	(413,282)	(413,282)		
Property, plant and equipment				
Oil and gas properties, full cost method	224,861	242,390	(17,529)	-7.2%
Other property and equipment	50,173	51,288	(1,115)	-2.2%
Property, plant and equipment - net	<u>275,033</u>	<u>293,678</u>		
Derivative assets at fair value		13,307	(13,307)	-100.0%
Other assets	5,253	5,405	(152)	-2.8%
	<u>\$ (90,000)</u>	<u>\$ (28,991)</u>		

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities				
Accounts payable	\$ (3,821)	\$ 2,245	\$ (6,065)	-270.2%
Accrued liabilities	(60,508)	9,404	(69,912)	-743.5%
Current portion of long-term debt	123,160	100,514	22,646	22.5%
Total current liabilities	<u>58,831</u>	<u>112,162</u>		
Accrued Partnership Liability	91,916	91,956	(40)	0.0%
Asset Retirement obligations	58,008	59,501	(1,493)	-2.5%
Stockholders' equity				
Common stock, \$0.01 par value	1,817	1,817		0.0%
Paid in capital in excess of par value	28,118	28,118		0.0%
Accumulated other comprehensive income	100,682	35,889	64,793	180.5%
Retained earnings	(393,031)	(358,435)	(34,597)	9.7%
Total equity	<u>(262,414)</u>	<u>(292,610)</u>		
	<u>\$ (90,000)</u>	<u>\$ (28,991)</u>		

**QUICKSILVER
RESOURCES**

Statement of Income
For the Period Ending May 2015

In thousands, except per unit and share amounts

	Month to date			Quarter to date			Year to date		
	US	Canada	Consolidated	US	Canada	Consolidated	US	Canada	Consolidated
Revenue									
Production	\$ 13,522	\$ 4,043	\$ 17,565	\$ 27,569	\$ 7,600	\$ 35,169	\$ 71,418	\$ 24,487	\$ 95,906
Sales of purchased natural gas	3,610	-	3,610	7,207	-	7,207	17,978	-	17,978
Net derivative gain (loss)	249	373	622	185	420	606	20,038	8,069	28,107
Other	87	146	233	216	287	503	5,540	710	6,251
Total revenue	17,467	4,561	22,029	35,178	8,307	43,485	114,975	33,267	148,242
Operating expense									
Lease operating expense	1,834	1,999	3,833	3,098	3,760	7,666	12,519	10,609	23,127
Gathering, processing and transportation expense	6,069	668	6,738	12,438	1,294	13,732	33,966	8,223	42,189
Production and ad valorem tax expense	942	275	1,217	1,852	663	2,515	4,497	1,544	6,040
Costs of purchased natural gas	3,606	-	3,606	7,193	-	7,193	17,976	-	17,976
Other operating expense	48	103	151	(13)	167	155	65	426	491
Depletion, depreciation and accretion	2,468	2,098	4,566	4,983	3,908	8,891	17,914	11,266	24,180
General and administrative expense	3,046	367	3,413	5,846	651	6,496	23,440	1,904	25,352
Total expense	18,013	5,509	23,523	36,197	10,452	46,649	105,385	33,972	139,357
Operating income	(546)	(948)	(1,494)	(1,019)	(2,145)	(3,164)	9,590	(705)	-8,885
Other income (expense) - net	3	(391)	(388)	(75)	20	(55)	36	(25,656)	(25,620)
Partnership Liability Accretion	-	(1,131)	(1,131)	-	(2,241)	(2,241)	-	(5,469)	(5,469)
Interest expense	154	(1,325)	(1,171)	268	(2,661)	(2,393)	(32,709)	(6,444)	(39,154)
Reorganization Items, net	(2,861)	-	(2,861)	(70,491)	-	(70,491)	(131,136)	-	(131,136)
Income before Income taxes	(3,249)	(3,795)	(7,044)	(71,317)	(7,026)	(78,343)	(154,219)	(38,274)	(192,493)
Income tax (expense) benefit	(612)	165	(447)	(1,413)	(518)	(1,931)	(3,379)	(88)	(3,468)
Net Income	\$ (3,861)	\$ (3,630)	\$ (7,491)	\$ (72,730)	\$ (7,544)	\$ (80,274)	\$ (157,598)	\$ (38,363)	\$ (195,961)
Income per common share - basic	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Income per common share - diluted	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Basic weighted average shares outstanding									
Diluted weighted average shares outstanding									

**Earnings per share (EPS) presented does not take into consideration the impact of participating securities share of Income (would reduce EPS). Participating securities do not share in losses.

Operating Statistics									
Total natural gas production - Mcf	3,491,168	1,404,038	4,895,226	7,040,559	2,764,685	9,805,244	17,771,923	9,144,218	26,916,141
Natural gas avg \$ / Mcf	\$ 3.26	\$ 2.88	\$ 3.15	\$ 3.26	\$ 2.75	\$ 3.11	\$ 3.30	\$ 2.68	\$ 3.09
Natural gas volumes - Mcfd	112,619	45,292	157,911	115,419	45,323	160,742	117,695	60,558	178,253
Total NGL production - Bbl	107,009	121	107,131	218,303	218	218,520	668,780	398	669,178
NGLs avg \$ / Bbl	\$ 17.42	\$ 47.94	\$ 17.45	\$ 17.77	\$ 41.88	\$ 17.80	\$ 16.27	\$ 20.41	\$ 16.27
NGLs volumes - Bbl/d	3,452	4	3,456	3,579	4	3,582	4,429	3	4,432
Total oil production - Bbl	5,271	9	5,279	15,188	9	15,197	39,803	(50)	39,752
Oil avg \$ / Bbl	\$ 53.37	\$ 30.60	\$ 53.33	\$ 49.88	\$ 155.14	\$ 49.94	\$ 45.52	\$ 89.64	\$ 45.46
Oil volumes - Bbl/d	170	0	170	249	0	249	264	(0)	263
Total production - Mcfe	4,164,867	1,404,820	5,569,686	8,441,503	2,766,043	11,207,545	22,023,420	9,146,302	31,169,722
Avg \$ / Mcfe	\$ 3.25	\$ 2.88	\$ 3.15	\$ 3.27	\$ 2.75	\$ 3.14	\$ 3.24	\$ 2.68	\$ 3.08
Total production - Mcfed	134,351	45,317	179,667	138,385	45,345	183,730	145,850	60,572	206,422
Lease operating expense \$/Mcfe	\$ 0.44	\$ 1.42	\$ 0.69	\$ 0.46	\$ 1.36	\$ 0.68	\$ 0.57	\$ 1.16	\$ 0.74
Gathering, processing & transportation \$/Mcfe	\$ 1.46	\$ 0.48	\$ 1.21	\$ 1.47	\$ 0.47	\$ 1.23	\$ 1.54	\$ 0.90	\$ 1.35
Production tax expense \$/Mcfe	\$ 0.04	\$ 0.00	\$ 0.03	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.01	\$ 0.03
Ad valorem tax expense \$/Mcfe	\$ 0.19	\$ 0.19	\$ 0.19	\$ 0.18	\$ 0.20	\$ 0.18	\$ 0.17	\$ 0.16	\$ 0.16
Production & ad valorem tax expense \$/Mcfe	\$ 0.23	\$ 0.20	\$ 0.22	\$ 0.22	\$ 0.24	\$ 0.22	\$ 0.20	\$ 0.17	\$ 0.19
G&A expense \$/Mcfe	\$ 0.73	\$ 0.26	\$ 0.61	\$ 0.69	\$ 0.24	\$ 0.58	\$ 1.06	\$ 0.21	\$ 0.81
Depletion \$/Mcfe	\$ 0.43	\$ 0.98	\$ 0.57	\$ 0.43	\$ 0.90	\$ 0.55	\$ 0.43	\$ 0.84	\$ 0.55
Depreciation \$/Mcfe	\$ 0.11	\$ 0.33	\$ 0.17	\$ 0.11	\$ 0.33	\$ 0.17	\$ 0.11	\$ 0.25	\$ 0.15
Accretion \$/Mcfe	\$ 0.05	\$ 0.18	\$ 0.08	\$ 0.05	\$ 0.18	\$ 0.08	\$ 0.05	\$ 0.13	\$ 0.07
DD&A \$/Mcfe	\$ 0.59	\$ 1.49	\$ 0.82	\$ 0.59	\$ 1.41	\$ 0.79	\$ 0.59	\$ 1.23	\$ 0.79



KWK E&P Canada Balance Sheets

In thousands

	May 31, 2015	December 31, 2014	Variance	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 26,182	\$ 11,873	\$ 14,309	120.5%
Accounts receivable, net of allowance for doubtful	2,386	17,860	(15,474)	-86.6%
Derivative assets at fair value	2,725	34,257	(31,532)	-92.0%
Inventories and other current assets	8,394	7,910	483	6.1%
Total current assets	<u>39,687</u>	<u>71,900</u>		
Intercompany loan	(413,282)	(413,282)		
Property, plant and equipment				
Oil and gas properties, full cost method	217,824	242,390	(24,565)	-10.1%
Other property and equipment	47,548	51,288	(3,740)	-7.3%
Property, plant and equipment - net	<u>265,372</u>	<u>293,678</u>		
Derivative assets at fair value		13,307	(13,307)	-100.0%
Other assets	5,045	5,405	(361)	-6.7%
	<u>\$ (103,178)</u>	<u>\$ (28,991)</u>		
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable	\$ 1,582	\$ 2,245	\$ (662)	-29.5%
Accrued liabilities	5,458	9,404	(3,946)	-42.0%
Current portion of long-term debt	82,751	100,514	(17,763)	-17.7%
Total current liabilities	<u>89,791</u>	<u>112,162</u>		
Accrued Partnership Liability	89,792	91,956	(2,164)	-2.4%
Asset Retirement obligations	56,506	59,501	(2,994)	-5.0%
Stockholders' equity				
Common stock, \$0.01 par value	1,817	1,817		0.0%
Paid in capital in excess of par value	28,118	28,118		0.0%
Accumulated other comprehensive income	27,595	35,889	(8,294)	-23.1%
Retained earnings	<u>(396,797)</u>	<u>(358,435)</u>	(38,363)	10.7%
Total equity	<u>(339,267)</u>	<u>(292,610)</u>		
	<u>\$ (103,178)</u>	<u>\$ (28,991)</u>		

**QUICKSILVER
RESOURCES**

**Statement of Income
For the Period Ending June 2015**

In thousands, except per unit and share amounts

	Month to date			Quarter to date			Year to date		
	US	Canada	Consolidated	US	Canada	Consolidated	US	Canada	Consolidated
Revenue									
Production	\$ 13,295	\$ 3,237	\$ 16,532	\$ 40,864	\$ 10,837	\$ 51,701	\$ 84,713	\$ 27,725	\$ 112,438
Sales of purchased natural gas	3,601	-	3,601	10,808	-	10,808	21,579	-	21,579
Net derivative gain (loss)	(260)	(243)	(503)	(82)	184	101	19,770	7,833	27,603
Other	106	156	262	322	443	765	5,646	867	6,513
Total revenue	16,735	3,151	19,886	51,912	11,464	63,376	131,709	36,424	168,134
Operating expense									
Lease operating expense	1,876	2,253	4,129	5,774	6,021	11,796	14,395	12,862	27,257
Gathering, processing and transportation expense	4,708	973	5,681	17,146	1,867	19,013	38,574	8,796	47,471
Production and ad valorem tax expense	945	288	1,233	2,797	951	3,748	5,441	1,832	7,273
Costs of purchased natural gas	3,568	-	3,568	10,761	-	10,761	21,544	-	21,544
Other operating expense	48	150	198	35	317	352	114	576	689
Depletion, depreciation and accretion	2,349	1,616	4,165	7,332	5,523	12,854	15,263	12,880	28,143
General and administrative expense	3,082	465	3,547	8,927	1,116	10,043	26,530	2,370	28,899
Total expense	16,576	5,546	22,121	52,773	15,795	68,568	121,961	39,316	161,276
Operating Income	159	(2,395)	(2,236)	(860)	(4,331)	(5,192)	9,749	(2,891)	6,858
Other Income (expense) - net	177	(4)	173	102	17	119	212	(25,560)	(25,447)
Partnership Liability Accretion	-	(1,129)	(1,129)	-	(3,370)	(3,370)	-	(6,598)	(6,598)
Interest expense	111	(1,303)	(1,192)	379	(3,964)	(3,584)	(32,598)	(7,747)	(40,345)
Reorganization Items, net	(9,549)	-	(9,549)	(80,040)	-	(80,040)	(140,685)	-	(140,685)
Income before Income taxes	(9,102)	(4,831)	(13,934)	(80,420)	(11,649)	(92,069)	(163,322)	(42,897)	(205,218)
Income tax (expense) benefit	(784)	(111)	(895)	(2,197)	(629)	(2,827)	(4,163)	(200)	(4,363)
Net Income	\$ (9,887)	\$ (4,942)	\$ (14,829)	\$ (82,617)	\$ (12,278)	\$ (94,895)	\$ (167,485)	\$ (43,096)	\$ (210,581)
Income per common share - basic	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Income per common share - diluted	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Basic weighted average shares outstanding									
Diluted weighted average shares outstanding									

*Earnings per share (EPS) presented does not take into consideration the impact of participating securities share of Income (would reduce EPS). Participating securities do not share in losses.

	Operating Statistics								
	US	Canada	Consolidated	US	Canada	Consolidated	US	Canada	Consolidated
Total natural gas production - Mcf	3,200,537	1,371,889	4,572,426	10,241,096	4,136,574	14,377,670	20,972,460	10,516,107	31,488,567
Natural gas avg \$ / Mcf	\$ 3.46	\$ 2.36	\$ 3.13	\$ 3.32	\$ 2.62	\$ 3.12	\$ 3.33	\$ 2.64	\$ 3.10
Natural gas volumes - Mcfd	106,685	45,730	152,414	112,540	45,457	157,996	115,870	58,100	173,970
Total NGL production - Bbl	108,331	(6)	108,325	326,634	212	326,846	777,111	392	777,503
NGLs avg \$ / Bbl	\$ 16.31	\$ 83.22	\$ 16.31	\$ 17.29	\$ 40.76	\$ 17.30	\$ 16.27	\$ 19.49	\$ 16.28
NGLs volumes - Bbl/d	3,611	(0)	3,611	3,589	2	3,592	4,293	2	4,296
Total oil production - Bbl	8,090	10	8,101	23,279	19	23,298	47,893	(40)	47,853
Oil avg \$ / Bbl	\$ 54.35	\$ 42.84	\$ 54.33	\$ 51.43	\$ 93.95	\$ 51.47	\$ 47.01	\$ 101.72	\$ 46.96
Oil volumes - Bbl/d	270	0	270	256	0	256	265	(0)	264
Total production - Mcfe	3,899,067	1,371,917	5,270,984	12,340,570	4,137,959	16,478,529	25,922,487	10,518,219	36,440,706
Avg \$ / Mcfe	\$ 3.41	\$ 2.36	\$ 3.14	\$ 3.31	\$ 2.62	\$ 3.14	\$ 3.27	\$ 2.64	\$ 3.09
Total production - Mcfed	129,969	45,731	175,699	135,611	45,472	181,083	143,218	58,112	201,330
Lease operating expense \$/Mcfe	\$ 0.48	\$ 1.64	\$ 0.78	\$ 0.47	\$ 1.46	\$ 0.72	\$ 0.56	\$ 1.22	\$ 0.75
Gathering, processing & transportation \$/Mcfe	\$ 1.21	\$ 0.42	\$ 1.00	\$ 1.39	\$ 0.45	\$ 1.15	\$ 1.49	\$ 0.84	\$ 1.30
Production tax expense \$/Mcfe	\$ 0.05	\$ 0.00	\$ 0.04	\$ 0.04	\$ 0.03	\$ 0.04	\$ 0.04	\$ 0.01	\$ 0.03
Ad valorem tax expense \$/Mcfe	\$ 0.19	\$ 0.21	\$ 0.20	\$ 0.18	\$ 0.20	\$ 0.19	\$ 0.17	\$ 0.16	\$ 0.17
Production & ad valorem tax expense \$/Mcfe	\$ 0.24	\$ 0.21	\$ 0.23	\$ 0.23	\$ 0.23	\$ 0.23	\$ 0.21	\$ 0.17	\$ 0.20
G&A expense \$/Mcfe	\$ 0.79	\$ 0.34	\$ 0.67	\$ 0.72	\$ 0.27	\$ 0.61	\$ 1.02	\$ 0.23	\$ 0.79
Depletion \$/Mcfe	\$ 0.43	\$ 0.82	\$ 0.53	\$ 0.43	\$ 0.83	\$ 0.53	\$ 0.43	\$ 0.82	\$ 0.54
Depreciation \$/Mcfe	\$ 0.12	\$ 0.32	\$ 0.17	\$ 0.11	\$ 0.33	\$ 0.17	\$ 0.11	\$ 0.26	\$ 0.16
Accretion \$/Mcfe	\$ 0.05	\$ 0.18	\$ 0.09	\$ 0.05	\$ 0.18	\$ 0.08	\$ 0.05	\$ 0.14	\$ 0.07
DD&A \$/Mcfe	\$ 0.60	\$ 1.32	\$ 0.79	\$ 0.59	\$ 1.33	\$ 0.78	\$ 0.59	\$ 1.22	\$ 0.77



KWK E&P Canada Balance Sheets

In thousands

	June 30, 2015	December 31, 2014	Variance	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 22,182	\$ 11,873	\$ 10,309	86.8%
Accounts receivable, net of allowance for doubtful	4,335	17,860	(13,525)	-75.7%
Derivative assets at fair value	()	34,257	(34,257)	-100.0%
Inventories and other current assets	9,061	7,910	1,151	14.5%
Total current assets	<u>35,578</u>	<u>71,900</u>		
Intercompany loan	(413,282)	(413,282)		
Property, plant and equipment				
Oil and gas properties, full cost method	216,246	242,390	(26,144)	-10.8%
Other property and equipment	46,806	51,288	(4,482)	-8.7%
Property, plant and equipment - net	<u>263,051</u>	<u>293,678</u>		
Derivative assets at fair value		13,307	(13,307)	-100.0%
Other assets	4,985	5,405	(421)	-7.8%
	<u>\$ (109,668)</u>	<u>\$ (28,991)</u>		

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities				
Accounts payable	\$ 795	\$ 2,245	\$ (1,450)	-64.6%
Accrued liabilities	4,840	9,404	(4,563)	-48.5%
Current portion of long-term debt	82,751	100,514	(17,763)	-17.7%
Total current liabilities	<u>88,386</u>	<u>112,162</u>		
Long-term debt	(280)		(280)	>500%
Liabilities held for sale				
Accrued Partnership Liability	90,519	91,956	(1,438)	-1.6%
Asset Retirement obligations	56,504	59,501	(2,997)	-5.0%
Stockholders' equity				
Common stock, \$0.01 par value	1,817	1,817		0.0%
Paid in capital in excess of par value	28,118	28,118	()	0.0%
Accumulated other comprehensive income	26,800	35,889	(9,089)	-25.3%
Retained earnings	<u>(401,531)</u>	<u>(358,435)</u>	(43,096)	12.0%
Total equity	<u>\$ (109,668)</u>	<u>\$ (28,991)</u>		


QUICKSILVER
RESOURCES
 Statement of Income

For the Period Ending July 2015
 In thousands, except per unit and share amounts

	Month to date			Quarter to date			Year to date		
	US	Canada	Consolidated	US	Canada	Consolidated	US	Canada	Consolidated
Revenue									
Production	\$ 13,283	\$ 3,599	\$ 16,882	\$ 13,283	\$ 3,599	\$ 16,882	\$ 97,997	\$ 31,323	\$ 129,320
Sales of purchased natural gas	2,946	-	2,946	2,946	-	2,946	24,525	-	24,525
Net derivative gain (loss)	232	(308)	(76)	232	(308)	(75)	20,003	7,525	27,528
Other	251	139	390	251	139	390	5,898	1,006	6,904
Total revenue	16,713	3,430	20,143	16,713	3,430	20,143	148,423	39,854	188,277
Operating expense									
Lease operating expense	1,963	2,517	4,479	1,963	2,517	4,479	16,357	15,379	31,736
Gathering, processing and transportation expense	5,679	359	6,037	5,679	359	6,037	44,353	9,155	53,508
Production and ad valorem tax expense	936	275	1,211	936	275	1,211	6,378	2,107	8,485
Costs of purchased natural gas	2,926	-	2,926	2,926	-	2,926	24,470	-	24,470
Other operating expense	8	40	48	8	40	48	122	615	737
Depletion, depreciation and accretion	2,409	1,577	3,986	2,409	1,577	3,986	17,672	14,457	32,128
Impairment expense	-	-	-	-	-	-	-	77,411	77,411
General and administrative expense	2,870	280	3,150	2,870	280	3,150	29,591	2,650	32,242
Total expense	16,790	5,048	21,838	16,790	5,048	21,838	138,943	121,774	260,717
Operating income	(77)	(1,618)	(1,695)	(77)	(1,618)	(1,695)	9,480	(81,920)	(72,440)
Other income (expense) - net	3	(372)	(369)	3	(372)	(369)	216	(26,032)	(25,816)
Partnership Liability Accretion	-	(1,099)	(1,099)	-	(1,099)	(1,099)	-	(7,697)	(7,697)
Interest expense	208	(1,301)	(1,093)	208	(1,301)	(1,093)	(32,390)	(9,048)	(41,439)
Reorganization items, net	(4,428)	-	(4,428)	(4,428)	-	(4,428)	(145,113)	-	(145,113)
Income before income taxes	(4,294)	(4,390)	(8,684)	(4,294)	(4,390)	(8,684)	(167,807)	(124,698)	(292,505)
Income tax (expense) benefit	(791)	330	(461)	(791)	330	(461)	(4,955)	809	(4,146)
Net income	\$ (5,085)	\$ (4,059)	\$ (9,145)	\$ (5,085)	\$ (4,059)	\$ (9,145)	\$ (172,762)	\$ (123,889)	\$ (296,651)
Income per common share - basic	(\$ 0.03)	(\$ 0.02)	(\$ 0.05)	(\$ 0.03)	(\$ 0.02)	(\$ 0.05)	(\$ 0.98)	(\$ 0.70)	(\$ 1.69)
Income per common share - diluted	(\$ 0.03)	(\$ 0.02)	(\$ 0.05)	(\$ 0.03)	(\$ 0.02)	(\$ 0.05)	(\$ 0.98)	(\$ 0.70)	(\$ 1.69)
Basic weighted average shares outstanding			176,204			176,204			175,968
Diluted weighted average shares outstanding			176,204			176,204			175,968

**Earnings per share (EPS) presented does not take into consideration the impact of participating securities share of income (would reduce EPS). Participating securities do not share in losses.

	Operating Statistics			Operating Statistics			Operating Statistics		
	US	Canada	Consolidated	US	Canada	Consolidated	US	Canada	Consolidated
Total natural gas production - Mcf	3,279,627	1,374,484	4,654,111	3,279,627	1,374,484	4,654,111	24,252,087	11,890,591	36,142,678
Natural gas avg \$ / Mcf	\$ 3.46	\$ 2.62	\$ 3.21	\$ 3.46	\$ 2.62	\$ 3.21	\$ 3.35	\$ 2.63	\$ 3.11
Natural gas volumes - Mcfd	105,794	44,338	150,133	105,794	44,338	150,133	114,397	56,088	170,484
Total NGL production - Bbl	119,179	(11)	119,168	119,179	(11)	119,168	896,290	301	896,671
NGLs avg \$ / Bbl	\$ 12.90	\$ 35.42	\$ 12.90	\$ 12.90	\$ 35.42	\$ 12.90	\$ 15.83	\$ 19.03	\$ 15.83
NGLs volumes - Bbl/d	3,844	(0)	3,844	3,844	(0)	3,844	4,228	2	4,230
Total oil production - Bbl	8,719	6	8,725	8,719	6	8,725	56,612	(34)	56,578
Oil avg \$ / Bbl	\$ 46.66	\$ 50.84	\$ 46.66	\$ 46.66	\$ 50.84	\$ 46.66	\$ 46.95	\$ 111.01	\$ 46.92
Oil volumes - Bbl/d	281	0	281	281	0	281	267	(0)	267
Total production - Mcfe	4,047,014	1,374,455	5,421,469	4,047,014	1,374,455	5,421,469	29,969,500	11,892,674	41,862,175
Avg \$ / Mcfe	\$ 3.28	\$ 2.62	\$ 3.11	\$ 3.28	\$ 2.62	\$ 3.11	\$ 3.27	\$ 2.63	\$ 3.09
Total production - Mcfd	130,549	44,337	174,886	130,549	44,337	174,886	141,366	56,098	197,463
Lease operating expense \$/Mcfe	\$ 0.48	\$ 1.83	\$ 0.83	\$ 0.48	\$ 1.83	\$ 0.83	\$ 0.55	\$ 1.29	\$ 0.76
Gathering, processing & transportation \$/Mcfe	\$ 1.40	\$ 0.26	\$ 1.11	\$ 1.40	\$ 0.26	\$ 1.11	\$ 1.48	\$ 0.77	\$ 1.28
Production tax expense \$/Mcfe	\$ 0.05	\$ 0.00	\$ 0.04	\$ 0.05	\$ 0.00	\$ 0.04	\$ 0.04	\$ 0.01	\$ 0.09
Ad valorem tax expense \$/Mcfe	\$ 0.19	\$ 0.20	\$ 0.19	\$ 0.19	\$ 0.20	\$ 0.19	\$ 0.17	\$ 0.17	\$ 0.17
Production & ad valorem tax expense \$/Mcfe	\$ 0.23	\$ 0.20	\$ 0.22	\$ 0.23	\$ 0.20	\$ 0.22	\$ 0.21	\$ 0.18	\$ 0.20
G&A expense \$/Mcfe	\$ 0.71	\$ 0.20	\$ 0.58	\$ 0.71	\$ 0.20	\$ 0.58	\$ 0.99	\$ 0.22	\$ 0.77
Depletion \$/Mcfe	\$ 0.43	\$ 0.66	\$ 0.49	\$ 0.43	\$ 0.66	\$ 0.49	\$ 0.43	\$ 0.80	\$ 0.64
Depreciation \$/Mcfe	\$ 0.11	\$ 0.31	\$ 0.16	\$ 0.11	\$ 0.31	\$ 0.16	\$ 0.11	\$ 0.27	\$ 0.16
Accretion \$/Mcfe	\$ 0.05	\$ 0.17	\$ 0.08	\$ 0.05	\$ 0.17	\$ 0.08	\$ 0.05	\$ 0.14	\$ 0.07
DD&A \$/Mcfe	\$ 0.60	\$ 1.15	\$ 0.74	\$ 0.60	\$ 1.15	\$ 0.74	\$ 0.59	\$ 1.22	\$ 0.77



KWK E&P Canada Balance Sheets

In thousands

	July 31, 2015	December 31, 2014	Variance	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 21,470	\$ 11,873	\$ 9,596	80.8%
Accounts receivable, net of allowance for doubtful	2,698	17,860	(15,162)	-84.9%
Derivative assets at fair value	()	34,257	(34,257)	-100.0%
Inventories and other current assets	8,266	7,910	356	4.5%
Total current assets	<u>32,433</u>	<u>71,900</u>		
Intercompany loan	(413,282)	(413,282)		
Property, plant and equipment				
Oil and gas properties, full cost method	134,319	242,390	(108,070)	-44.6%
Other property and equipment	42,151	51,288	(9,137)	-17.8%
Property, plant and equipment - net	<u>176,470</u>	<u>293,678</u>		
Derivative assets at fair value		13,307	(13,307)	-100.0%
Other assets	4,716	5,405	(689)	-12.8%
	<u>\$ (199,662)</u>	<u>\$ (28,991)</u>		

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities				
Accounts payable	\$ 1,181	\$ 2,245	\$ (1,063)	+47.4%
Accrued liabilities	4,280	9,404	(5,124)	-54.5%
Current portion of long-term debt	79,583	100,514	(20,931)	-20.8%
Total current liabilities	<u>85,044</u>	<u>112,162</u>		
Accrued Partnership Liability	87,518	91,956	(4,439)	-4.8%
Asset Retirement obligations	54,175	59,501	(5,326)	-9.0%
Stockholders' equity				
Common stock, \$0.01 par value	1,817	1,817		0.0%
Paid in capital in excess of par value	28,118	28,118	()	0.0%
Accumulated other comprehensive income	25,990	35,889	(9,899)	-27.6%
Retained earnings	(482,323)	(358,435)	(123,889)	34.6%
Total equity	<u>(426,398)</u>	<u>(292,610)</u>		
	<u>\$ (199,662)</u>	<u>\$ (28,991)</u>		

**QUICKSILVER
RESOURCES**

**Statement of Income
For the Period Ending August 2015**
In thousands, except per unit and share amounts

	Month to date			Quarter to date			Year to date		
	US	Canada	Consolidated	US	Canada	Consolidated	US	Canada	Consolidated
Revenue									
Production	\$ 12,926	\$ 3,850	\$ 16,776	\$ 26,209	\$ 7,449	\$ 33,658	\$ 110,922	\$ 35,173	\$ 146,096
Sales of purchased natural gas	2,831	-	2,831	5,777	-	5,777	27,357	-	27,357
Net derivative gain (loss)	27	(380)	(353)	260	(687)	(427)	20,030	7,146	27,176
Other	117	168	285	368	307	675	6,015	1,174	7,189
Total revenue	15,901	3,639	19,540	32,615	7,069	39,683	164,324	43,493	207,817
Operating expense									
Lease operating expense	1,607	2,385	3,992	3,570	4,901	8,471	17,965	17,764	35,729
Gathering, processing and transportation expense	5,551	362	5,914	11,230	721	11,951	49,904	9,518	59,422
Production and ad valorem tax expense	885	281	1,166	1,821	557	2,377	7,262	2,388	9,651
Costs of purchased natural gas	2,833	-	2,833	5,760	-	5,760	27,304	-	27,304
Other operating expense	27	125	152	35	165	200	149	740	890
Depletion, depreciation and accretion	2,343	1,566	3,909	4,751	3,143	7,895	20,014	16,023	36,037
Impairment expense	-	-	-	-	-	-	-	77,411	77,411
General and administrative expense	3,118	320	3,438	5,988	600	6,588	32,709	2,970	35,679
Total expense	16,365	5,040	21,405	33,155	10,088	43,243	155,308	126,814	282,122
Operating income	(463)	(1,401)	(1,869)	(540)	(3,019)	(3,559)	9,017	(83,321)	(74,305)
Other income (expense) - net	(15)	114	99	(11)	(258)	(269)	201	(25,918)	(25,717)
Partnership Liability Accretion	-	(1,088)	(1,088)	-	(2,187)	(2,187)	-	(8,785)	(8,785)
Interest expense	219	(1,289)	(1,069)	427	(2,589)	(2,162)	(32,171)	(10,337)	(42,508)
Reorganization Items, net	(4,016)	-	(4,016)	(8,445)	-	(8,445)	(149,129)	-	(149,129)
Income before income taxes	(4,276)	(3,664)	(7,939)	(8,570)	(8,054)	(16,623)	(172,083)	(128,361)	(300,444)
Income tax (expense) benefit	(782)	(123)	(905)	(1,574)	208	(1,366)	(5,737)	686	(5,051)
Net Income	\$ (5,058)	\$ (3,786)	\$ (8,844)	\$ (10,143)	\$ (7,846)	\$ (17,989)	\$ (177,820)	\$ (127,675)	\$ (305,495)
Income per common share - basic	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Income per common share - diluted	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Basic weighted average shares outstanding									
Diluted weighted average shares outstanding									

**Earnings per share (EPS) presented does not take into consideration the impact of participating securities share of income (would reduce EPS). Participating securities do not share in losses.

	Operating Statistics								
	US	Canada	Consolidated	US	Canada	Consolidated	US	Canada	Consolidated
Total natural gas production - Mcf	3,160,387	1,406,928	4,567,316	6,440,014	2,781,412	9,221,427	27,412,475	13,297,519	40,709,994
Natural gas avg \$ / Mcf	\$ 3.50	\$ 2.74	\$ 3.26	\$ 3.48	\$ 2.68	\$ 3.24	\$ 3.36	\$ 2.64	\$ 3.13
Natural gas volumes - Mcfd	101,948	45,385	147,333	103,871	44,861	148,733	112,809	54,722	167,531
Total NGL production - Bbl	114,627	90	114,717	233,806	79	233,884	1,010,917	471	1,011,388
NGLs avg \$ / Bbl	\$ 13.14	\$ 14.85	\$ 13.14	\$ 13.02	\$ 11.98	\$ 13.02	\$ 15.52	\$ 18.24	\$ 15.52
NGLs volumes - Bbl/d	3,698	3	3,701	3,771	1	3,772	4,160	2	4,162
Total oil production - Bbl	9,262	4	9,266	17,981	11	17,991	65,874	(29)	65,844
Oil avg \$ / Bbl	\$ 38.54	\$ 58.69	\$ 38.55	\$ 42.48	\$ 54.09	\$ 42.48	\$ 45.77	\$ 118.73	\$ 45.74
Oil volumes - Bbl/d	299	0	299	290	0	290	271	(0)	271
Total production - Mcfe	3,903,719	1,407,492	5,311,211	7,950,733	2,781,947	10,732,680	33,873,220	13,300,166	47,173,386
Avg \$ / Mcfe	\$ 3.31	\$ 2.74	\$ 3.16	\$ 3.30	\$ 2.68	\$ 3.14	\$ 3.27	\$ 2.64	\$ 3.10
Total production - Mcfd	125,926	45,403	171,329	126,238	44,870	173,108	139,396	54,733	194,129
Lease operating expense \$/Mcfe	\$ 0.41	\$ 1.69	\$ 0.75	\$ 0.45	\$ 1.76	\$ 0.79	\$ 0.53	\$ 1.34	\$ 0.76
Gathering, processing & transportation \$/Mcfe	\$ 1.42	\$ 0.26	\$ 1.11	\$ 1.41	\$ 0.26	\$ 1.11	\$ 1.47	\$ 0.72	\$ 1.26
Production tax expense \$/Mcfe	\$ 0.03	\$ 0.01	\$ 0.03	\$ 0.04	\$ 0.01	\$ 0.03	\$ 0.04	\$ 0.01	\$ 0.03
Ad valorem tax expense \$/Mcfe	\$ 0.19	\$ 0.19	\$ 0.19	\$ 0.19	\$ 0.19	\$ 0.19	\$ 0.17	\$ 0.17	\$ 0.17
Production & ad valorem tax expense \$/Mcfe	\$ 0.23	\$ 0.20	\$ 0.22	\$ 0.23	\$ 0.20	\$ 0.22	\$ 0.21	\$ 0.18	\$ 0.20
G&A expense \$/Mcfe	\$ 0.80	\$ 0.23	\$ 0.65	\$ 0.75	\$ 0.22	\$ 0.61	\$ 0.97	\$ 0.22	\$ 0.76
Depletion \$/Mcfe	\$ 0.43	\$ 0.65	\$ 0.49	\$ 0.43	\$ 0.65	\$ 0.49	\$ 0.43	\$ 0.79	\$ 0.53
Depreciation \$/Mcfe	\$ 0.12	\$ 0.30	\$ 0.17	\$ 0.12	\$ 0.30	\$ 0.16	\$ 0.11	\$ 0.27	\$ 0.16
Accretion \$/Mcfe	\$ 0.05	\$ 0.17	\$ 0.08	\$ 0.05	\$ 0.17	\$ 0.08	\$ 0.05	\$ 0.15	\$ 0.08
DD&A \$/Mcfe	\$ 0.60	\$ 1.11	\$ 0.74	\$ 0.60	\$ 1.13	\$ 0.74	\$ 0.59	\$ 1.20	\$ 0.76



KWK E&P Canada Balance Sheets

In thousands

	August 2015	December 31, 2014	Variance	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 20,953	\$ 11,873	\$ 9,080	76.5%
Accounts receivable, net of allowance for doubtful	2,382	17,860	(15,478)	-86.7%
Derivative assets at fair value	(0)	34,257	(34,257)	-100.0%
Inventories and other current assets	7,694	7,910	(217)	-2.7%
Total current assets	<u>31,029</u>	<u>71,900</u>		
Intercompany loan	(413,282)	(413,282)		
Property, plant and equipment				
Oil and gas properties, full cost method	133,154	242,390	(109,236)	-45.1%
Other property and equipment	41,338	51,288	(9,950)	-19.4%
Property, plant and equipment - net	<u>174,491</u>	<u>293,678</u>		
Derivative assets at fair value		13,307	(13,307)	-100.0%
Other assets	4,616	5,405	(789)	-14.6%
	<u>\$ (203,145)</u>	<u>\$ (28,991)</u>		

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities				
Accounts payable	\$ 1,533	\$ 2,245	\$ (712)	-31.7%
Accrued liabilities	4,380	9,404	(5,024)	-53.4%
Current portion of long-term debt	79,231	100,514	(21,283)	-21.2%
Total current liabilities	<u>85,143</u>	<u>112,162</u>		
Accrued Partnership Liability	88,102	91,956	(3,855)	-4.2%
Asset Retirement obligations	54,096	59,501	(5,405)	-9.1%
Stockholders' equity				
Common stock, \$0.01 par value	1,817	1,817		0.0%
Paid in capital in excess of par value	28,118	28,118	(0)	0.0%
Accumulated other comprehensive income	25,688	35,889	(10,201)	-28.4%
Retained earnings	(486,110)	(358,435)	(127,675)	35.6%
Total equity	<u>(430,486)</u>	<u>(292,610)</u>		
	<u>\$ (203,145)</u>	<u>\$ (28,991)</u>		


QUICKSILVER
RESOURCES
 Statement of Income

For the Period Ending September 2015
 In thousands, except per unit and share amounts

	Month to date			Quarter to date			Year to date		
	US	Canada	Consolidated	US	Canada	Consolidated	US	Canada	Consolidated
Revenue									
Production	\$ 12,154	\$ 3,625	\$ 15,779	\$ 38,363	\$ 11,074	\$ 49,437	\$ 123,076	\$ 38,799	\$ 161,875
Sales of purchased natural gas	2,564	-	2,564	8,341	-	8,341	29,921	-	29,921
Net derivative gain (loss)	-	(347)	(347)	260	(1,034)	(774)	20,030	6,799	26,829
Other	139	132	272	508	439	947	6,154	1,306	7,460
Total revenue	14,858	3,411	18,269	47,472	10,479	57,952	179,182	46,904	226,065
Operating expense									
Lease operating expense	1,870	2,164	4,034	5,440	7,066	12,506	19,835	19,928	39,763
Gathering, processing and transportation expense	5,563	286	5,848	16,793	1,007	17,799	55,467	9,803	65,270
Production and ad valorem tax expense	(1,880)	275	(1,605)	(59)	831	772	5,382	2,663	8,046
Costs of purchased natural gas	2,559	-	2,559	8,319	-	8,319	29,863	-	29,863
Other operating expense	13	34	47	49	199	247	163	774	937
Depletion, depreciation and accretion	2,284	1,471	3,755	7,026	4,614	11,650	22,299	17,494	39,793
Impairment expense	89,056	13,702	102,758	89,056	13,702	102,758	89,056	91,113	180,169
General and administrative expense	3,350	283	3,633	9,338	883	10,221	36,059	3,253	39,312
Total expense	102,815	18,214	121,030	135,971	28,302	164,272	258,123	145,029	403,152
Operating Income	(87,958)	(14,803)	(102,761)	(88,498)	(17,822)	(106,321)	(78,941)	(98,125)	(177,066)
Other income (expense) - net	(62)	(6)	(68)	(73)	(264)	(337)	139	(25,923)	(25,784)
Partnership Liability Accretion	-	(1,092)	(1,092)	-	(3,279)	(3,279)	-	(9,877)	(9,877)
Interest expense	217	(1,246)	(1,029)	644	(3,836)	(3,192)	(31,954)	(11,583)	(43,537)
Reorganization items, net	561	-	561	(7,884)	-	(7,884)	(148,568)	-	(148,568)
Income before income taxes	(87,242)	(17,147)	(104,389)	(95,811)	(25,201)	(121,012)	(259,325)	(145,509)	(404,833)
Income tax (expense) benefit	(756)	(30)	(786)	(2,329)	178	(2,152)	(6,493)	656	(5,837)
Net Income	\$ (87,997)	\$ (17,178)	\$ (105,175)	\$ (98,141)	\$ (25,023)	\$ (123,164)	\$ (265,818)	\$ (144,853)	\$ (410,670)
Income per common share - basic	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Income per common share - diluted	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Basic weighted average shares outstanding	-	-	-	-	-	-	-	-	-
Diluted weighted average shares outstanding	-	-	-	-	-	-	-	-	-

**Earnings per share (EPS) presented does not take into consideration the impact of participating securities share of income (would reduce EPS). Participating securities do not share in losses.

Total natural gas production - Mcf	3,224,655	1,299,588	4,524,243	9,664,670	4,080,970	13,745,639	30,637,130	14,597,077	45,234,207
Natural gas avg \$ / Mcf	\$ 3.23	\$ 2.79	\$ 3.10	\$ 3.40	\$ 2.71	\$ 3.19	\$ 3.35	\$ 2.66	\$ 3.13
Natural gas volumes - Mcfd	107,489	43,319	150,807	105,051	44,358	149,409	112,224	53,469	165,693
Total NGL production - Bbl	85,977	17	85,994	319,782	96	319,878	1,096,894	488	1,097,382
NGLs avg \$ / Bbl	\$ 17.11	\$ 19.54	\$ 17.11	\$ 14.12	\$ 13.34	\$ 14.12	\$ 15.65	\$ 18.28	\$ 15.65
NGLs volumes - Bbl/d	2,866	1	2,866	3,476	1	3,477	4,018	2	4,020
Total oil production - Bbl	6,652	6	6,659	24,633	17	24,650	72,526	(23)	72,503
Oil avg \$ / Bbl	\$ 40.97	\$ 50.28	\$ 40.98	\$ 42.07	\$ 52.67	\$ 42.08	\$ 45.33	\$ 137.09	\$ 45.30
Oil volumes - Bbl/d	222	0	222	268	0	268	266	(0)	266
Total production - Mcfe	3,780,430	1,299,698	5,080,128	11,731,163	4,081,645	15,812,808	37,653,650	14,599,864	52,253,514
Avg \$ / Mcfe	\$ 3.21	\$ 2.79	\$ 3.11	\$ 3.27	\$ 2.71	\$ 3.13	\$ 3.27	\$ 2.66	\$ 3.10
Total production - Mcfed	126,014	43,323	169,338	127,513	44,366	171,878	137,925	53,479	191,405
Lease operating expense \$/Mcfe	\$ 0.49	\$ 1.67	\$ 0.79	\$ 0.46	\$ 1.73	\$ 0.79	\$ 0.53	\$ 1.36	\$ 0.76
Gathering, processing & transportation \$/Mcfe	\$ 1.47	\$ 0.22	\$ 1.15	\$ 1.43	\$ 0.29	\$ 1.13	\$ 1.47	\$ 0.67	\$ 1.25
Production tax expense \$/Mcfe	\$ 0.04	\$ 0.01	\$ 0.03	\$ 0.04	\$ 0.01	\$ 0.03	\$ 0.04	\$ 0.01	\$ 0.03
Ad valorem tax expense \$/Mcfe	(\$ 0.54)	\$ 0.20	(\$ 0.35)	(\$ 0.05)	\$ 0.20	\$ 0.02	\$ 0.10	\$ 0.17	\$ 0.12
Production & ad valorem tax expense \$/Mcfe	(\$ 0.50)	\$ 0.21	(\$ 0.32)	(\$ 0.01)	\$ 0.20	\$ 0.05	\$ 0.14	\$ 0.18	\$ 0.15
G&A expense \$/Mcfe	\$ 0.89	\$ 0.22	\$ 0.72	\$ 0.80	\$ 0.22	\$ 0.65	\$ 0.96	\$ 0.22	\$ 0.75
Depletion \$/Mcfe	\$ 0.43	\$ 0.63	\$ 0.48	\$ 0.43	\$ 0.65	\$ 0.49	\$ 0.43	\$ 0.77	\$ 0.53
Depreciation \$/Mcfe	\$ 0.12	\$ 0.32	\$ 0.17	\$ 0.12	\$ 0.31	\$ 0.17	\$ 0.11	\$ 0.28	\$ 0.16
Accretion \$/Mcfe	\$ 0.06	\$ 0.18	\$ 0.09	\$ 0.05	\$ 0.17	\$ 0.08	\$ 0.05	\$ 0.15	\$ 0.08
DD&A \$/Mcfe	\$ 0.60	\$ 1.13	\$ 0.74	\$ 0.60	\$ 1.13	\$ 0.74	\$ 0.59	\$ 1.20	\$ 0.76



KWK E&P Canada Balance Sheets

In thousands

	September 30, 2015	December 31, 2014	Variance	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 20,673	\$ 11,873	\$ 8,800	74.1%
Accounts receivable, net of allowance for doubtful	867	17,860	(16,994)	-95.1%
Derivative assets at fair value	()	34,257	(34,257)	-100.0%
Inventories and other current assets	7,320	7,910	(590)	-7.5%
Total current assets	<u>28,860</u>	<u>71,900</u>		
Intercompany loan	(413,282)	(413,282)		
Property, plant and equipment				
Oil and gas properties, full cost method	115,929	242,390	(126,460)	-52.2%
Other property and equipment	41,450	51,288	(9,838)	-19.2%
Property, plant and equipment - net	<u>157,379</u>	<u>293,678</u>		
Derivative assets at fair value		13,307	(13,307)	-100.0%
Other assets	4,664	5,405	(741)	-13.7%
	<u>\$ (222,378)</u>	<u>\$ (28,991)</u>		

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities				
Accounts payable	\$ 1,094	\$ 2,245	\$ (1,151)	-51.3%
Accrued liabilities	4,523	9,404	(4,880)	-51.9%
Current portion of long-term debt	78,367	100,514	(22,147)	-22.0%
Total current liabilities	<u>83,984</u>	<u>112,162</u>		
Accrued Partnership Liability	87,935	91,956	(4,021)	-4.4%
Asset Retirement obligations	53,555	59,501	(5,946)	-10.0%
Stockholders' equity				
Common stock, \$0.01 par value	1,817	1,817		0.0%
Paid in capital in excess of par value	28,118	28,118		0.0%
Accumulated other comprehensive income	25,500	35,889	(10,389)	-28.9%
Retained earnings	(503,287)	(358,435)	(144,853)	40.4%
Total equity	<u>(447,852)</u>	<u>(292,610)</u>		
	<u>\$ (222,378)</u>	<u>\$ (28,991)</u>		

**QUICKSILVER
RESOURCES**

Statement of Income
For the Period Ending October 2015
In thousands, except per unit and share amounts

	Month to date			Quarter to date			Year to date		
	US	Canada	Consolidated	US	Canada	Consolidated	US	Canada	Consolidated
Revenue									
Production	\$ 12,109	\$ 3,571	\$ 15,681	\$ 12,109	\$ 3,571	\$ 15,681	\$ 135,186	\$ 42,370	\$ 177,556
Sales of purchased natural gas	2,456	-	2,456	2,456	-	2,456	32,377	-	32,377
Net derivative gain (loss)	-	-	-	-	-	-	20,030	7,833	27,863
Other	151	130	281	151	130	281	6,305	1,436	7,741
Total revenue	14,716	3,702	18,417	14,716	3,702	18,417	193,898	51,639	245,537
Operating expense									
Lease operating expense	1,882	2,604	4,486	1,882	2,604	4,486	21,717	22,532	44,249
Gathering, processing and transportation expense	5,617	349	5,966	5,617	349	5,966	61,084	10,152	71,236
Production and ad valorem tax expense	581	271	852	581	271	852	5,964	2,934	8,898
Costs of purchased natural gas	2,465	-	2,465	2,465	-	2,465	32,328	-	32,328
Other operating expense	(14)	117	103	(14)	117	103	148	891	1,040
Depletion, depreciation and accretion	2,185	1,574	3,759	2,185	1,574	3,759	24,404	19,068	43,552
Impairment expense	-	-	-	-	-	-	89,056	91,113	180,169
General and administrative expense	3,623	281	3,904	3,623	281	3,904	39,662	3,534	43,216
Total expense	16,341	5,195	21,536	16,341	5,195	21,536	274,464	150,224	424,687
Operating Income	(1,625)	(1,494)	(3,118)	(1,625)	(1,494)	(3,118)	(80,566)	(98,585)	(179,151)
Other Income (expense) - net	31	386	417	31	386	417	170	(25,659)	(25,689)
Partnership Liability Accretion	-	(1,123)	(1,123)	-	(1,123)	(1,123)	-	(11,000)	(11,000)
Interest expense	235	(1,282)	(1,047)	235	(1,282)	(1,047)	(31,719)	(12,865)	(44,584)
Reorganization Items, net	(2,366)	-	(2,366)	(2,366)	-	(2,366)	(150,935)	-	(150,935)
Income before income taxes	(3,725)	(3,512)	(7,238)	(3,725)	(3,512)	(7,238)	(263,050)	(148,309)	(411,359)
Income tax (expense) benefit	(761)	(5,909)	(6,669)	(761)	(5,909)	(6,669)	(7,254)	(5,252)	(12,506)
Net Income	\$ (4,486)	\$ (9,421)	\$ (13,907)	\$ (4,486)	\$ (9,421)	\$ (13,907)	\$ (270,304)	\$ (153,561)	\$ (423,865)
Income per common share - basic	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Income per common share - diluted	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Basic weighted average shares outstanding	-	-	-	-	-	-	-	-	-
Diluted weighted average shares outstanding	-	-	-	-	-	-	-	-	-

**Earnings per share (EPS) presented does not take into consideration the impact of participating securities share of income (would reduce EPS). Participating securities do not share in losses.

Total natural gas production - Mcf	3,270,407	1,356,204	4,626,611	3,270,407	1,356,204	4,626,611	33,907,537	15,953,281	49,860,818
Natural gas avg \$ / Mcf	\$ 3.16	\$ 2.63	\$ 3.00	\$ 3.16	\$ 2.63	\$ 3.00	\$ 3.33	\$ 2.65	\$ 3.11
Natural gas volumes - Mcfd	105,497	43,749	149,246	105,497	43,749	149,246	111,538	52,478	164,016
Total NGL production - Bbl	99,822	(187)	99,635	99,822	(187)	99,635	1,196,715	301	1,197,017
NGLs avg \$ / Bbl	\$ 16.56	(\$ 11.28)	\$ 16.61	\$ 16.56	(\$ 11.28)	\$ 16.61	\$ 15.72	\$ 36.60	\$ 15.73
NGLs volumes - Bbl/d	3,220	(6)	3,214	3,220	(6)	3,214	3,937	1	3,938
Total oil production - Bbl	3,686	0	3,686	3,686	0	3,686	76,212	(15)	76,197
Oil avg \$ / Bbl	\$ 37.10	\$ 36.35	\$ 37.10	\$ 37.10	\$ 36.35	\$ 37.10	\$ 44.93	\$ 191.23	\$ 44.90
Oil volumes - Bbl/d	119	0	119	119	0	119	251	(0)	251
Total production - Mcfe	3,891,453	1,355,133	5,246,586	3,891,453	1,355,133	5,246,586	41,545,103	15,954,997	57,500,100
Avg \$ / Mcfe	\$ 3.11	\$ 2.64	\$ 2.99	\$ 3.11	\$ 2.64	\$ 2.99	\$ 3.25	\$ 2.66	\$ 3.09
Total production - Mcfed	125,531	43,714	169,245	125,531	43,714	169,245	136,662	52,484	189,146
Lease operating expense \$/Mcfe	\$ 0.48	\$ 1.92	\$ 0.86	\$ 0.48	\$ 1.92	\$ 0.86	\$ 0.52	\$ 1.41	\$ 0.77
Gathering, processing & transportation \$/Mcfe	\$ 1.44	\$ 0.26	\$ 1.14	\$ 1.44	\$ 0.26	\$ 1.14	\$ 1.47	\$ 0.64	\$ 1.24
Production tax expense \$/Mcfe	\$ 0.04	\$ 0.01	\$ 0.03	\$ 0.04	\$ 0.01	\$ 0.03	\$ 0.04	\$ 0.01	\$ 0.03
Ad valorem tax expense \$/Mcfe	\$ 0.11	\$ 0.19	\$ 0.13	\$ 0.11	\$ 0.19	\$ 0.13	\$ 0.10	\$ 0.17	\$ 0.12
Production & ad valorem tax expense \$/Mcfe	\$ 0.15	\$ 0.20	\$ 0.16	\$ 0.15	\$ 0.20	\$ 0.16	\$ 0.14	\$ 0.18	\$ 0.15
G&A expense \$/Mcfe	\$ 0.93	\$ 0.21	\$ 0.74	\$ 0.93	\$ 0.21	\$ 0.74	\$ 0.96	\$ 0.22	\$ 0.75
Depletion \$/Mcfe	\$ 0.39	\$ 0.63	\$ 0.46	\$ 0.39	\$ 0.63	\$ 0.46	\$ 0.43	\$ 0.76	\$ 0.52
Depreciation \$/Mcfe	\$ 0.11	\$ 0.35	\$ 0.18	\$ 0.11	\$ 0.35	\$ 0.18	\$ 0.11	\$ 0.28	\$ 0.16
Accretion \$/Mcfe	\$ 0.05	\$ 0.18	\$ 0.09	\$ 0.05	\$ 0.18	\$ 0.09	\$ 0.05	\$ 0.15	\$ 0.08
DD&A \$/Mcfe	\$ 0.56	\$ 1.16	\$ 0.72	\$ 0.56	\$ 1.16	\$ 0.72	\$ 0.59	\$ 1.20	\$ 0.76



KWK E&P Canada Balance Sheets

In thousands

	October 31, 2015	December 31, 2014	Variance	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 19,826	\$ 11,873	\$ 7,953	67.0%
Accounts receivable, net of allowance for doubtful	361	17,860	(17,499)	-98.0%
Derivative assets at fair value	()	34,257	(34,257)	-100.0%
Inventories and other current assets	7,067	7,910	(844)	-10.7%
Total current assets	<u>27,253</u>	<u>71,900</u>		
Intercompany loan	(413,282)	(413,282)		
Property, plant and equipment				
Oil and gas properties, full cost method	117,444	242,390	(124,945)	-51.5%
Other property and equipment	42,381	51,288	(8,907)	-17.4%
Property, plant and equipment - net	<u>159,826</u>	<u>293,678</u>		
Derivative assets at fair value		13,307	(13,307)	-100.0%
Deferred income taxes	(5,319)		(5,319)	>500%
Other assets	4,668	5,405	(738)	-13.6%
	<u>\$ (226,855)</u>	<u>\$ (28,991)</u>		

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities				
Accounts payable	\$ 1,182	\$ 2,245	\$ (1,063)	-47.3%
Accrued liabilities	4,774	9,404	(4,629)	-49.2%
Current portion of long-term debt	79,607	100,514	(20,907)	-20.8%
Total current liabilities	<u>85,563</u>	<u>112,162</u>		
Long-term debt			()	-100.0%
Liabilities held for sale				
Accrued Partnership Liability	90,876	91,956	(1,080)	-1.2%
Asset Retirement obligations	54,909	59,501	(4,592)	-7.7%
Stockholders' equity				
Common stock, \$0.01 par value	1,817	1,817		0.0%
Paid in capital in excess of par value	28,118	28,118		0.0%
Accumulated other comprehensive income	23,858	35,889	(12,031)	-33.5%
Retained earnings	(511,996)	(358,435)	(153,561)	42.8%
Total equity	<u>(458,203)</u>	<u>(292,610)</u>		
	<u>\$ (226,855)</u>	<u>\$ (28,991)</u>		

**QUICKSILVER
RESOURCES**

Statement of Income
For the Period Ending November 2015
In thousands, except per unit and share amounts

	Month to date			Quarter to date			Year to date		
	US	Canada	Consolidated	US	Canada	Consolidated	US	Canada	Consolidated
Revenue									
Production	\$ 10,019	\$ 3,191	\$ 13,210	\$ 22,128	\$ 6,762	\$ 28,890	\$ 145,205	\$ 45,561	\$ 190,766
Sales of purchased natural gas	1,885	-	1,885	4,341	-	4,341	34,262	-	34,262
Net derivative gain (loss)	-	-	-	-	-	-	20,030	7,833	27,863
Other	234	123	357	385	253	638	6,539	1,560	8,099
Total revenue	12,138	3,314	15,452	26,854	7,015	33,869	206,036	54,953	260,989
Operating expense									
Lease operating expense	2,705	2,100	4,805	4,587	4,704	9,291	24,422	24,632	49,054
Gathering, processing and transportation expense	4,795	299	5,094	10,412	648	11,060	65,879	10,452	76,331
Production and ad valorem tax expense	559	273	832	1,141	544	1,685	6,523	3,207	9,730
Costs of purchased natural gas	1,880	-	1,880	4,345	-	4,345	34,208	-	34,208
Other operating expense	86	46	132	72	163	235	235	937	1,172
Depletion, depreciation and accretion	2,086	1,473	3,559	4,271	3,046	7,317	26,570	20,540	47,110
Impairment expense	-	-	-	-	-	-	89,056	91,113	180,169
General and administrative expense	2,949	442	3,391	6,572	723	7,295	42,631	3,976	46,607
Total expense	15,060	4,633	19,693	31,400	9,828	41,228	289,523	154,857	444,380
Operating Income	(2,922)	(1,319)	(4,241)	(4,546)	(2,813)	(7,359)	(83,488)	(99,904)	(183,391)
Other income (expense) - net	3	(198)	(195)	34	188	222	173	(26,057)	(25,884)
Partnership Liability Accretion	-	(1,121)	(1,121)	-	(2,243)	(2,243)	-	(12,121)	(12,121)
Interest expense	217	(1,249)	(1,032)	491	(2,531)	(2,079)	(31,503)	(14,114)	(45,617)
Reorganization Items, net	(1,293)	-	(1,293)	(3,659)	-	(3,659)	(152,228)	-	(152,228)
Income before Income taxes	(3,995)	(3,886)	(7,882)	(7,721)	(7,399)	(15,120)	(267,045)	(152,196)	(419,241)
Income tax (expense) benefit	(8,270)	41	(8,229)	(9,031)	(368)	(9,399)	(15,524)	288	(15,236)
Net Income	\$ (12,265)	\$ (3,845)	\$ (16,111)	\$ (16,752)	\$ (7,767)	\$ (24,519)	\$ (282,569)	\$ (151,907)	\$ (434,477)
Income per common share - basic	(\$ 0.07)	(\$ 0.02)	(\$ 0.09)	(\$ 0.09)	(\$ 0.04)	(\$ 0.14)	(\$ 1.60)	(\$ 0.86)	(\$ 2.47)
Income per common share - diluted	(\$ 0.07)	(\$ 0.02)	(\$ 0.09)	(\$ 0.09)	(\$ 0.04)	(\$ 0.14)	(\$ 1.60)	(\$ 0.85)	(\$ 2.47)
Basic weighted average shares outstanding	176,629	-	176,629	176,448	-	176,448	176,099	-	176,099
Diluted weighted average shares outstanding	176,629	-	176,629	176,448	-	176,448	176,099	-	176,099

**Earnings per share (EPS) presented does not take into consideration the impact of participating securities share of income (would reduce EPS). Participating securities do not share in losses.

Total natural gas production - Mcf	3,046,707	1,296,144	4,342,851	6,317,114	2,652,349	8,969,462	36,954,243	17,249,425	54,203,669
Natural gas avg \$ / Mcf	\$ 2.73	\$ 2.46	\$ 2.65	\$ 2.95	\$ 2.55	\$ 2.83	\$ 3.28	\$ 2.64	\$ 3.08
Natural gas volumes - Mcfd	101,557	43,205	144,762	103,559	43,481	147,040	110,641	51,645	162,286
Total NGL production - Bbl	93,479	115	93,594	193,300	(72)	193,228	1,290,194	416	1,290,610
NGLs avg \$ / Bbl	\$ 15.91	\$ 35.81	\$ 15.94	\$ 16.24	(\$ 86.65)	\$ 18.28	\$ 15.74	\$ 36.39	\$ 15.74
NGLs volumes - Bbl/d	3,116	4	3,120	3,169	(1)	3,168	3,863	1	3,864
Total oil production - Bbl	5,707	4	5,710	9,393	12	9,404	81,919	(11)	81,907
Oil avg \$ / Bbl	\$ 40.05	\$ 38.24	\$ 40.05	\$ 38.89	\$ 36.95	\$ 38.89	\$ 44.59	\$ 242.23	\$ 44.57
Oil volumes - Bbl/d	190	0	190	154	0	154	245	(0)	245
Total production - Mcfe	3,641,818	1,296,856	4,938,674	7,533,271	2,651,989	10,185,260	45,186,921	17,251,854	62,438,774
Avg \$ / Mcfe	\$ 2.75	\$ 2.46	\$ 2.67	\$ 2.94	\$ 2.55	\$ 2.84	\$ 3.21	\$ 2.64	\$ 3.06
Total production - Mcfed	121,394	43,229	164,622	123,496	43,475	166,971	135,290	51,652	186,942
Lease operating expense \$/Mcfe	\$ 0.74	\$ 1.62	\$ 0.97	\$ 0.61	\$ 1.77	\$ 0.91	\$ 0.54	\$ 1.43	\$ 0.79
Gathering, processing & transportation \$/Mcfe	\$ 1.32	\$ 0.23	\$ 1.03	\$ 1.38	\$ 0.24	\$ 1.09	\$ 1.46	\$ 0.61	\$ 1.22
Production tax expense \$/Mcfe	\$ 0.03	\$ 0.01	\$ 0.03	\$ 0.03	\$ 0.01	\$ 0.03	\$ 0.04	\$ 0.01	\$ 0.03
Ad valorem tax expense \$/Mcfe	\$ 0.12	\$ 0.20	\$ 0.14	\$ 0.12	\$ 0.20	\$ 0.14	\$ 0.11	\$ 0.18	\$ 0.12
Production & ad valorem tax expense \$/Mcfe	\$ 0.15	\$ 0.21	\$ 0.17	\$ 0.15	\$ 0.20	\$ 0.17	\$ 0.14	\$ 0.19	\$ 0.16
G&A expense \$/Mcfe	\$ 0.81	\$ 0.34	\$ 0.69	\$ 0.87	\$ 0.27	\$ 0.72	\$ 0.94	\$ 0.23	\$ 0.75
Depletion \$/Mcfe	\$ 0.39	\$ 0.63	\$ 0.46	\$ 0.39	\$ 0.63	\$ 0.46	\$ 0.42	\$ 0.75	\$ 0.51
Depreciation \$/Mcfe	\$ 0.12	\$ 0.32	\$ 0.17	\$ 0.12	\$ 0.34	\$ 0.17	\$ 0.11	\$ 0.29	\$ 0.16
Accretion \$/Mcfe	\$ 0.06	\$ 0.18	\$ 0.09	\$ 0.06	\$ 0.18	\$ 0.09	\$ 0.05	\$ 0.15	\$ 0.08
DD&A \$/Mcfe	\$ 0.57	\$ 1.14	\$ 0.72	\$ 0.57	\$ 1.15	\$ 0.72	\$ 0.59	\$ 1.19	\$ 0.75



KWK Consolidated Balance Sheets

In thousands

	November 30, 2015	December 31, 2014	Variance	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 157,394	\$ 223,529	\$ (66,136)	-29.6%
Accounts receivable, net of allowance for doubtful	19,669	65,158	(45,490)	-69.8%
Derivative assets at fair value	()	120,176	(120,176)	-100.0%
Inventories and other current assets	14,811	14,414	398	2.8%
Total current assets	<u>191,874</u>	<u>423,277</u>		
Property, plant and equipment				
Oil and gas properties, full cost method	398,348	614,668	(216,320)	-35.2%
Other property and equipment	97,489	114,112	(16,622)	-14.6%
Property, plant and equipment - net	<u>495,837</u>	<u>728,780</u>		
Derivative assets at fair value		29,391	(29,391)	-100.0%
Other assets	6,159	32,854	(26,695)	-81.3%
	<u>\$ 693,870</u>	<u>\$ 1,214,302</u>		

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities				
Accounts payable	\$ 21,092	\$ 22,586	\$ (1,494)	-6.6%
Accrued liabilities	34,572	81,146	(46,574)	-57.4%
Current portion of long-term debt	157,065	2,037,305	(1,880,240)	-92.3%
Total current liabilities	<u>212,729</u>	<u>2,141,037</u>		
Accrued Partnership Liability	90,099	91,956	(1,857)	-2.0%
Asset Retirement obligations	100,652	104,049	(3,397)	-3.3%
Other liabilities	10,195	15,131	(4,936)	-32.6%
Liabilities subject to compromise	1,874,347		1,874,347	100.0%
Stockholders' equity				
Common stock, \$0.01 par value	1,916	1,878	38	2.0%
Paid in capital in excess of par value	787,211	781,669	5,541	0.7%
Treasury stock	(53,926)	(53,810)	(117)	0.2%
Accumulated other comprehensive income	44,586	71,853	(27,267)	-37.9%
Retained earnings	(2,373,938)	(1,939,461)	(434,477)	22.4%
Total equity	<u>(1,594,151)</u>	<u>(1,137,871)</u>		
	<u>\$ 693,870</u>	<u>\$ 1,214,302</u>		

**QUICKSILVER
RESOURCES**

Statement of Income
For the Period Ending December 2015
In thousands, except per unit and share amounts

	Month to date			Quarter to date			Year to date		
	US	Canada	Consolidated	US	Canada	Consolidated	US	Canada	Consolidated
Revenue									
Production	\$ 8,820	\$ 3,025	\$ 11,845	\$ 30,949	\$ 9,787	\$ 40,736	\$ 154,025	\$ 48,586	\$ 202,611
Sales of purchased natural gas	1,777	-	1,777	6,118	-	6,118	36,039	-	36,039
Net derivative gain (loss)	-	-	-	-	-	-	20,030	7,833	27,863
Other	146	(4)	142	531	250	781	6,585	1,555	8,241
Total revenue	10,743	3,021	13,765	37,597	10,037	47,634	216,779	57,974	274,753
Operating expense									
Lease operating expense	1,348	1,935	3,283	5,935	6,639	12,575	25,770	26,567	52,337
Gathering, processing and transportation expense	3,819	223	4,041	14,231	871	15,102	69,698	10,674	80,372
Production and ad valorem tax expense	1,994	199	2,193	3,135	742	3,878	8,517	3,406	11,923
Costs of purchased natural gas	1,754	-	1,754	6,099	-	6,099	35,962	-	35,962
Other operating expense	(31)	105	74	41	268	309	204	1,042	1,246
Depletion, depreciation and accretion	1,913	1,474	3,387	6,184	4,521	10,704	28,482	22,815	50,497
Impairment expense	845	-	845	845	-	845	89,901	91,113	181,014
General and administrative expense	605	30	635	7,176	753	7,929	43,236	4,006	47,242
Total expense	12,246	3,966	16,212	43,646	13,794	57,441	301,769	158,823	460,592
Operating Income	(1,503)	(945)	(2,448)	(6,049)	(3,758)	(9,807)	(84,991)	(100,848)	(186,839)
Other income (expense) - net	12	(694)	(682)	45	(506)	(460)	184	(26,751)	(26,566)
Partnership Liability Accretion	-	(1,095)	(1,095)	-	(3,340)	(3,340)	-	(13,217)	(13,217)
Interest expense	222	(1,275)	(1,053)	673	(3,806)	(3,132)	(31,281)	(15,389)	(46,670)
Reorganization items, net	(9,290)	-	(9,290)	(12,949)	-	(12,949)	(161,518)	-	(161,518)
Income before income taxes	(10,559)	(4,009)	(14,568)	(18,280)	(11,408)	(29,688)	(277,604)	(156,205)	(433,809)
Income tax (expense) benefit	(929)	188	(742)	(9,960)	(180)	(10,140)	(16,453)	476	(15,977)
Net Income	\$ (11,488)	\$ (3,822)	\$ (15,310)	\$ (28,240)	\$ (11,588)	\$ (39,828)	\$ (294,058)	\$ (155,729)	\$ (449,787)
Income per common share - basic	(\$ 0.06)	(\$ 0.02)	(\$ 0.09)	(\$ 0.16)	(\$ 0.07)	(\$ 0.23)	(\$ 1.67)	(\$ 0.88)	(\$ 2.59)
Income per common share - diluted	(\$ 0.05)	(\$ 0.02)	(\$ 0.08)	(\$ 0.16)	(\$ 0.07)	(\$ 0.23)	(\$ 1.67)	(\$ 0.88)	(\$ 2.55)
Basic weighted average shares outstanding	176,773	-	176,773	176,557	-	176,557	176,156	-	176,156
Diluted weighted average shares outstanding	176,773	-	176,773	176,557	-	176,557	176,156	-	176,156

**Earnings per share (EPS) presented does not take into consideration the impact of participating securities share of income (would reduce EPS). Participating securities do not share in losses.

Total natural gas production - Mcf	2,605,199	1,389,598	3,994,797	8,922,313	4,041,947	12,964,259	39,559,442	18,639,023	58,198,466
Natural gas avg \$ / Mcf	\$ 2.81	\$ 2.10	\$ 2.59	\$ 2.91	\$ 2.42	\$ 2.76	\$ 3.25	\$ 2.61	\$ 3.04
Natural gas volumes - Mcfd	84,039	44,826	128,864	96,982	43,934	140,916	108,382	51,066	159,446
Total NGL production - Bbl	94,511	63	94,574	287,812	(9)	287,803	1,384,705	479	1,385,184
NGLs avg \$ / Bbl	\$ 14.16	\$ 37.52	\$ 14.18	\$ 15.56	(\$ 981.87)	\$ 15.59	\$ 15.63	\$ 36.53	\$ 15.64
NGLs volumes - Bbl/d	3,049	2	3,051	3,128	(0)	3,128	3,794	1	3,795
Total oil production - Bbl	4,892	5	4,898	14,285	17	14,302	86,911	(6)	86,905
Oil avg \$ / Bbl	\$ 30.36	\$ 40.07	\$ 30.37	\$ 35.97	\$ 37.92	\$ 35.97	\$ 43.79	\$ 423.15	\$ 43.77
Oil volumes - Bbl/d	158	0	158	155	0	155	238	(0)	238
Total production - Mcfe	3,201,621	1,390,008	4,591,629	10,734,892	4,041,998	14,776,889	48,388,541	18,641,862	67,030,403
Avg \$ / Mcfe	\$ 2.75	\$ 2.18	\$ 2.58	\$ 2.88	\$ 2.42	\$ 2.76	\$ 3.18	\$ 2.61	\$ 3.02
Total production - Mcfed	103,278	44,839	148,117	116,684	43,935	160,619	132,571	51,074	183,645
Lease operating expense \$/Mcfe	\$ 0.42	\$ 1.39	\$ 0.72	\$ 0.55	\$ 1.64	\$ 0.85	\$ 0.53	\$ 1.43	\$ 0.78
Gathering, processing & transportation \$/Mcfe	\$ 1.19	\$ 0.16	\$ 0.88	\$ 1.33	\$ 0.22	\$ 1.02	\$ 1.44	\$ 0.57	\$ 1.20
Production tax expense \$/Mcfe	\$ 0.03	\$ 0.01	\$ 0.02	\$ 0.03	\$ 0.01	\$ 0.03	\$ 0.04	\$ 0.01	\$ 0.03
Ad valorem tax expense \$/Mcfe	\$ 0.59	\$ 0.13	\$ 0.45	\$ 0.26	\$ 0.17	\$ 0.24	\$ 0.14	\$ 0.17	\$ 0.15
Production & ad valorem tax expense \$/Mcfe	\$ 0.52	\$ 0.14	\$ 0.48	\$ 0.29	\$ 0.18	\$ 0.26	\$ 0.18	\$ 0.18	\$ 0.18
G&A expense \$/Mcfe	\$ 0.19	\$ 0.02	\$ 0.14	\$ 0.57	\$ 0.19	\$ 0.54	\$ 0.89	\$ 0.21	\$ 0.70
Depletion \$/Mcfe	\$ 0.39	\$ 0.59	\$ 0.45	\$ 0.39	\$ 0.62	\$ 0.45	\$ 0.42	\$ 0.74	\$ 0.51
Depreciation \$/Mcfe	\$ 0.14	\$ 0.31	\$ 0.19	\$ 0.12	\$ 0.33	\$ 0.18	\$ 0.12	\$ 0.29	\$ 0.16
Accretion \$/Mcfe	\$ 0.07	\$ 0.16	\$ 0.10	\$ 0.06	\$ 0.17	\$ 0.09	\$ 0.05	\$ 0.15	\$ 0.08
DD&A \$/Mcfe	\$ 0.60	\$ 1.06	\$ 0.74	\$ 0.58	\$ 1.12	\$ 0.72	\$ 0.59	\$ 1.18	\$ 0.75



KWK E&P Canada Balance Sheets

In thousands

	December 31, 2015	December 31, 2014	Variance	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 17,695	\$ 11,873	\$ 5,822	49.0%
Accounts receivable, net of allowance for doubtful	(1,225)	17,860	(19,085)	-106.9%
Derivative assets at fair value	()	34,257	(34,257)	-100.0%
Inventories and other current assets	5,839	7,910	(2,071)	-26.2%
Total current assets	<u>22,309</u>	<u>71,900</u>		
Intercompany loan	(413,282)	(413,282)		
Property, plant and equipment				
Oil and gas properties, full cost method	110,992	242,390	(131,398)	-54.2%
Other property and equipment	37,963	51,288	(13,325)	-26.0%
Property, plant and equipment - net	<u>148,955</u>	<u>293,678</u>		
Derivative assets at fair value		13,307	(13,307)	-100.0%
Other assets	4,206	5,405	(1,199)	-22.2%
	<u>\$ (237,811)</u>	<u>\$ (28,991)</u>		

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities				
Accounts payable	\$ 733	\$ 2,245	\$ (1,512)	-67.3%
Accrued liabilities	4,425	9,404	(4,978)	-52.9%
Current portion of long-term debt	76,331	100,514	(24,183)	-24.1%
Total current liabilities	<u>81,489</u>	<u>112,162</u>		
Accrued Partnership Liability	88,010	91,956	(3,946)	-4.3%
Asset Retirement obligations	52,307	59,501	(7,194)	-12.1%
Stockholders' equity				
Common stock, \$0.01 par value	1,817	1,817		0.0%
Paid in capital in excess of par value	28,118	28,118		0.0%
Accumulated other comprehensive income	24,611	35,889	(11,278)	-31.4%
Retained earnings	(514,164)	(358,435)	(155,729)	43.4%
Total equity	<u>(459,617)</u>	<u>(292,610)</u>		
	<u>\$ (237,811)</u>	<u>\$ (28,991)</u>		