



ENTERED  
02/01/2017

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

<p><b>In re:</b></p> <p><b>AZURE MIDSTREAM PARTNERS, LP, et al.,</b></p> <p><b>Debtors.<sup>1</sup></b></p>	<p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p>	<p><b>Chapter 11</b></p> <p><b>Case No. 17-30461 (DRJ)</b></p> <p><b>(Jointly Administered)</b></p> <p><b>Re: Docket No. 11</b></p>
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**ORDER APPOINTING KURTZMAN CARSON CONSULTANTS LLC AS CLAIMS, NOTICING, AND BALLOTING AGENT PURSUANT TO SECTION 156 OF TITLE 28 OF THE UNITED STATES CODE**

Upon the emergency application, dated January 30, 2017 (the "Application"),<sup>2</sup> Azure Midstream Partners, LP, its subsidiaries, and certain affiliates in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, the "Debtors"), for authority to retain and appoint Kurtzman Carson Consultants LLC ("KCC") as claims, noticing, and balloting agent in the Debtors' chapter 11 cases ("Claims and Noticing Agent") under the services agreement executed December 14, 2016 (the "Services Agreement") pursuant to section 28 U.S.C. § 156(c), as more fully set forth in the Application; and upon consideration of the Mosley Declaration; and upon consideration of the Gershbein Declaration; and the Court having jurisdiction to consider the Application and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Application and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue is allowed before

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Azure Midstream Partners, LP (7595), Azure ETG, LLC. (3388), Azure Holdings GP, LLC (0537), Azure Midstream Partners GP, LLC (8089), Azure TGG, LLC (6233), Marlin G&P I, LLC (6073), Marlin Logistics, LLC (8460), Marlin Midstream Finance Corp. (0130), Marlin Midstream, LLC (2587), Murvaul Gas Gathering, LLC (0826), Talco Midstream Assets, Ltd. (7004), and Turkey Creek Pipeline, LLC (1161).

<sup>2</sup> All capitalized terms used, but not otherwise defined, herein shall have the meanings ascribed to such terms in the Application.



this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Application having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and the Court having reviewed the Application; and the Court having determined that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and it appearing that the relief requested in the Application is in the best interests of the Debtors and its estate and creditors; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY ORDERED THAT:**

1. The Application is granted as set forth herein.
2. The Debtors are authorized to retain KCC as Claims and Noticing Agent effective as of the Petition Date under the terms of the Services Agreement as set forth herein, and KCC is authorized and directed to perform all tasks as described in the Application and the Services Agreement, except as otherwise provided herein.
3. Notwithstanding anything to the contrary in the Application or the Services Agreement, the office of the Clerk of the United States Court (the “**Clerk**”) shall maintain its own claims register, and creditors shall file claims with the Clerk pursuant to the procedures of the Clerk and any further procedures ordered by the Court. KCC shall forward to the Clerk any claims received by KCC that were not filed with the Clerk at least weekly.
4. KCC is authorized to take such other action to comply with all duties and services set forth in the Application.
5. KCC shall maintain records of all services showing dates, categories of services, fees charged and expenses incurred, and shall serve monthly invoices on the Debtors, the Office of the United States Trustee, counsel for the Debtors, counsel for any official committee

monitoring the expenses of the Debtors, and any party in interest who specifically requests service of the monthly invoices.

6. Without further order of the Court, pursuant to section 503(b)(1)(A) of the Bankruptcy Code, KCC's fees and expenses shall be treated as administrative expenses of the Debtors' estate and shall be paid by the Debtors in accordance with the terms of the Services Agreement upon receipt of each KCC invoice by the Debtors, unless KCC is advised, within ten days of receipt of the invoice, that the Office of the United States Trustee for the Southern District of Texas, counsel for the Debtors, counsel for any official committee, if any, and any party-in-interest who specifically requests service of the monthly invoices, objects to the invoice, in which case the Debtors will schedule a hearing before the Court to consider the disputed invoice. In the event of a disputed invoice, the Debtors shall remit to KCC only the undisputed portion of the invoice and, if applicable, shall pay the remainder to KCC upon the resolution of the disputed portion, as mandated by the Court. If KCC's fees increase from the fees in the Services Agreement, KCC shall file an affidavit with the Court describing such increases.

7. KCC may apply its retainer to all prepetition invoices, which retainer may be replenished to the original retainer amount, and thereafter, KCC may hold its retainer under the Services Agreement during these chapter 11 cases as security for the payment of fees and expenses incurred under the Services Agreement.

8. The Debtors shall indemnify KCC under the terms of the Services Agreement, as modified pursuant to this Order.

9. KCC shall not be entitled to indemnification, contribution, or reimbursement pursuant to the Services Agreement for services other than the services provided under the

Services Agreement, unless such services and the indemnification, contribution, or reimbursement thereof are approved by the Court.

10. Notwithstanding anything to the contrary in the Services Agreement, the Debtors shall have no obligation to indemnify KCC, or provide contribution or reimbursement to KCC, for any claim or expense that is either: (i) judicially determined (the determination having become final) to have arisen from KCC's gross negligence, willful misconduct or fraud; (ii) for a contractual dispute in which the Debtors allege the breach of KCC's contractual obligations if the Court determines that indemnification, contribution, or reimbursement would not be permissible under applicable law; or (iii) settled prior to a judicial determination under (i) or (ii), but determined by this Court, after notice and a hearing, to be a claim or expense for which KCC should not receive indemnity, contribution, or reimbursement under the terms of the Services Agreement as modified by this Order.

11. If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these chapter 11 cases (that order having become a final order no longer subject to appeal), or (ii) entry of an order closing these chapter 11 cases, KCC believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution, and/or reimbursement obligations under the Services Agreement (as modified by this Order), including the advancement of defense costs, KCC must file an application therefor in this Court, and the Debtors may not pay any such amounts to KCC before entry of an order by this Court approving the payment. This paragraph is intended only to specify the period of time under which the Court shall have jurisdiction over any request for fees and expenses by KCC for indemnification, contribution, or reimbursement, and not a provision limiting the duration of the Debtors'

obligation to indemnify KCC. All parties in interest shall retain the right to object to any demand by KCC for indemnification, contribution, or reimbursement.

12. KCC shall not cease providing claims processing services during these chapter 11 cases for any reason, including nonpayment, without an order of the Court. In the event KCC is unable to provide the services set out in this Order, KCC will immediately notify the Court's case manager, and counsel for the Debtors and, upon approval of the Court, cause to have all original proofs of claim and computer information delivered as instructed by further Court order.

13. Notwithstanding any term in the Services Agreement to the contrary, KCC'S liability shall not be limited during these chapter 11 cases to the amount billed to or paid by the Debtors' estate.

14. After entry of an order terminating KCC's services, upon the closing of these cases, or for any other reason, KCC shall be responsible for archiving all proofs of claim with the Federal Archives Record Administration, if applicable, and shall be compensated by the Debtors in connection therewith.

15. In the event of any inconsistency between the Services Agreement, the Application and this Order, the terms of this Order shall govern.

16. Notwithstanding anything in this Order to the contrary, the Debtors' authority to use or transfer cash hereunder shall be subject to the limitations and restrictions as are provided for with respect to the use or transfer of cash in any order approving the Debtors' cash collateral motion.

17. Notice of the Application as provided therein shall be deemed good and sufficient notice of such Application and the requirements of Bankruptcy Rule 6004(a) and the Bankruptcy Local Rules are satisfied by such notice.

18. Notwithstanding Bankruptcy Rule 6004(a), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

19. The Debtors and KCC are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.

20. Notwithstanding any term in the Services Agreement to the contrary, this Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

**SIGNED: February 1, 2017.**



DAVID R. JONES  
UNITED STATES BANKRUPTCY JUDGE

United States Bankruptcy Court  
Southern District of Texas

In re:  
Azure Midstream Partners, LP  
Azure ETG, LLC  
Debtors

Case No. 17-30461-drj  
Chapter 11

**CERTIFICATE OF NOTICE**

District/off: 0541-4                      User: dsta                      Page 1 of 2                      Date Rcvd: Feb 01, 2017  
Form ID: pdf002                      Total Noticed: 18

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Feb 03, 2017.

- db +Azure ETG, LLC, 12377 Merit Drive, Suite 300, Dallas, TX 75251-3126
- db +Azure Holdings GP, LLC, 12377 Merit Drive, Suite 300, Dallas, TX 75251-3126
- db +Azure Midstream Partners GP, LLC, 12377 Merit Drive, Suite 300, Dallas, TX 75251-3126
- db +Azure Midstream Partners, LP, 12377 Merit Drive, Suite 300, Dallas, TX 75251-3126
- db +Azure TGG, LLC, 12377 Merit Drive, Suite 300, Dallas, TX 75251-3126
- db +Marlin G&P I, LLC, 12377 Merit Drive, Suite 300, Dallas, TX 75251-3126
- db +Marlin Logistics, LLC, 12377 Merit Drive, Suite 300, Dallas, TX 75251-3126
- db +Marlin Midstream Finance Corporation, 12377 Merit Drive, Suite 300, Dallas, TX 75251-3126
- db +Marlin Midstream, LLC, 12377 Merit Drive, Suite 300, Dallas, TX 75251-3126
- db +Murvaul Gas Gathering, LLC, 12377 Merit Drive, Suite 300, Dallas, TX 75251-3126
- db +Talco Midstream Assets, Ltd., 12377 Merit Drive, Suite 300, Dallas, TX 75251-3126
- db +Turkey Creek Pipeline, LLC, 12377 Merit Drive, Suite 300, Dallas, TX 75251-3126
- cr +Beckville ISD, Linebarger Goggan Blair & Sampson, LLP, c/o Elizabeth Weller,  
2777 N Stemmons Frwy Ste 1000, Dallas, TX 75207-2328
- cr +Dallas County, Linebarger Goggan Blair & Sampson, LLP, c/o Elizabeth Weller,  
2777 N Stemmons Frwy Ste 1000, Dallas, TX 75207-2328
- cr +Gregg County, Linebarger Goggan Blair & Sampson, LLP, c/o Elizabeth Weller,  
2777 N. Stemmons Frwy Ste 1000, Dallas, TX 75207-2328
- op +Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, CA 90245-4808
- cr +Morris CAD, Linebarger Goggan Blair & Sampson, LLP, c/o Elizabeth Weller,  
2777 N Stemmons Frwy Ste 1000, Dallas, TX 75207-2328
- cr +Rusk County, Linebarger Goggan Blair & Sampson, LLP, c/o Elizabeth Weller,  
2777 N Stemmons Frwy Ste 1000, Dallas, TX 75207-2328

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.  
NONE. TOTAL: 0

cr \*\*\*\*\* BYPASSED RECIPIENTS (undeliverable, \* duplicate) \*\*\*\*\*  
Wells Fargo, National Association

TOTALS: 1, \* 0, ## 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.  
USPS regulations require that automation-compatible mail display the correct ZIP.

Transmission times for electronic delivery are Eastern Time zone.

**I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.**

**Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.**

Date: Feb 03, 2017

Signature: /s/Joseph Speetjens

**CM/ECF NOTICE OF ELECTRONIC FILING**

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on February 1, 2017 at the address(es) listed below:

- Christopher Manuel Lopez on behalf of Debtor Azure Midstream Partners GP, LLC  
chris.lopez@weil.com, rene.olvera@weil.com;Christopher.jalomo@weil.com
- Christopher Manuel Lopez on behalf of Debtor Marlin Midstream Finance Corporation  
chris.lopez@weil.com, rene.olvera@weil.com;Christopher.jalomo@weil.com
- Christopher Manuel Lopez on behalf of Debtor Marlin Logistics, LLC  
chris.lopez@weil.com, rene.olvera@weil.com;Christopher.jalomo@weil.com
- Christopher Manuel Lopez on behalf of Debtor Murvaul Gas Gathering, LLC  
chris.lopez@weil.com, rene.olvera@weil.com;Christopher.jalomo@weil.com
- Christopher Manuel Lopez on behalf of Debtor Azure ETG, LLC  
chris.lopez@weil.com, rene.olvera@weil.com;Christopher.jalomo@weil.com
- Christopher Manuel Lopez on behalf of Debtor Azure TGG, LLC  
chris.lopez@weil.com, rene.olvera@weil.com;Christopher.jalomo@weil.com
- Christopher Manuel Lopez on behalf of Debtor Talco Midstream Assets, Ltd.  
chris.lopez@weil.com, rene.olvera@weil.com;Christopher.jalomo@weil.com
- Christopher Manuel Lopez on behalf of Debtor Azure Holdings GP, LLC  
chris.lopez@weil.com, rene.olvera@weil.com;Christopher.jalomo@weil.com
- Christopher Manuel Lopez on behalf of Debtor Marlin G&P I, LLC  
chris.lopez@weil.com, rene.olvera@weil.com;Christopher.jalomo@weil.com

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Page 2 of 2  
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Date Rcvd: Feb 01, 2017

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system (continued)

Christopher Manuel Lopez on behalf of Debtor Azure Midstream Partners, LP  
chris.lopez@weil.com, rene.olvera@weil.com;Christopher.jalomo@weil.com  
Christopher Manuel Lopez on behalf of Debtor Turkey Creek Pipeline, LLC chris.lopez@weil.com,  
rene.olvera@weil.com;Christopher.jalomo@weil.com  
Christopher Manuel Lopez on behalf of Debtor Marlin Midstream, LLC chris.lopez@weil.com,  
rene.olvera@weil.com;Christopher.jalomo@weil.com  
Courtney E. Giles on behalf of Creditor Wells Fargo, National Association  
courtney.giles@bakermckenzie.com, lita.graham@bakermckenzie.com  
Evan Gershbein on behalf of Other Prof. Kurtzman Carson Consultants LLC  
ECFpleadings@kccllc.com, ecfpleadings@kccllc.com  
Hector Duran on behalf of U.S. Trustee US Trustee Hector.Duran.Jr@usdoj.gov  
US Trustee USTPRegion07.HU.ECF@USDJOJ.GOV

TOTAL: 16