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

IN RE: § CASE NO. 21-30427-11
§ HOUSTON, TEXAS
SEADRILL LIMITED, ET AL, § THURSDAY,
§ JANUARY 25, 2024
DEBTOR. § 10:00 A.M. TO 11:00 A.M.

MOTION HEARING (VIA ZOOM)

BEFORE THE HONORABLE CHRISTOPHER M. LOPEZ
UNITED STATES BANKRUPTCY JUDGE

APPEARANCES: SEE NEXT PAGE
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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE: § CASE NO. 18-35672-11
§ HOUSTON, TEXAS
WESTMORELAND COAL COMPANY, § THURSDAY,
§ JANUARY 25, 2024
DEBTOR. § 10:00 A.M. TO 11:00 A.M.

IN RE: § CASE NO. 20-20184-11
§ HOUSTON, TEXAS
JC PENNEY DIRECT MARKETING § THURSDAY,
SERVICES, LLC § JANUARY 25, 2024
DEBTOR. § 10:00 A.M. TO 11:00 A.M.

IN RE: § CASE NO. 20-32021-11
§ HOUSTON, TEXAS
WHITING PETROLEUM CORPORATION, § THURSDAY,
§ JANUARY 25, 2024
DEBTOR. § 10:00 A.M. TO 11:00 A.M.

IN RE: § CASE NO. 20-32564-11
§ HOUSTON, TEXAS
STAGE STORES, INC., § THURSDAY,
§ JANUARY 25, 2024
DEBTOR. § 10:00 A.M. TO 11:00 A.M.

IN RE: § CASE NO. 20-33239-11
§ HOUSTON, TEXAS
CHESAPEAKE EXPLORATION, LLC, § THURSDAY,
§ JANUARY 25, 2024
DEBTOR. § 10:00 A.M. TO 11:00 A.M.

IN RE: § CASE NO. 20-33302-11
§ HOUSTON, TEXAS
COVIA FINANCE COMPANY, LLC, § THURSDAY,
§ JANUARY 25, 2024
DEBTOR. § 10:00 A.M. TO 11:00 A.M.

IN RE: § CASE NO. 20-34758-11
§ HOUSTON, TEXAS
TUG ROBERT J. BOUCHARD § THURSDAY,
CORPORATION, § JANUARY 25, 2024
DEBTOR. § 10:00 A.M. TO 11:00 A.M.

1 IN RE: § CASE NO. 20-35561-11
 § HOUSTON, TEXAS
 2 MULE SKY, LLC, § THURSDAY,
 § JANUARY 25, 2024
 3 DEBTOR. § 10:00 A.M. TO 11:00 A.M.

4 IN RE: § CASE NO. 21-31861-11
 § HOUSTON, TEXAS
 5 KATERRA, INC., § THURSDAY,
 § JANUARY 25, 2024
 6 DEBTOR. § 10:00 A.M. TO 11:00 A.M.

7 IN RE: § CASE NO. 21-90002-11
 § HOUSTON, TEXAS
 8 BASIC ENERGY SERVICES, INC., § THURSDAY,
 § JANUARY 25, 2024
 9 DEBTOR. § 10:00 A.M. TO 11:00 A.M.

10 IN RE: § CASE NO. 22-90018-11
 § HOUSTON, TEXAS
 11 SUNGARD, INC., § THURSDAY,
 § JANUARY 25, 2024
 12 DEBTOR. § 10:00 A.M. TO 11:00 A.M.

STATUS CONFERENCES (VIA ZOOM)

BEFORE THE HONORABLE CHRISTOPHER M. LOPEZ
 UNITED STATES BANKRUPTCY JUDGE

16 APPEARANCES: SEE NEXT PAGE

17 ELECTRONIC RECORDING OFFICER: ZILDE COMPEAN

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1 **HOUSTON, TEXAS; WEDNESDAY, JANUARY 25, 2024; 10:01 A.M.**

2 THE COURT: Please be seated. Good morning
3 everyone, this Judge Lopez. Today is January 25th. There
4 are a number of matters we have set for the 10:00 o'clock
5 Docket. If you just give me one moment, we're going to get
6 started.

7 There's about 30 people on the line. And I'm
8 going to ask that you please keep your phones muted. Let's
9 see if we can do this without having to hit five star. The
10 line is completely unmated. So please monitor yourselves.
11 Please keep your phones on mute.

12 Let me just take appearances in the courtroom. I
13 guess I ought to say there are a number of matters set for
14 10:00 o'clock, all related to what I would call United
15 States Trustee's motions related to the Jackson Walker Law
16 firm.

17 So I'm going to call -- I guess I ought to do the
18 roll call. Put on my glasses for this and make sure I read
19 them right. It's 18-35672, The Westmoreland Coal Company;

20 20-20184, J.C. Penny;

21 20-32021, Whiting Petroleum;

22 20-32564, Stage Stores, Inc.;

23 20-33239, Chesapeake Exploration;

24 20-33302, Covia Finance Company;

25 20-34758, Tug Robert Bouchard;

1 20-35561, Mule Sky;
2 21-30427, Seadrill; 21-31861,
3 Katerra; 21-90002, Basic Energy;
4 22-90018, Sunguard.

5 And I've now thought about this a little bit more.
6 More people joining. I'm going to mute the line. I'm going
7 to take appearances in the courtroom. And if you wish to
8 make an appearance in any case, when I unmute your line, I'm
9 going to ask that you please identify yourself and let me
10 know which case you are appearing in which one.

11 I'll take appearances. That was a long intro.
12 Good morning.

13 MR. BOLAND: Good morning, Judge. Jason Boland,
14 Bill Greendyke and Maria Mokrzycka of Norton, Rose,
15 Fulbright on behalf of the Jackson Walker firm appearing in
16 all the cases.

17 THE COURT: Okay.

18 MS. GARZA: Good morning, Your Honor. Vianey
19 Garza on behalf of the U.S. Trustee. Also in Court with me
20 is Millie Sall.

21 THE COURT: Okay, good morning.

22 MR. KELLEY: Good morning, Judge Lopez. Charles
23 Kelley of the law firm Mayer Brown. I'm only going to be
24 appearing in the in re: Tug Robert Bouchard matter.

25 THE COURT: Got it. Perfect, thank you.

1 MR. KELLEY: I'm appearing on behalf of one of the
2 large unsecured claimants and Morton Bouchard and the
3 Bouchard family trust and the family interest.

4 THE COURT: Thank you. Any one who wishes to make
5 an appearance, why don't you hit five star. I'm just going
6 to go in the order in which I see them. There's a 917.

7 MR. GEOGHAN: Good morning, Your Honor. Dan
8 Geoghan from Cole Schotz here on behalf of the Plan
9 Administrator for Sunguard, as Newholdings, 22-90018. And
10 with me today in the virtual courtroom is the Plan
11 Administrator, Try Train, Mr. Tim Daleter (phonetic) and
12 Steve Kovak (phonetic).

13 THE COURT: Okay. Thank you.

14 MR. GEOGHAN: Thank you, Your Honor.

15 THE COURT: Good morning. Here's a 312 number.

16 MR. GOUVEIA: Good morning, Your Honor, Gordon
17 Gouveia here. I represent the plan administrator in the
18 Katerra case, 21-31861 is the case number.

19 THE COURT: Thank you.

20 Anyone else? Please hit five star.

21 (No audible response.)

22 THE COURT: Okay, let me turn it over to the
23 Movants.

24 MR. BOLAND: Good morning. Again, Judge, Jason
25 Boland of Norton Rose Fulbright on behalf of the Jackson

1 Walker firm.

2 Your Honor, this morning before you have 12
3 identical motions that we filed in each of the pending cases
4 requesting that Your Honor enter an order requiring parties
5 who claim to be an indispensable party or claim to have
6 standing in respect to the Jackson Walker fee matters to
7 file a notice asserting the basis of that status by a
8 certain date, Your Honor.

9 And the motions that we filed and the relief that
10 we're seeking is essentially identical, Your Honor, to what
11 Judge Isgur sua sponte ordered in connection with the four
12 cases that were pending before him in respect of recent
13 hearings we had last week or so.

14 Before I get into those motions, Judge, I thought
15 it might be helpful to the Court to provide a bit of
16 background and update from when we were last here.

17 Your Honor, it's been awhile. I think we were
18 last here on December 1st in connection with an emergency
19 status conference that Your Honor set in connection our
20 original proposed stipulation to withdraw the reference that
21 we filed together with the U.S. Trustee.

22 And at that December 1st status hearing, Your
23 Honor, you had a lot of good question about that
24 stipulation. And you might recall you asked about the
25 process we were contemplating, the procedures we were

1 contemplating, whether or not pleadings would be designated.
2 How that would done -- consolidated or not.

3 Whether or they were related matters and what
4 those related matters would be. And then you asked about if
5 funds were ever disgorged, were the funds flowed through the
6 process in respect to different cases, Your Honor.

7 And so a lot of good questions. We didn't have a
8 lot of good answers at that time. And so we agreed to go
9 back to the drawing board after that hearing.

10 Following that hearing, Your Honor, on
11 December 5th, Chief Judge Rodriguez held a hearing on the
12 motion to withdraw the reference in the *Brilliant Energy*
13 case that was pending for him, Your Honor.

14 Chief Judge Rodriguez considered evidence and
15 argument ultimately took the matter under advisement. And
16 as I'm sure you're probably aware, he ultimately issued his
17 report and recommendation subsequent to that hearing.

18 Thereafter, Your Honor, on December 11th a Case
19 Management Order was entered in each of the 17 affected
20 cases. So Your Honor entered the Case Management Order in
21 12 of Your Honor's cases. Judge Isgur entered the same Case
22 Management Order in his four cases. And Chief Rodriguez
23 entered the Case Management Order in his case as well,
24 Judge.

25 That Case Management Order effectively transferred

1 the withdrawal of the reference reported recommendation
2 decision, if you will, over to Chief Rodriguez to make. And
3 it also acknowledged the commencement of the miscellaneous
4 proceeding that Chief Judge Rodriguez was overseeing in
5 which he is now presiding over all pre-trial and discovery
6 matters with the underlying judges ultimately hearing any
7 substantive issues once those pre-trial discovery matters
8 are concluded.

9 The following day, Your Honor, December 12th,
10 Judge Isgur held a status conference in the four cases that
11 he is presiding over. And at that December 12th hearing,
12 Judge, Judge Isgur raised some of the same plane recovery
13 issues that you raised on December 1.

14 And he inquired whether he had all the appropriate
15 parties before him in all of the cases from both an
16 indispensable party and standing perspective. And it was
17 from that hearing, Your Honor, that Judge Isgur ultimately
18 issued what I'm calling the standing and dispensable party
19 order that he issued and that we've tried to mirror in these
20 cases, Judge.

21 Following that December 12th status conference,
22 the next day on December 13th, Chief Judge Rodriguez held --
23 well he entered an order, Your Honor, that said "The parties
24 are to identify any indispensable parties that must be
25 joined in this miscellaneous proceeding to enable the Court

1 to grant effective relief."

2 And at a related December 21st status hearing in
3 the miscellaneous proceeding, Chief Rodriguez remarked "I
4 want to make sure we have everybody here that should be here
5 in dealing with these issues. I don't want anyone to have
6 to deal with this a second time or have anybody left out."

7 Chief Judge Rodriguez continued, "I want to enter
8 on scheduling order for all the parties. I don't want to
9 have to do this over and over again every time a new case
10 gets filed. It just makes no sense."

11 So, Your Honor, it's with that background that
12 brings us here today really in the spirit of consistency,
13 uniformity, and efficiency in the process, Judge. And
14 building on Chief Judge Rodriguez's remarks from our
15 perspective, we also don't believe that it makes sense to go
16 through the same process over and over again the same
17 discovery, the same pre-trial issues, the same responses and
18 briefings over and over again as parties may ended up filing
19 the same or similar pleadings over the next of the course
20 weeks or months.

21 Your Honor, we think that's an inefficient
22 process. We don't believe that's in anyone's best interest.
23 And we think it would defeat the entire purpose, Your Honor,
24 of miscellaneous proceeding, which is really designed to
25 create one forum to handle all of these pre-trial matters

1 that are related.

2 And, Your Honor, that's the process that we
3 understood at least Chief Judge Rodriguez to want. That's
4 the process that we believe Judge Isgur has already ordered.
5 And that's the process, Your Honor, that we are respectfully
6 requesting Your Honor consider and ultimately adopt.

7 And to that point, Your Honor, the proposed order
8 that we filed in respect of our motion is effectively
9 identical to what Judge Isgur ordered. We've modified the
10 dates just given the way the hearing date occurred now,
11 versus the hearings before Judge Isgur.

12 And then we had a few clean up edits and we've
13 made a few since that we did not refile, Judge. So if Your
14 Honor was inclined to enter the relief requested, we do have
15 a redline to hand up to Your Honor to consider at the end of
16 the day.

17 With that said, Your Honor, the proposed order, as
18 it did with Judge Isgur's order, makes clear that the
19 failure to file a notice will not preclude any party-in-
20 interest from receiving distributions under any confirmed
21 plan.

22 Nor does that order preclude any party and
23 interest from taking any further action or to preserve
24 rights that were already granted under a confirmed plan,
25 Your Honor.

1 So I think from our perspective, it strikes an
2 appropriate balance from an efficiency standpoint to -- and
3 that's why we would ask Your Honor to consider and
4 ultimately enter that order.

5 Late yesterday afternoon, Your Honor, the US
6 Trustee did file an objection. I'm sure Your Honor has read
7 that. I just wanted to briefly address a few of the points
8 that were raised in the objection, Your Honor.

9 First, just to be clear, Jackson Walker is not
10 attempting to limit or preclude anyone's rights here to
11 participate or to object. We're simply asking the Court to
12 order parties who wish to participate or who wish to object
13 to do so now rather than going through a duplicative,
14 inefficient processes that could subject my client, Your
15 Honor, to numerous depositions, the same depositions,
16 numerous rounds of discovery and hearings on the same or
17 substantially similar topics and issue, Your Honor.

18 And from our perspective the relief we're
19 requesting is really no different than any other request to
20 accord in a complex Chapter 11 case asking the Court to set
21 base and deadlines with respect to for example, a claims bar
22 date or plan voting dates or any number of processes that
23 normally come up in a Chapter 11 context.

24 Next, Your Honor, we are absolutely not seeking an
25 advisory option. That decision, of course, as to standing

1 or indispensable party status would only be made at a future
2 hearing. If and when a party wishes to participate shows up
3 and asserts a claim or notice of intent to participate, Your
4 Honor.

5 And it would be ripe at that time. And any
6 objections that we would have to those parties or parties-
7 in-interest we would make at a future hearing, Your Honor.

8 Third, we don't disagree with the U.S. Trustee on
9 the indispensable party analysis. But that Your Honor I
10 don't think it's appropriate for us to presume that the
11 Court may view it differently or not. And other parties may
12 view the indispensable party analysis different or not,
13 which is why we left in the indispensable party language
14 that was included in Judge Isgur's order. And Your Honor,
15 we actually saw that happen in the Seadrill Partner's case.
16 Reorganized Seadrill filed a notice claiming to be both an
17 indispensable party and a party with standing, Your Honor.

18 THE COURT: Here's a question that I have for all
19 of you. And I'm looking at the Tug Bouchard case. And I
20 read the objection. For most -- maybe for all of them
21 because I'm just looking at the dates of these cases and I
22 know the -- I'll use Tug Bouchard.

23 There's a final fee app that's already been signed
24 by the Court about year ago, right. It just seems to me --
25 and I'll let the US Trustee tell me if I've got this

1 wrong -- if anyone wants to kind of undo what was done a
2 year ago, we do it one time, in one case.

3 It seems to me that the indispensable parties'
4 situation is really just trying to create a forum where
5 everyone who wants to object to some thing that happened a
6 year ago, can show up and we can do it all one time.

7 It seems to be that's the efficient gets created.
8 I think it's a little different and I need to think about it
9 if I've got -- I had a case yesterday where Jackson Walker
10 still -- final fee apps haven't been filed.

11 Right, I just -- I need to think about -- and
12 there I said look, people can show up and object to a final
13 fee app because, you know, people are still doing work. And
14 you can show up and object and we'll take -- we'll deal with
15 it all at that time.

16 In other words, it's already kind of an inherent
17 process to just no fees are final. But in these cases, like
18 Westmoreland, Whiting, Stage, Chesapeake, Covia, Tug, Mule
19 Sky, kind of going through them all. These are like 2020,
20 2021. Like their final fees apps have been on file and have
21 been signed for like a year.

22 So, it just seems to me that the indispensable
23 party request is just to say whoever we're going to deal
24 with this one time. It's going to get teed up. Anybody who
25 wants to -- who thinks that they want to join, can do it.

1 It's not really blocking anyone.

2 MR. BOLAND: Your Honor, there's no intention to
3 block folks. It's exactly what Your Honor is suggesting to
4 have it done once.

5 And I would take it a step further, Your Honor,
6 and I think I'm right about this and the US Trustee can
7 correct me if I'm wrong. But I believe the cases that are
8 all before you have all had confirmed plans that have gone
9 effective as well.

10 And so from our perspective, that's even one more
11 step from your perspective from final fee apps or not. But
12 these are all cases that have confirmed plans that have all
13 been effective.

14 And so from the, you know, we have different views
15 over standing and I don't think that's an issue for today,
16 Your Honor. All we're saying, we agree, I think, from a
17 technical aspect, you know, 9014 does Rule 19 apply or not.

18 It's efficiency. It's the purpose of the
19 miscellaneous procedure.

20 THE COURT: I still think I can -- I can -- I have
21 the ability to enter an order to apply certain, right, rules
22 that traditionally for adversary proceedings in a contested
23 matter.

24 MR. BOLAND: Correct.

25 THE COURT: The limitation -- that limitation

1 technically is right, but that can be easily kind of be
2 tweaked.

3 I need to understand from the United States
4 Trustee, I think there's a difference between kind of open
5 and live cases and cases that have been kind of closed for
6 about a year that we can kind of figure out what we're going
7 to do. In other words if the Trustee prevails against
8 Jackson Walker on, you know, something that someone isn't
9 going to show up two years later and then ask for the same
10 thing. And then we have to have the *res judicata*,
11 collateral estoppel fight, and all that stuff two to three
12 years from now.

13 I just wondering from -- not just from an
14 efficiency standpoint, from a -- this is -- you know, just
15 want to make sure that we're all clear as to kind of what
16 we're doing and why we're doing it.

17 And I understand the need. I just need to
18 understand what you're asking for in the objection.

19 MS. GARZA: So, Your Honor I want to remind the
20 Court we're here -- we're here because the United States
21 Trustee has filed a number of Rule 60(b)(6) motions asking
22 that the final fee orders in the cases currently before Your
23 Honor and other Courts be vacated --

24 THE COURT: Right.

25 MS. GARZA: -- because of Judge Jones. In our

1 opinion if that is entered, everyone goes back to where they
2 were before those orders were entered. And everyone has the
3 right, under 11 and 09(b) to object to those fee
4 applications or bring any other cause of action or objection
5 that they might believe that they're entitled to as a party-
6 in-interest in a Chapter 11 case.

7 So to us the indispensable party issue is kind of
8 a red herring. For purposes of our Rule 60(b) motion, we
9 don't believe there are any indispensable parties and I
10 believe Jackson Walker agrees with that.

11 Complete relief can be accorded between the
12 parties on that motion just between the two of us. And
13 after that, I think that all parties are essentially where
14 they were right before the order was entered.

15 All of these actions and all of the fees relate to
16 pre-confirmation conduct. And I don't think there's any
17 doubt that a creditor or a party-in-interest in a Chapter 11
18 case could object to a fee application even if there isn't a
19 confirmation order entry.

20 THE COURT: Let me remind you what you're asking
21 for in your 60(b). You want to vacate the orders. You want
22 the order that the United States Trustee and all parties-in-
23 interest have 120 days from entry of the order to object and
24 seek the denial and return of all fees and then you want a
25 hearing.

1 You're asking for more stuff than just put the
2 parties back. You want an order saying vacate all the
3 orders 120 days from now, you know, seek the denial and the
4 return of all fees and expenses previously rewarded, and
5 then set a hearing to consider Jackson Walker's application
6 for compensation and expenses. That's what we're talking
7 about.

8 It's who's indispensable for this and all the
9 things that you're asking for. And I don't think -- I don't
10 want to expand it, but anybody who wants to be a part of
11 that 120 days coming back, I think I need to -- I only want
12 to do this once.

13 In other words, if they're vacated, they're
14 vacated. But then you're asking for more stuff than just
15 vacate and status quo. You're asking for vacating, giving
16 parties 120 days, and then setting a hearing. That process
17 I want to have one time with -- in each case with the number
18 of parties or Rodriguez or whoever, you know, deals with it.

19 That's what I mean.

20 MS. GARZA: I understand, Your Honor. And again,
21 we just believe that all parties-in-interest who were
22 affected by the Chapter 11 case, have that right.

23 So if you're saying are they indispensable because
24 they have a right to object. And every party-in-interest in
25 these cases who was affected does have a right to object if

1 they want to at that time if these orders are vacated.

2 If they're not, they don't have anything to do and
3 it would be premature at that time to make that claim.

4 THE COURT: But you're not -- in other words --
5 and maybe there's just confusion on my end. The 60(b)(6) is
6 asking to vacate the order. So let's just say you win on
7 everything. The orders get vacated, right. All the orders
8 approving the fees -- the final fee gets vacated.

9 The Court would set -- the Court would enter an
10 order saying everyone has 120 days to seek the denial and
11 return of the fees.

12 MS. GARZA: Yes, Your Honor.

13 THE COURT: Right and then the Court would set a
14 hearing. That's what the relief is requested. So I -- in
15 other words the indispensable party part goes to the relief
16 requested.

17 But if you win, there's going to be -- if you win
18 there's going to be an order saying the Trustee and all
19 parties-in-interest have 120 days to object.

20 MS. GARZA: Yes, Your Honor. I realize that that
21 might seem inefficient, but we --

22 THE COURT: I'm not saying it's inefficient. What
23 I'm saying is I read this to say if you win the order goes
24 back and then everybody has 120 days. And so there will be
25 a two-step process.

1 MS. GARZA: Correct, Your Honor.

2 THE COURT: You're not asking for the disgorgement
3 of fees here.

4 MS. GARZA: Not as part of a Rule 60(b)(6) motion,
5 no, Your Honor.

6 THE COURT: Then what are we talking about then?
7 I guess that's -- I'm asking all the parties then what's the
8 dispute.

9 In other words, what's the -- what are parties
10 fighting about? I don't see this as asking for
11 disgorgement. I had one yesterday where someone did. This
12 isn't asking for disgorgement.

13 So what are we?

14 MS. GARZA: Sir, only the motions on file at this
15 time pleadings before Your Honor, I agree, they do not ask
16 for return of fees by Jackson Walker. But once those orders
17 are vacated, I think that all parties-in-interest, including
18 my client, would be allowed to seek that relief.

19 THE COURT: If you -- no that's what I'm saying.
20 Are you asking for anything -- what -- who -- you're seeking
21 indispensable parties for what purpose?

22 MR. BOLAND: Your Honor, --

23 THE COURT: With respect to the 60(b)(6)?

24 MR. BOLAND: Well this all came about in the
25 context of just making sure parties were here who are

1 interested and we did this once, Judge.

2 And so, you know, whether you use the term
3 "indispensable party" because I agree, Your Honor. I don't
4 think Rule 19 effectively applies until you make it apply.

5 But irrespective of that, from our perspective,
6 let's do it once. Undoing, vacating fee orders, having an
7 objection, going back through depositions, discovery, the
8 same pre-trial matters. It's a different form of relief.

9 But, Your Honor, in other cases, there have been a
10 little bit more than rule 60 motions. They're all over the
11 place, Judge. And we're just trying to get a forum where --

12 THE COURT: But that's what I'm saying. Give me
13 an example. So I'm pulling up -- I'm looking at the
14 Seadrill one now.

15 The Seadrill asks to vacate the orders and for
16 there to be kind of a process that we have 120 days from
17 there. And then we set a hearing and an objection deadline.
18 That's the relief requested.

19 So the indispensable parties would go to that.
20 And let's just say the Trustee prevails, it sounds like
21 under this I then have to have a another hearing where then
22 we talk about what gets, you know, -- what objections come
23 and then where the money goes.

24 But you're 60(b)(6) doesn't ask for anything else.

25 MS. GARZA: Not at this time, Your Honor, correct.

1 And all of the 60(b)(6) motions are the same in all of the
2 cases for this Court and the others.

3 THE COURT: So how can -- in other words are you
4 asking for more than indispensable parties with respect to
5 the 60(b)(6)?

6 MR. BOLAND: Your Honor, we're asking for
7 effectively the same order that where Judge Isgur in the
8 post order, Your Honor, says any party-in-interest claiming
9 the outstanding seek Jackson Walker to return compensation
10 of this bankruptcy estate must file a notice with the Court,
11 Judge.

12 So, --

13 THE COURT: But that's not the issue before the
14 Court in my cases. And I'm -- I need to give that some
15 thought. Because it seems like now --

16 MR. BOLAND: And I know that's not your question,
17 Your Honor, but obviously we have a much different year in a
18 post confirmation -- post effective date what the standing
19 rules are. We don't think it's an 1109(b) standing.

20 We think there's case law out there that says you
21 still have to have -- Judge Isgur in (indiscernible), Your
22 Honor, says in it's Chapter 7 case you still have to have a
23 pecuniary interest and if you're not a beneficiary of funds.

24 So we're going to get back to the same issue that
25 we are today.

1 THE COURT: You're going to want to argue that if
2 all the money comes back, you won't get a dollar of it and
3 so you don't have the right to do it.

4 MR. BOLAND: In every case, Your Honor, there's
5 probably -- there's going to be a beneficiary under the Plan
6 analysis. There's not 1,000 beneficiaries.

7 And so if we have 100 objections, Your Honor,
8 we're going to be back before Your Honor on 99 objections
9 for standing. We're going to have those hearings done. And
10 it's the same analysis and the same results whether it's a
11 Rule 60(b) party. That's the *Sun Edison* case where the *Sun*
12 *Edison* court held that there was not a standing for a party
13 that was not a beneficiary under recoveries.

14 Or in Judge Isgur's *In re: Moya* decision Your
15 Honor, which says even outside and just to object to a fee
16 application have a pecuniary interest, Your Honor, is
17 essential for standing.

18 So I think we end up in the same spot, which is
19 our concern is if we're going to end up in the same spot
20 lets do it once.

21 THE COURT: But now we're adding a relief.

22 MR. BOLAND: We're not trying to add relief.

23 THE COURT: No, you are. You're trying to add
24 relief. You're trying to add a fee objection process in
25 here when that's not what's being asked of me.

1 MR. BOLAND: We're asking parties that are
2 interested in the relief that's being sought --

3 THE COURT: You can frame it nicely, but you're
4 asking for something that's not in the 60(b)(6). And maybe
5 Isgur was thinking I want to deal with this all at one time.

6 MR. BOLAND: Look, I don't want to put my thoughts
7 into what Isgur -- Judge Isgur was or wasn't thinking, Your
8 Honor.

9 Our process was just to set a deadline by which
10 parties show up, participate in discovery, versus, you know,
11 a month from now, another Rule 60(b) motion gets filed et
12 cetera.

13 That was --

14 THE COURT: But my thought is we have one Rule
15 60(b) hearing. One. We're not coming back on any more
16 60(b)s. One Rule 60(b) hearing.

17 And we determine -- I need to give it some
18 thought. What you are requesting here one time. No one
19 else can come in.

20 And depending on how you prevail or on what you
21 prevail upon, I think -- it seems like then we have to then
22 talk about stage two.

23 The question is, do you undo -- I think what Judge
24 Isgur is thinking. Well, I don't know what he's thinking.
25 I understand an efficiency argument that if parties were to

1 then reach a resolution in a case. Let's just say -- I'm
2 not saying anybody is going to settle, but say somebody did
3 settle in Case X. You would then have a 9019 and you'd have
4 to figure out who -- where the money is going to go.

5 So we might as well do it all at one time.

6 MS. GARZA: So, Your Honor, I will say that we did
7 object to Judge Isgur's order in the sense that it did
8 preclude parties-in-interest from objecting to any fees or
9 participating in any return of fees from Jackson Walker.

10 But I -- we ended up where we ended up at. As to
11 the one preceding on the indispensable party issue, I
12 believe that that would be fine with my client. I'd have to
13 confer with her and with them to decide that.

14 I'm sorry, Your Honor, I think I lost the last
15 part of your question.

16 THE COURT: No, no, no. I'm just --

17 (Pause in the proceedings.)

18 THE COURT: Let me look at your proposed order.

19 (Pause in the proceedings.)

20 THE COURT: The problem with your 60(b)(6) as I --
21 I shouldn't say the problem. I now get it. Your 60(b)(6)
22 is saying vacate the fees and expenses. The order approving
23 the fees and expenses. Right?

24 MS. GARZA: Yes.

25 THE COURT: But, that means they have to give it

1 back. In other words there's a built in process. They
2 can't keep the money if we vacate the order, right.

3 If I vacate the order saying you're awarded a
4 million bucks under a fee application and then I say I got
5 to undo the order, right. I'm undoing -- I'm vacating the
6 order, right. Then who holds the money between the time
7 that the order is vacated and -- I now see the problem.

8 It creates an efficient process because now you're
9 saying -- well maybe the question is what are you asking for
10 in the 60(b)(6) if what you're saying this -- they violated
11 327 and 330 and you should vacate all fee orders. Right, in
12 all these cases.

13 And then who holds the money between then and
14 there? Does the estate -- does the money then have to come
15 back into the estate or what it does?

16 It seems -- I get it. You've got to deal with
17 this all at one time.

18 MS. GARZA: So in our minds, Your Honor, if the
19 orders were vacated -- the final orders -- that wouldn't
20 automatically result in a return of the fees to the estate.
21 It would only require a re-litigation of the final fee
22 applications.

23 So, maybe that's part of the disconnect, but that
24 was our thought process.

25 THE COURT: I now get it.

1 (Pause in the proceedings.)

2 THE COURT: You're saying you want to dissolve
3 it -- everybody needs to dissolve it at one time.

4 MR. BOLAND: That's exactly right, Judge.

5 (Pause in the proceedings.)

6 THE COURT: The issue is, is that the allegations
7 that you're making in here -- and they're incredible
8 serious -- is that you-all are saying that they shouldn't
9 have the money at all. Right, in other words your 60(b) the
10 facts that you're alleging in the 60(b) are essentially the
11 findings to get -- to prevail make the fee application issue
12 almost moot.

13 The allegations that you're alleging in here if
14 you prevail moot almost everything. So it's almost like it
15 has to be taken care of at the same time because. Yeah, how
16 do I make a finding -- let's just say, for example, well
17 everything that's alleged is true. Right.

18 And like what -- how do you -- what's the
19 contested fee app that we're going to have there to allege
20 and what's going to happen under it. I think the money has
21 to come back and it has to flow through the plan.

22 MS. GARZA: I agree that the facts and
23 circumstances are similar but the Rule 60(b) motion does
24 really focus on Rules 5002 and 5004, which Judge Jones'
25 responsibility to recuse himself if he was in a relationship

1 with Ms. Freeman at the time.

2 And to not enter final fee orders for Jackson
3 Walker's fee application while Ms. Freeman was a partner
4 there if they were intimate at the time.

5 So I agree they are similar, but they are distinct
6 findings between Judge Jones' actions and Jackson Walker's
7 actions.

8 (Pause in the proceedings.)

9 THE COURT: What's your response counsel?

10 MR. BOLAND: Your Honor, I don't read that motion
11 the same way and discovery that we've been -- frankly we've
12 received doesn't seem to be limited to what Judge Jones'
13 should or should not have done. Former Judge Jones should
14 or should not have done.

15 It's a serious allegation that Your Honor is aware
16 of that have been publicized that have been alleged. And,
17 you know, at the end of the day I think Your Honor nailed it
18 right on the head which is whatever facts or evidence is
19 adduced in connection with this Rule 60 process is going to
20 be the same facts in evidence that ultimately is relevant in
21 place in respect of any fee objection.

22 THE COURT: You're alleging breach of fiduciary
23 duty. It's not just Jones didn't do it. You are alleging
24 that Jackson Walker and Freeman breached their fiduciary
25 duty to the estate and the Texas Disciplinary Rules of

1 Professional Conduct.

2 That's what I mean, if I make that finding, that
3 makes -- how do you keep fees? You know it's like if you
4 don't -- and I'm just joking they're serious matters. I
5 think it all has to kind of -- I get it.

6 MS. GARZA: Your Honor I would just say obviously
7 the only live pleading with regard to relief of or vacation
8 of any order is our 60(b)(6) motion. There's nothing else
9 before the Court.

10 In our minds to the extent Jackson Walker wants an
11 order to limit people participating, it should be limited to
12 the 60(b)(6) motion. It should not preclude any other party
13 from asserting any rights that they might otherwise have.

14 And we just very much object to that sort of
15 relief.

16 THE COURT: Isn't your motion itself limiting now?
17 In other words, you're going to want finding from the Court
18 that Jackson Walker breached its fiduciary duties. And then
19 you're going to turn around and say hey anybody else can
20 come in and argue.

21 You're establishing the collateral estoppel *res*
22 *judicata*. So let's just say you fail. Your order is then
23 going to allow -- let's just say that you get some of the
24 findings but not the others.

25 Aren't you creating a situation in which now other

1 people can come in, you know, let's just say six months from
2 now and argue the same facts differently?

3 In other words, they weren't there. And they're
4 going to say I didn't know about this. I never had an
5 opportunity to participate in this pleading. The U.S.
6 Trustee, you know, put on a bad case. I could put on a
7 better one, but we're going to try the same facts.

8 MS. GARZA: And if the Court wants to limit the
9 order, I'll just say indispensable parties -- even though I
10 do think that that is a misnomer -- to participation in the
11 Rule 60(b)(6) motion I think that's the more limited and
12 reasoned approach.

13 The fact that it might have *res judicata*
14 applications against Jackson Walker I think is --

15 THE COURT: Or anyone else who doesn't apply. In
16 other words, if I make a bunch -- if I make a number
17 findings in the -- I'll just use Seadrill, just because it's
18 open.

19 I make a bunch of findings in the Seadrill case
20 that Jackson Walker didn't breach any of its fiduciary
21 duties, right? Someone is going to object to the fee
22 application later, right, under your theory. And they're
23 going to say, no, they did. And I'm going to say, nope, we
24 held this hearing in which United States Trustee told me
25 that, you know, to not require you to come in.

1 But now you're stuck with the findings based on
2 the trial that they put together. That's what I'm going to
3 do. That's the problem that we've got here or the conundrum.
4 You're saying let them come after, but if you lose, they're
5 going to have to live with the fact -- they're going to have
6 to live with the case you put on.

7 MS. GARZA: Which is why I think the more reasoned
8 approach would be to say we are prosecuting this Rule
9 60(b)(6) motion. There could be findings that affect you.
10 If you want to join in the Rule 60(b)(6), please join now;
11 otherwise, you may be precluded.

12 But otherwise to the extent we are successful and
13 there are findings, allow them to participate in the
14 objection process to whatever extent they would otherwise be
15 entitled to under the Code.

16 (Pause in the proceedings.)

17 THE COURT: Why don't we just say they're limited
18 to participation in the 60(b)(6) process and then put
19 something in there that if you don't, you may be subject to
20 findings that could affect you on collateral estoppel basis
21 or *res judicata*?

22 MR. BOLAND: Your Honor, that could work, I
23 suppose. This -- I want to be clear. This wasn't --

24 THE COURT: No, I get it. You're looking for
25 uniformity between -- no, no, you are.

1 MR. BOLAND: Looking for uniformity, Judge, and --

2 THE COURT: That's what I'm saying. Let me give
3 this some thought. That's what I'd like to do. I respect
4 the process, but it creates a number of issues where someone
5 could read this order and say, fine, I don't want to
6 participate in the 60(b). I want to participate in the
7 fee -- in the objections to the fees.

8 And then they'll show up in the fees and they're
9 stuck with findings that I made one way or the other. And
10 they're going to say, wait, I didn't understand that.

11 But I would have signed an order denying them or
12 saying like this is really important, you should come in
13 here because there's things that could affect you later on
14 down the line.

15 And the way the -- I just say 60(b) they're going
16 to be findings here and they're going to have to necessarily
17 run through final fee apps or other fee apps if -- did they
18 breach their fiduciary duties, did they -- you know, if
19 there's a finding that they breached their fiduciary duties,
20 it's going to have to run through all the applications
21 theoretically at the time and in time periods that it
22 happened.

23 But if I find that they didn't or Isgur finds that
24 they didn't in his cases, then doesn't it necessarily didn't
25 run one way or the other. I just think we have -- I need to

1 give that some thought. And maybe I'll propose some
2 language and to come back and have the parties thinking
3 about it.

4 But I do understand whatever it is, we ought to be
5 really clear with the general public one way or the other.
6 And I understand the concern the United States Trustee is
7 having in terms of transparency and process that you don't
8 want to -- you're bringing your own motion.

9 But you don't want to say because I brought mine
10 doesn't mean that you don't have the right to bring yours.
11 I get the point. I get the point. And we just kind of
12 gotta figure out a way to make people understand they have
13 rights.

14 And because you're taking lead on something
15 doesn't mean that they don't have rights as well. I need to
16 think about -- but there could be.

17 (Pause in the proceedings.)

18 THE COURT: The reality is there could be findings
19 that could affect people's potential rights. People's
20 rights could be potentially affected because there is
21 litigation going on about these issues and maybe they ought
22 to know that, one way or the other, things could be
23 affected.

24 And maybe there's a way to kind of give everyone
25 what they're looking for in language and in order. I guess

1 I'm concerned about the 120 day language because it kind of
2 -- in other words, the findings to get to the 60(b) could
3 essentially dictate the terms of what something coming down
4 the line and we're giving -- we could be giving the general
5 public a -- not the most transparent view of what could be
6 coming because of the *res judicata* and collateral estoppel.

7 And I just want to think through that. Yes, sir.

8 (Pause in the proceedings.)

9 MR. KELLEY: Again, Charles Kelley on behalf of
10 the Bouchard Family entities for the In re: Tug Bouchard
11 case.

12 I've been listening in the courtroom, Judge, and
13 I'm not taking an issue on these one way or another. But as
14 you think about it, I would like to flag a few things for
15 Your Honor's consideration.

16 And in part I'm standing here mindful of the words
17 Judge Isgur used in the (indiscernible). I was pleased to
18 hear the parties announcing that we heard counsel and I
19 didn't have my pen in hand early enough on behalf of
20 Drivetrain, who is one of the Liquidating Trustees in one of
21 the cases.

22 And the Kattera case, we had their Liquidating
23 Trustee here. You have inherited a case. I don't mean to
24 take you on a side track, but I just want to give a few
25 things. The case I'm referring to is the Bouchard case,

1 where we have serious issue with both the CRO and the now
2 the same individual as the Liquidating Trustee by way of
3 example only.

4 We participated in the mediation in front of the
5 former Chief Judge of the Southern District -- Bankruptcy
6 Judge of New York, Melony Segonowsky (phonetic) negotiated a
7 settlement. Went for a 9019 before Judge Jones and the
8 individual charged with fiduciary duties for the estate who
9 had recommended settlement didn't show up and participate.

10 This cost us a lot of money. We took an appeal
11 out of that case. We took -- went up to the Honorable Lee
12 Rosenthal. We reversed aspects of the Plan. We've not seen
13 the Trustee take any steps to follow the mandate that came
14 down from Judge Rosenthal.

15 They appear to have disappeared from this. Why do
16 I go through this, Judge? Judge Isgur's comments in the *4E*
17 *Brands* was, you know, once these cases are confirmed and the
18 litigation trust or liquidating trust is put in place, there
19 are fiduciary responsibilities of that individual.

20 I am amazed at what is going on here and with what
21 has been what the US Trustee has filed with extremely
22 competent counsel on behalf of Jackson Walker filing. I
23 don't understand why the Plan Trustees or the Liquidating
24 Trustees aren't standing here on behalf of all the
25 constituents of those cases.

1 I hear the arguments about indispensable parties,
2 but you yourself pointed out that cases have been confirmed
3 over a year ago and there are things still that occur in
4 those cases and the liquidating trusts or litigation trust,
5 as the case may be, are still in existence and work is still
6 being performed.

7 And Judge Isgur's comments in the *4E Brands* case
8 saying you're charged with these issues, you should be
9 looking at, you know, whether there are claims, whether
10 there are recoveries.

11 The individual constituents should not have to
12 burn their fees to be down here to play a role in this.
13 That should -- that falls squarely on those individuals.

14 We have some concern about the lack of
15 participation of the Liquidating Trustee in a number of
16 things in this case, not the least of which is what's
17 presently before your Court.

18 I raise this because I anticipate in the future we
19 may be in front of Your Honor and associated with issues of
20 whether that person should continue in those duties and what
21 our concerns are about this person that even predate them.

22 Our statements on the Record exist on the appeal
23 there. I don't want to take you sideways.

24 THE COURT: No, no, no. Let me just tell you.
25 Since I came on, I started calling cases just to kind of get

1 a sense of where things are, where things are and getting
2 up-to-speed on some of them.

3 And then in December, I just had two long trials
4 that took two weeks and then the holidays kicked in. I'm
5 back on -- I had another one in January, but now I'm back on
6 calling status conferences in cases.

7 And so your -- I'm happy to -- I don't know where,
8 you know, we were working through them and closing cases and
9 kind of figuring out where things were.

10 But we're calling cases in everyone. And if you
11 want a status conference, just let us know. But I'm setting
12 one anyway. That's just kind of where things are, but I
13 appreciate the statements.

14 MR. KELLEY: It strikes me as an observer for this
15 hearing that Your Honor is dealing with two issues. A
16 procedural matter where you've got -- someone has to open a
17 final order and then you have to deal with the substance
18 that follows that.

19 And you've got some findings that are associated
20 with the then law of what you deal with on a final order and
21 how do you deal with that without prejudicing parties when
22 you get to the actual litigation of the substantive issues.
23 We're sympathetic to that.

24 And as you go back to your chambers and consider
25 that, whatever deadlines you elect to put out for the

1 parties, a suggestion in an effort to be constructive. I
2 think that there ought to be an earlier deadline for the
3 Plan fiduciaries on those Plans that have been confirmed to
4 identify whether they're going to play a role in this.

5 Because the rest of the creditors should be
6 entitled to rely on that and not necessarily have to jump up
7 and say, well, since I -- the Plan liquidator or the
8 Litigation Trustee or the Liquidating Trustee as the case
9 may be, isn't taking action so now I have to.

10 I don't think you want to be inundated with 100
11 motions where people are filing those prophylactically
12 simply because the Plan Trustee does not.

13 I think you should consider a two-stage deadline
14 so the parties can see if the Plan Trustee is exercising
15 their fiduciary duty or not before they have to decide
16 (indiscernible).

17 That's a suggestion that I think would be
18 constructive. I do think it's important that you figure out
19 the process. I don't envy the role you have to play. And
20 in listening to the parties, we take no position whatsoever
21 on the issue, but we do think, given the history of this
22 case, we are concerned that those individuals should be
23 playing a more active role than we've seen today thus far.

24 And we understand the sensitivity of the issues.
25 These are complex issues. I thank the Court for your time

1 in allowing me to be heard on this. I will appear whenever
2 there's a status conference. But that wasn't the purpose of
3 this.

4 THE COURT: No, no. I got it.

5 MR. KELLEY: It was just to suggest that the
6 process ought to -- which you're going to be noodling
7 over -- ought to recognize a two step.

8 THE COURT: If we're going to do that, then
9 somebody's got to show up a little earlier.

10 MR. KELLEY: That's all I was asking you to think
11 about.

12 THE COURT: Okay. Thank you.

13 MR. BOLAND: One really brief comment about
14 Mr. Kelley's comments, Judge, if I may? We're going through
15 the process now as we did with Judge Isgur to look through
16 the Plans. I don't know where the recovery would flow under
17 Bouchard specifically, Your Honor. It may or may not be the
18 Plan Agent or Plan Administrator. I don't know.

19 Our process that we contemplated, Your Honor, was
20 a deadline by which parties show up to assert an interest,
21 whoever that is. I just wanted to highlight, Judge, there's
22 some of these cases -- I'll just take Seadrill Partners,
23 which is now before you -- our analysis show that that was a
24 Reorganized Debtor and they actually asserted an interest
25 there.

1 So I just wanted to let you -- I know it's already
2 on your mind, Judge -- but putting in deadlines as
3 Mr. Kelley suggests may or may not confuse the process more.
4 I'll leave it up to Your Honor.

5 But we were thinking a deadline by which everyone
6 who is interested shows up. But, I just wanted to raise
7 that concern.

8 THE COURT: Okay, thank you.

9 MS. GARZA: Your Honor, I would say that -- it's
10 probably a good idea especially in liquidating cases, where
11 the Liquidating Trustee to put a position. But also if
12 there's Reorganized Debtors for them to maybe do that as
13 well.

14 So that constituency or junior might not have to
15 incur the fees to do so. Or if they are deciding shouldn't
16 pursue they can take action to preserve their interest.

17 I do not know if any of these Reorganized Debtors
18 or Liquidating Trustees are still being represented by
19 Jackson Walker. But to the extent that they are, obviously
20 those Reorganized Debtors, Liquidating Trustees, Plan Agents
21 should be getting new counsel. I just wanted to say that
22 for the Record.

23 (Pause in the proceedings.)

24 THE COURT: Got it. Got it. I think we're going
25 to do something. I think and it's got to -- let me just

1 take a look at something here.

2 (Pause in the proceedings.)

3 THE COURT: Give me one second. Just take a look
4 over here.

5 (Pause in the proceedings.)

6 THE COURT: Can we just come back Monday, let's
7 say at 10:00 a.m.? if that works for the parties, sometime
8 in the morning. I just want to take a couple of days to
9 think about it.

10 We're going to enter an order. I'm going to
11 require folks to show up on something. I just want to make
12 sure. I just need to think through a little bit about the
13 concerns I have.

14 I think it will be -- it will look like the Isgur
15 order. I think it may have a couple of tweaks, but it's
16 going to --

17 I just need to think about it. But I don't want
18 to -- I don't want to be the Judge that just kind of posts
19 something and then everybody has to go live with it. I want
20 people to kind -- I want rather just give it a day or two to
21 think about it and we can all kind of put up on the screen.

22 Anybody that wants to dial in can look at it and
23 we can enter an Order that sets times and deadlines.

24 If you were thinking deadlines, what deadlines
25 were you thinking? What did you have in mind?

1 MR. BOLAND: Sure, at least from our perspective,
2 Judge, again, just to maybe put things in context and
3 Ms. Garza can speak to this. But my understanding is that
4 US Trustee, to the extent that they're going to file other
5 pleadings, other cases, they were looking at an end of March
6 time frame, I think.

7 And so that's the outside date I would suggest.
8 But under Judge Isgur's order, it was about a two-week time
9 frame from entry of the Order where we noticed out that
10 Order to the various parties in which they had a time to
11 file it.

12 So we had suggested about 14 days or so to give us
13 time to talk to the claims agents to make sure that we can
14 get notice out appropriately. But, you know, whether it's
15 14 days or 21 days, Judge.

16 THE COURT: Got it. I was just --

17 MS. GARZA: I would say that more notice is better
18 notice. I think that's --

19 THE COURT: No, no, no. I was. That's fine. No,
20 you can close it. Thank you.

21 I understand more notice is better and if --

22 MS. GARZA: I would also say to -- I'm not sure
23 what Your Honor is contemplating by his Order. Obviously
24 we'll discuss it on Monday. I did want to point out one
25 thing. There is a status conference before Judge Rodriguez

1 at 11:00 a.m. in the miscellaneous proceeding on Monday.

2 So to the extent you think it might take longer
3 than an hour?

4 THE COURT: No. No, no. You're in front of
5 Isgur. I couldn't guarantee it. But me, no. We're on
6 efficiency around here. Let's see. No, no. This is
7 hopeful. My goal is to kind of put something up and then
8 we'll pick some dates and we'll go.

9 I'm tempted to ask a question, but I will deal
10 with the cases that I have in front of me and if there's any
11 more that tend to come, then I will -- I'll take them up at
12 that time. I won't -- I'll stay in my box and see where we
13 are with the ones that I have and we'll go from there.

14 I very much appreciate everyone's time. Thank you
15 very much.

16 My goal is on Monday I'm just going to work off
17 of, put something on the screen and then we can talk about
18 whether it makes sense or not.

19 My thought is, I entered something on that Monday,
20 the 29th.

21 (Pause in the proceedings.)

22 THE COURT: I'm going to give folks --

23 (Pause in the proceedings.)

24 THE COURT: You know, you're looking
25 February 23rd, February 26th, somewhere around there. So

1 I'm thinking if I entered something on Monday, claims agent
2 can get whatever it needs to get up, gear up what it wanted
3 to do, have it out by February 1st, February 2nd at the
4 latest.

5 And then I'm going like three, three and a half
6 weeks from there. Like, that was my thought. So, you know,
7 you're talking maybe February 26th or something like that,
8 that Monday.

9 MS. GARZA: For -- and I apologize, Your Honor.
10 For filing a notice of a hearing?

11 THE COURT: Filing -- if I enter an Order on
12 Monday for filing the notice, the Order would say you've got
13 until February 26th. So we'd give people, you know, 21 days
14 or 24 days.

15 MS. GARZA: Because I suspect a lot of this would
16 be by mail, I would actually ask for some additional time.

17 THE COURT: Well, I'm building in the mail.

18 MS. GARZA: If it goes on the first or that
19 Thursday, Sunday or Monday is the date. So, the notice, if
20 it's 21 days, three weeks after that I would actually ask
21 for more notice. Like, I said more it better.

22 THE COURT: These folks, are they going to file
23 something on the Docket or are they going to mail something
24 in or what's the process? Maybe that's the better question.

25 MS. GARZA: They might mail something in.

1 MR. BOLAND: Your Honor, I think either -- as far
2 as the filing standpoint, I think in Chesapeake we saw a
3 pro se surety holder, I believe, mailed it in already even
4 though --

5 THE COURT: In other words is the notice going out
6 saying you've got to file something or you've got to mail
7 something back to the claims agent or what? What's the
8 process that's contemplated in the other Order?

9 MS. GARZA: I think it was on the Docket, Your
10 Honor. On some of these, I'm not sure the claims noticing
11 agent is updating the website at all even. So that's a
12 concern.

13 MR. BOLAND: I guess I'm -- if your question
14 was --

15 THE COURT: Your process is we're going to give
16 people 21 days to do something. It's to file something on
17 the Docket saying that I think I'm indispensable party,
18 right?

19 MR. BOLAND: It was file something on the Docket
20 however, whether electronically, by mail.

21 THE COURT: Yeah, yeah. You've got to --
22 something's got to hit the Docket to say I think I'm an
23 indispensable party.

24 MR. BOLAND: Yeah, that's the way it works.

25 THE COURT: No, no. That makes sense. Okay, I

1 will -- I'll give this all some thought and we'll come back
2 on Monday and we'll have a date out there.

3 MR. BOLAND: The only other thing, Judge, you
4 obviously already see it here. To the extent we have a
5 February 23rd or 26th date, depending on what is filed, we
6 may take issues with some of the standing of those parties.

7 I know the US Trustee probably will disagree, but
8 I --

9 THE COURT: That's another date, right?

10 MR. BOLAND: I agree. I just wanted you to have
11 that in the back of your mind.

12 THE COURT: No, no, I got it. I'm just thinking
13 in terms of someone identifying themselves to say I'm here.
14 We're going to pick a date and we'll have it there.

15 MR. BOLAND: Understood.

16 THE COURT: Okay. All righty, folks, thank you
17 very much.

18 (Proceeding adjourned at 10:59 a.m.)

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1 I certify that the foregoing is a correct
2 transcript to the best of my ability produced from the
3 electronic sound recording of the ZOOM/telephonic
4 proceedings in the above-entitled matter.

5 /S/ MARY D. HENRY

6 CERTIFIED BY THE AMERICAN ASSOCIATION OF
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10 DATE FILED: FEBRUARY 1, 2024

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS**

In Stage Stores, Inc.
Re: Debtor

Case No.: 20-32564

Chapter: 11

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