

**ORIGINAL**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

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In re:	:	Chapter 11
	:	
CHAPARRAL ENERGY, INC., <u>et al.</u> ,	:	Case No. 16-11144 (LSS)
	:	
Debtors. <sup>1</sup>	:	Joint Administration Pending
	:	
	:	<b>Re: Docket No. 13</b>

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**ORDER AUTHORIZING RETENTION AND APPOINTMENT OF KURTZMAN  
CARSON CONSULTANTS LLC AS CLAIMS AND NOTICING AGENT PURSUANT  
TO 28 U.S.C. § 156(c), 11 U.S.C. § 105(a), AND DEL. BANKR. L.R. 2002-1(f)**

Upon the application (the "Section 156(c) Application")<sup>2</sup> of the Debtors for an order authorizing the retention and appointment of Kurtzman Carson Consultants LLC ("KCC") as claims and noticing agent under 28 U.S.C. § 156(c), Bankruptcy Code Section 105(a), and Local Rule 2002-1(f) to, among other things, (i) distribute required notices to parties in interest, (ii) receive, maintain, docket, and otherwise administer the proofs of claim filed in the Chapter 11 Cases, and (iii) provide such other administrative services, as required by the Debtors, that would fall within the purview of services to be provided by the Clerk's Office; and upon the KCC Declaration submitted in support of the Section 156(c) Application; and the Debtors having estimated that there are in excess of 25,000 creditors in the Chapter 11 Cases, many of which are expected to file proofs of claim; and it appearing that the receiving, docketing, and maintaining of proofs of claim would be unduly time consuming and burdensome for the Clerk; and the Court

<sup>1</sup> The Debtors in these cases, along with the last four digits (or five digits, in cases in which multiple Debtors have the same last four digits) of each Debtor's federal tax identification number, are: CEI Acquisition, L.L.C. (1817); CEI Pipeline, L.L.C. (6877); Chaparral Biofuels, L.L.C. (1066); Chaparral CO2, L.L.C. (1656); Chaparral Energy, Inc. (90941); Chaparral Energy, L.L.C. (20941); Chaparral Exploration, L.L.C. (1968); Chaparral Real Estate, L.L.C. (1655); Chaparral Resources, L.L.C. (1710); Green Country Supply, Inc. (2723); and Roadrunner Drilling, L.L.C. (2399). The Debtors' address is 701 Cedar Lake Blvd., Oklahoma City, OK 73114.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Section 156(c) Application.



being authorized under 28 U.S.C. § 156(c) to utilize, at the Debtors' expense, outside agents and facilities to provide notices to parties in chapter 11 cases and to receive, docket, maintain, photocopy, and transmit proofs of claim; and the Court being satisfied that KCC has the capability and experience to provide such services and that KCC does not hold an interest adverse to the Debtors or their estates respecting the matters upon which it is to be engaged; and good and sufficient notice of the Section 156(c) Application having been given; and no other or further notice being required; and it appearing that the employment of KCC is in the best interests of the Debtors, their estates, and their creditors; and sufficient cause appearing therefor; it is hereby

**ORDERED, ADJUDGED AND DECREED THAT:**

1. Notwithstanding the terms of the Services Agreement attached to the Section 156(c) Application, the Section 156(c) Application is approved solely as set forth in this Retention Order.
2. The Debtors are authorized to retain KCC effective as of the Petition Date under the terms of the Services Agreement, and KCC is authorized and directed to perform noticing services and to receive, maintain, record, and otherwise administer the proofs of claim filed in the Chapter 11 Cases, and all related tasks, all as described in the Section 156(c) Application as the KCC Services.
3. KCC shall serve as the custodian of court records and shall be designated as the authorized repository for all proofs of claim filed in the Chapter 11 Cases and is authorized and directed to maintain official claims registers for each of the Debtors and to provide the Clerk with a certified duplicate thereof upon the request of the Clerk.

4. KCC is authorized and directed to obtain a post office box or address for the receipt of proofs of claim.

5. KCC is authorized to take such other action to comply with all duties set forth in the Section 156(c) Application.

6. The Debtors are authorized to compensate KCC in accordance with the terms of the Services Agreement, upon the receipt of reasonably detailed invoices setting forth the services provided by KCC and the rates charged for each, and to reimburse KCC for all reasonable and necessary expenses it may incur, upon the presentation of appropriate documentation, without the need for KCC to file fee applications or otherwise seek Court approval for the compensation of its services and reimbursement of its expenses.

7. KCC shall maintain records of all services performed, showing dates, categories of services, fees charged and expenses incurred, and shall serve monthly invoices on the Debtors, the U.S. 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.

8. The parties shall meet and confer in an attempt to resolve any dispute that may arise relating to the Services Agreement or monthly invoices, and the parties may seek resolution of the matter from the Court if resolution is not achieved.

9. Pursuant to Bankruptcy Code Section 503(b)(1)(A), the fees and expenses of KCC under this Retention Order shall be an administrative expense of the Debtors' estates.

10. KCC may hold the retainer under the Services Agreement during the Chapter 11 Cases as security for the payment of fees and expenses incurred in performing the KCC Services, with any remaining amount to be held as security for the payment of approved

fees and expenses incurred in performing other authorized services under the Services Agreement.

11. The Debtors shall indemnify KCC under the terms of the Services Agreement and this Retention Order.

12. 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 therefor are approved by the Court.

13. 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: (a) judicially determined (the determination having become final) to have arisen from KCC's gross negligence, willful misconduct or fraud; (b) 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 pursuant to In re United Artists Theatre Co., 315 F.3d 217 (3d Cir. 2003); or (c) settled prior to a judicial determination under (a) or (b) but determined by the 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 Retention Order.

14. If, before the earlier of (a) the entry of an order confirming a chapter 11 plan in the Chapter 11 Cases (that order having become a final order no longer subject to appeal) and (b) the entry of an order closing the 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 Retention Order), including without limitation the advancement of defense costs, KCC must file an application therefor in the Court, and the Debtors may not pay any such amounts to KCC before the entry of an order by the Court approving the payment. This paragraph is intended only to specify the period of time through which the Court shall have jurisdiction over any request for fees and expenses by KCC for indemnification, contribution, or reimbursement and does not limit 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.

15. In the event KCC is unable to provide the services set out in this Retention Order, KCC will immediately notify the Clerk and Debtors' counsel and cause to have all original proofs of claim and computer information turned over to another claims and noticing agent with the advice and consent of the Clerk and Debtors' counsel.

16. Nothing in this Retention Order shall operate to limit the approval of any separate retention application for KCC pursuant to Bankruptcy Code Sections 327 and 328 for services that KCC intends to perform outside the ambit of those services described in the Section 156(c) Application under Bankruptcy Code Sections 327 and 328.

17. The Debtors and KCC are authorized to take all actions necessary to effectuate the relief granted pursuant to this Retention Order in accordance with the Section 156(c) Application.

18. Notwithstanding any term in the Services Agreement to the contrary, the Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Retention Order.

19. Notwithstanding any term in the Services Agreement to the contrary, KCC's liability during the Cases shall not be limited to the amount billed or paid under the Services Agreement.

20. Notwithstanding any term in the Services Agreement to the contrary, KCC shall not cease providing claims processing services during the Chapter 11 Cases for any reason, including nonpayment, without an order of the Court.

21. In the event of any inconsistency between the Services Agreement, the Section 156(c) Application and this Retention Order, this Retention Order shall govern.

Dated: May 11, 2016  
Wilmington, Delaware

  
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THE HONORABLE LAURIE SELBER SILVERSTEIN  
UNITED STATES BANKRUPTCY JUDGE