

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

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In re	:	Chapter 11
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SWIFT ENERGY COMPANY, <i>et al.</i> , <sup>1</sup>	:	Case No. 15-____ (____)
	:	
Debtors.	:	(Joint Administration Requested)
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**DEBTORS' APPLICATION FOR AN ORDER AUTHORIZING THE APPOINTMENT OF KURTZMAN CARSON CONSULTANTS LLC AS CLAIMS AND NOTICING AGENT, NUNC PRO TUNC TO THE PETITION DATE**

The above-captioned debtors and debtors in possession (collectively, the "Debtors") apply to the Court for entry of an order pursuant to 28 U.S.C. § 156(c), section 105(a) of the Bankruptcy Code and Rule 2002-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules") and consistent with the Court's Protocol for the Employment of Claims and Noticing Agents under 28 U.S.C. § 156(c) (the "Claims Agent Protocol"), authorizing the appointment of Kurtzman Carson Consultants LLC ("KCC") as claims and noticing agent, *nunc pro tunc* to the petition date, in these chapter 11 cases (the "Section 156(c) Application"). In support of this application, the Debtors rely on the Declaration of Dean E. Swick in Support of First Day Pleadings (the "First Day Declaration"), the Agreement for Services, executed December 17, 2015 (the "Services Agreement"), a copy of which is attached hereto as Exhibit A and incorporated herein as applicable, and the Declaration of Evan J. Gershbein, Senior Vice President of Corporate Restructuring Services for KCC (the "KCC Declaration"), a copy of

<sup>1</sup> The Debtors are the following nine entities (the last four digits of their respective taxpayer identification numbers follow in parentheses): Swift Energy Company (0661); Swift Energy International, Inc. (6721); Swift Energy Group, Inc. (8150); Swift Energy USA, Inc. (8212); Swift Energy Alaska, Inc. (6493); Swift Energy Operating, LLC (2961); GASRS LLC (4381); SWENCO-Western, LLC (0449); and Swift Energy Exploration Services, Inc. (2199). The address of each of the Debtors is 17001 Northchase Drive, Suite 100, Houston, Texas 77060.



which is attached hereto as Exhibit B and incorporated herein, and respectfully represent as follows:

**Background**

1. On the date hereof (the "Petition Date"), each of the Debtors commenced a case by filing a voluntary petition for relief under chapter 11 of the Bankruptcy Code.<sup>2</sup> The Debtors are continuing in possession of their properties and are managing their businesses, as debtors in possession, pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. The Debtors are an independent energy company engaged in the exploration, development, production and acquisition of oil and natural gas properties. The Debtors are headquartered in Houston, Texas. Their primary assets and operations are focused in the Eagle Ford trend of South Texas and, to a lesser extent, the onshore and inland waters of Louisiana. For the nine months ended September 30, 2015, the Debtors generated revenue of approximately \$195.7 million from net oil and gas production of 8.8 million barrels of oil equivalents (MMBoe). Crude oil represented 47% and natural gas represented 44% of the Debtors' oil and gas revenues for the nine months ended September 30, 2015 (22% and 66% of the volumes for crude oil and natural gas, respectively), with the remaining production and revenues coming from natural gas liquids (NGLs).

3. Additional information regarding the Debtors and these cases, including the Debtors' business, corporate structure, financial condition, and the reasons for and objectives of these cases, is set forth in the First Day Declaration, filed contemporaneously herewith and incorporated herein by reference.

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<sup>2</sup> This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue for this matter is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

**Basis For Relief Requested**

4. Although the Debtors have not yet filed their schedules of assets and liabilities, they anticipate that they will have to provide certain notices to approximately 10,000 entities. Local Rule 2002-1(f) provides that "[i]n all cases with more than 200 creditors or parties in interest listed on the creditor matrix, unless the Court orders otherwise, the debtor shall file [a] motion [to retain a claims and noticing agent] on the first day of the case or within seven (7) days thereafter." In view of the number of anticipated claimants and the complexity of the Debtors' businesses, the Debtors submit that the appointment of a claims and noticing agent is required by Local Rule 2002-1(f) and is otherwise in the best interests of both the Debtors' estates and their creditors.

5. In addition, the Debtors' selection of KCC to act as the claims and noticing agent satisfies the Claims Agent Protocol in that the Debtors have obtained and reviewed engagement proposals from four additional court-approved claims and noticing agents to ensure selection through a competitive process. Moreover, the Debtors submit that, based on all engagement proposals obtained and reviewed, KCC's rates are competitive and reasonable given KCC's quality of services and expertise.

6. The Services Agreement contemplates that KCC will provide services for the Debtors outside the scope of 28 U.S.C. § 156. The Debtors will seek authorization by separate application to retain and employ KCC as administrative advisor pursuant to section 327(a) of the Bankruptcy Code for those services.

**KCC's Qualifications**

7. KCC is a leading chapter 11 administrator and is comprised of industry professionals with significant experience in both the legal and administrative aspects of large, complex chapter 11 cases. KCC has acted as the official claims and noticing agent in many large

bankruptcy cases in this district and in other districts nationwide. KCC's active cases include: In re Quicksilver Res. Inc., Case No. 15-11880 (BLS) (Bankr. D. Del.); In re Hagggen Holdings, LLC, Case No. 15-11874 (KG) (Bankr. D. Del.); In re Cal Dive Int'l, Inc., Case No. 15-10458 (CSS) (Bankr. D. Del.); In re Colt Holding Co., Case No. 15-11296 (LSS) (Bankr. D. Del.); In re Signal Int'l, Inc., Case No. 15-11498 (MFW) (Bankr. D. Del.); In re USA Discounters, Ltd., Case No. 15-11755 (CSS) (Bankr. D. Del.); In re Malibu Lighting Corp., Case No. 15-12080 (KG) (Bankr. D. Del.); and In re Wire Co. Holdings, Inc., Case No. 15-12097 (LSS) (Bankr. D. Del.).

8. By appointing KCC as the claims and noticing agent in these chapter 11 cases, the distribution of notices and the processing of claims will be expedited, and the office of the Clerk of the Bankruptcy Court for the District of Delaware (the "Clerk") will be relieved of the administrative burden of processing what may be an overwhelming number of claims.

#### **Services To Be Provided**

9. This Section 156(c) Application pertains only to the work to be performed by KCC under the Clerk's delegation of duties permitted by 28 U.S.C. § 156(c) and Local Rule 2002-1(f). Any work to be performed by KCC outside of this scope is not covered by this Section 156(c) Application or by the order granting approval hereof. Specifically, under the Services Agreement, it is anticipated that KCC will perform, at the request of the Debtors or the Clerk's office, as applicable, the following services within the scope of 28 U.S.C. § 156(c):

- (a) Prepare and serve required notices and documents in these chapter 11 cases in accordance with the Bankruptcy Code and the Bankruptcy Rules in the form and manner directed by the Debtors and/or the Court, including (i) notice of the commencement of these chapter 11 cases and the initial meeting of creditors under Bankruptcy Code § 341(a), (ii) notice of any claims bar date, (iii) notices of transfers of claims, (iv) notices of objections to claims and objections to transfers of claims, (v) notices of any hearings on a disclosure statement and confirmation of the Debtors'

plan or plans of reorganization, including under Bankruptcy Rule 3017(d), (vi) notice of the effective date of any plan and (vii) all other notices, orders, pleadings, publications and other documents as the Debtors or Court may deem necessary or appropriate for an orderly administration of these chapter 11 cases;

- (b) Maintain an official copy of the Debtors' schedules of assets and liabilities and statements of financial affairs (collectively, the "Schedules"), listing the Debtors' known creditors and the amounts owed thereto;
- (c) Maintain (i) a list of all potential creditors, equity holders and other parties-in-interest and (ii) a "core" service list consisting of all parties described in Bankruptcy Rule 2002(i), (j) and (k) and those parties that have filed a notice of appearance pursuant to Bankruptcy Rule 9010 and update and make said lists available upon request by a party-in-interest or the Clerk;
- (d) Furnish a notice to all potential creditors of the last date for filing proofs of claim and a form for filing a proof of claim, after such notice and form are approved by the Court, and notify such potential creditors of the existence, amount and classification of their respective claims as set forth in the Schedules, which may be effected by inclusion of such information (or the lack thereof, in cases where the Schedules indicate no debt due to the subject party) on a customized proof of claim form provided to potential creditors;
- (e) Maintain a post office box or address for the purpose of receiving claims and returned mail, and process all mail received;
- (f) For all notices, motions, orders or other pleadings or documents served, prepare and file or cause to be filed with the Clerk an affidavit or certificate of service within seven (7) business days of service which includes (i) either a copy of the notice served or the docket number(s) and title(s) of the pleading(s) served, (ii) a list of persons to whom it was served (in alphabetical order) with their mailing or email addresses as appropriate, (iii) the manner of service and (iv) the date served;
- (g) Process all proofs of claim received, including those received by the Clerk, check said processing for accuracy and maintain the original proofs of claim in a secure area;
- (h) Maintain the official claims register for each Debtor (collectively, the "Claims Registers") on behalf of the Clerk; upon the Clerk's request, provide the Clerk with certified, duplicate unofficial

Claims Registers; and specify in the Claims Registers the following information for each claim docketed: (i) the claim number assigned, (ii) the date received, (iii) the name and address of the claimant and agent, if applicable, who filed the claim, (iv) the amount asserted, (v) the asserted classification(s) of the claim (e.g., secured, unsecured, priority, etc.), (vi) the applicable Debtor and (vii) any disposition of the claim;

- (i) Implement necessary security measures to ensure the completeness and integrity of the Claims Registers and the safekeeping of the original claims;
- (j) Record all transfers of claims and provide any notices of such transfers as required by Bankruptcy Rule 3001(e);
- (k) Relocate, by messenger or overnight delivery, all of the court-filed proofs of claim to the offices of KCC, not less than weekly;
- (l) Upon completion of the docketing process for all claims received to date for each case, turn over to the Clerk copies of the Claims Registers for the Clerk's review (upon the Clerk's request);
- (m) Monitor the Court's docket for all notices of appearance, address changes, and claims-related pleadings and orders filed and make necessary notations on and/or changes to the Claims Register and any service or mailing lists, including to identify and eliminate duplicative names and addresses from such lists;
- (n) Identify and correct any incomplete or incorrect addresses in any mailing or service lists;
- (o) Assist in the dissemination of information to the public and respond to requests for administrative information regarding these chapter 11 cases as directed by the Debtors or the Court, including through the use of a case website and/or call center;
- (p) Monitor the Court's docket in these chapter 11 cases and, when filings are made in error or containing errors, alert the filing party of such error and work with them to correct any such error;
- (q) If these chapter 11 cases are converted to cases under chapter 7 of the Bankruptcy Code, contact the Clerk's office within three (3) days of notice to KCC of entry of the order converting the cases;
- (r) Thirty (30) days prior to the close of these chapter 11 cases, to the extent practicable, request that the Debtors submit to the Court a proposed order dismissing KCC as Claims and Noticing Agent and terminating its services in such capacity upon completion of its

duties and responsibilities and upon the closing of these chapter 11 cases;

- (s) Within seven (7) days of notice to KCC of entry of an order closing these chapter 11 cases, provide to the Court the final version of the Claims Registers as of the date immediately before the close of the chapter 11 cases; and
- (t) At the close of these chapter 11 cases, (i) box and transport all original documents, in proper format, as provided by the Clerk's office, to (A) the Philadelphia Federal Records Center, 14700 Townsend Road, Philadelphia, PA 19154 or (B) any other location requested by the Clerk's office; and (ii) docket a completed SF-135 Form indicating the accession and location numbers of the archived claims.

### **Professional Compensation**

10. The Debtors respectfully request that the undisputed fees and expenses incurred by KCC in the performance of the above services be treated as administrative expenses of the Debtors' chapter 11 estates pursuant to 28 U.S.C. § 156(c) and section 503(b)(1)(A) of the Bankruptcy Code and be paid in the ordinary course of business without further application to or order of the Court. KCC agrees to maintain records of all services showing dates, categories of services, fees charged and expenses incurred, and to serve monthly invoices on the Debtors, the office of the United States Trustee for the District of Delaware (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. If any dispute arises relating to the Services Agreement or monthly invoices, the parties shall meet and confer in an attempt to resolve the dispute; if a resolution is not achieved, the parties may seek a resolution of the matter by the Court.

11. Prior to the Petition Date, the Debtors provided KCC a retainer in the amount of \$30,000 to be held by KCC during these chapter 11 cases as security for the Debtors'

payment obligations under the Services Agreement. Following termination of the Services Agreement, KCC will return any unused portion of the retainer.

12. Additionally, under the terms of the Services Agreement, the Debtors have agreed to indemnify, defend and hold harmless KCC and its affiliates, members, directors, officers, employees, consultants, subcontractors and agents under certain circumstances specified in the Services Agreement, except in circumstances resulting solely from KCC's gross negligence, fraud or willful misconduct or as otherwise provided in the Services Agreement or any order authorizing the employment and retention of KCC. The Debtors believe that such an indemnification obligation is customary, reasonable and necessary to retain the services of a claims and noticing agent in these chapter 11 cases.

**Disinterestedness**

13. Although the Debtors do not propose to employ KCC under section 327 of the Bankruptcy Code pursuant to this Section 156(c) Application, KCC has nonetheless reviewed its electronic database to determine whether it has any relationships with the creditors and parties-in-interest provided by the Debtors, and, to the best of the Debtors' knowledge, information and belief, and except as disclosed in the KCC Declaration, KCC has represented that it neither holds nor represents any interest materially adverse to the Debtors' estates in connection with any matter on which it would be employed.

14. Moreover, in connection with its retention as claims and noticing agent, KCC represents in the KCC Declaration, among other things, that:

- (a) KCC is not a creditor of the Debtors;
- (b) KCC is a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code;



- (c) KCC will not consider itself employed by the United States government and will not seek any compensation from the United States government in its capacity as the claims and noticing agent in these chapter 11 cases;
- (d) by accepting employment in these chapter 11 cases, KCC waives any rights to receive compensation from the United States government in connection with these chapter 11 cases;
- (e) in its capacity as the claims and noticing agent in these chapter 11 cases, KCC will not be an agent of the United States and will not act on behalf of the United States;
- (f) KCC will not employ any past or present employees of the Debtors in connection with its work as the claims and noticing agent in these chapter 11 cases;
- (g) in its capacity as claims and noticing agent in these chapter 11 cases, KCC will not intentionally misrepresent any fact to any person;
- (h) KCC shall be under the supervision and control of the Clerk's office with respect to the receipt and recordation of claims and claim transfers;
- (i) KCC will comply with all requests of the Clerk's office and the guidelines promulgated by the Judicial Conference of the United States for the implementation of 28 U.S.C. § 156(c); and
- (j) none of the services provided by KCC as claims and noticing agent in these chapter 11 cases shall be at the expense of the Clerk's office.

15. KCC will supplement its disclosure to the Court if any facts or circumstances are discovered that would require such additional disclosure.

**Consent to Jurisdiction**

16. Pursuant to Local Rule 9013-1(f), the Debtors consent to the entry of a final judgment or order with respect to this application if it is determined that the Court would lack Article III jurisdiction to enter such final order or judgment absent consent of the parties.

**Notice**

17. Notice of this application will be provided to: (a) the Office of the United States Trustee for the District of Delaware; (b) the Debtors' largest unsecured creditors on a consolidated basis, as identified in their chapter 11 petitions; (c) Kirkland & Ellis LLP, as counsel to the ad hoc committee of a majority of holders of the Debtors' prepetition unsecured notes; (d) counsel to JP Morgan Chase Bank, N.A., in its capacity as administrative agent for the senior secured lenders; (e) counsel to the indenture trustee under the respective prepetition indentures governing the unsecured notes; (f) counsel to Cantor Fitzgerald Securities LLC in its capacity as administrative agent under the proposed debtor in possession financing; and (g) all parties entitled to notice pursuant to Local Rule 9013 1(m). As this application is seeking "first day" relief, this motion and any order entered hereon will be served in accordance with Local Rule 9013-1(m). Due to the nature of the relief requested herein, the Debtors respectfully submit that no further notice of this application is necessary.

**No Prior Request**

18. No prior request for the relief sought herein has been made to this Court or any other court.

WHEREFORE, the Debtors respectfully request that the Court enter an order, substantially in the form attached hereto as Exhibit C, granting: (i) the relief requested herein; and (ii) such other and further relief to the Debtors as the Court may deem proper.

Dated: December 31, 2015  
Wilmington, Delaware

Respectfully submitted,

/s/ Zachary I. Shapiro  
Daniel J. DeFranceschi (DE 2732)  
Zachary I. Shapiro (DE 5103)  
Brendan J. Schlauch (DE 6115)  
RICHARDS, LAYTON & FINGER, P.A.  
One Rodney Square  
920 North King Street  
Wilmington, Delaware 19801  
Telephone: (302) 651-7700  
Facsimile: (302) 651-7701

-and-

Gregory M. Gordon (TX 08435300)  
JONES DAY  
2727 N. Harwood Street  
Dallas, Texas 75201  
Telephone: (214) 220-3939  
Facsimile: (214) 969-5100

Thomas A. Howley (TX 24010115)  
Paul M. Green (TX 24059854)  
JONES DAY  
717 Texas, Suite 3300  
Houston, Texas 77002  
Telephone: (832) 239-3939  
Facsimile: (832) 239-3600

PROPOSED ATTORNEYS FOR DEBTORS  
AND DEBTORS IN POSSESSION

**EXHIBIT A**



## KCC AGREEMENT FOR SERVICES

This Agreement is entered into as of the 9th day of December, 2015, between Swift Energy Company (together with its affiliates and subsidiaries, the “Company”),<sup>1</sup> and Kurtzman Carson Consultants LLC (together with its affiliates and subcontractors, “KCC”).

In consideration of the premises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

### Terms and Conditions

#### I. SERVICES

A. KCC agrees to provide the Company with consulting services regarding noticing, claims management and reconciliation, plan solicitation, balloting, disbursements and any other services agreed upon by the parties or otherwise required by applicable law, government regulations or court rules or orders.

B. KCC further agrees to provide (i) computer software support and training in the use of the support software, (ii) KCC’s standard reports as well as consulting and programming support for the Company requested reports, (iii) program modifications, (iv) data base modifications, and/or (v) other features and services in accordance with the fees outlined in a pricing schedule provided to the Company (the “KCC Fee Structure”).

C. Without limiting the generality of the foregoing, KCC may, upon request by the Company, (i) provide a communications plan including, but not limited to, preparation of communications materials, dissemination of information and a call center staffed by KCC and/or (ii) provide confidential on-line workspaces or virtual data rooms and publish documents to such workspaces or data rooms (which publication shall not be deemed to violate the confidentiality provisions of this Agreement).

D. The price listed for each service in the KCC Fee Structure represents a bona fide proposal for such services, which may be accepted in whole or in part. Services will be provided when requested by the Company or required by applicable law, government regulations or court rules or orders. Services are mutually exclusive and are deemed delivered and accepted by the Company when provided by KCC.

E. The Company acknowledges and agrees that KCC will often take direction from the Company’s representatives, employees, agents and/or professionals (collectively, the “Company Parties”) with respect to the services being provided under this Agreement. The parties agree that KCC may rely upon, and the Company agrees to be bound by, any requests, advice or information provided by the Company Parties to the same extent as if such requests, advice or information were provided by the Company. The Company agrees and understands that KCC shall not provide the Company or any other party with any legal advice.

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<sup>1</sup> The term Company shall include, to the extent applicable, the Company, as debtor and debtor in possession in its chapter 11 case, together with any affiliated debtors and debtors in possession whose chapter 11 cases are jointly administered with the Company’s chapter 11 case.



## KCC AGREEMENT FOR SERVICES

### II. PRICES, CHARGES AND PAYMENT

A. KCC agrees to charge and the Company agrees to pay KCC for its services, expenses and supplies at the rates or prices set by KCC and in effect as of the date of this Agreement in accordance with the KCC Fee Structure. KCC's prices are generally adjusted periodically to reflect changes in the business and economic environment. KCC reserves the right to reasonably increase its prices, charges and rates annually; provided, however, that no such increase will occur within 12 months from the date of this Agreement. If any price increases exceed 10%, KCC will give thirty (30) days written notice to the Company.

B. The Company agrees to pay the reasonable out of pocket expenses incurred by KCC in connection with services provided under this Agreement, including but not limited to, transportation, lodging, and meals; provided, however, that any such expenses must be pre-approved by the Company.

C. In addition to all fees for services and expenses hereunder, the Company shall pay to KCC (i) any fees and expenses related to, arising out of, or as a result of any error or omission made by the Company or the Company Parties, as mutually determined by KCC and the Company, and (ii) all taxes that are applicable to this Agreement or that are measured by payments made under this Agreement and are required to be collected by KCC or paid by KCC to a taxing authority. Following a bankruptcy filing by or concerning the Company, all payments hereunder will be subject to Bankruptcy Court approval under applicable law.

D. Where the Company requires services that are unusual or beyond the normal business practices of KCC, or are otherwise not provided for in the KCC Fee Structure, the cost of such services shall be charged to the Company at a competitive rate.

E. KCC agrees to submit its invoices to the Company monthly and the Company agrees that the amount invoiced is due and payable upon the Company's receipt of the invoice. KCC shall provide reasonably detailed time records as part of its invoices. Where total fees and expenses are expected to exceed \$25,000 in any single month and payment for such charges reasonably appears to be uncertain, KCC may require advance payment from the Company due and payable upon demand and prior to the performance of services hereunder. In the case of a dispute in the invoice amount, the Company shall give written notice to KCC within ten (10) days of receipt of the invoice by the Company. The undisputed portion of the invoice will remain due and payable immediately upon receipt of the invoice or otherwise in accordance with Bankruptcy Court orders. Unless otherwise agreed to in writing, the fees for print notice and media publication (including commissions) as well as certain expenses must be paid at least three (3) days in advance of those fees and expenses being incurred.

F. In the event that the Company files for protection pursuant to chapter 11 of the United States Bankruptcy Code (a "Chapter 11 Filing"), the parties intend that KCC shall be employed pursuant to 28 U.S.C. § 156(c) ("Section 156(c)") or Section 327 of the Bankruptcy Code to the extent possible under applicable law and that all fees and expenses due under this Agreement shall be paid as administrative expenses of the Company's chapter 11 estate or as otherwise provided under any applicable order retaining KCC. As soon as practicable following a Chapter 11 Filing (and otherwise in accordance with applicable law and rules and orders of the Bankruptcy Court), the Company shall cause a motion to be filed with the Bankruptcy Court



## KCC AGREEMENT FOR SERVICES

seeking entry of an order pursuant to Section 156(c) and/or Section 327 approving this Agreement in its entirety (a "Retention Order"). The form and substance of the motion and any Retention Order shall be reasonably acceptable to KCC. If any Company chapter 11 case converts to a case under chapter 7 of the Bankruptcy Code, KCC will continue to be paid for its services in accordance with applicable law and under the terms of this Agreement.

G. To the extent permitted by applicable law, KCC shall receive a retainer in the amount of \$30,000 (the "Retainer") that may be held by KCC as security for the Company's payment obligations under the Agreement. The Retainer is due upon execution of this Agreement. KCC shall be entitled to hold the Retainer until the termination of the Agreement. Following termination of the Agreement, KCC shall return to the Company any amount of the Retainer that remains following application of the Retainer to the payment of unpaid invoices.

### III. RIGHTS OF OWNERSHIP

A. The parties understand that the software programs and other materials furnished by KCC pursuant to this Agreement and/or developed during the course of this Agreement by KCC are the sole property of KCC. The term "program" shall include, without limitation, data processing programs, specifications, applications, routines, and documentation. The Company agrees not to copy or permit others to copy the source code from the support software or any other programs or materials furnished pursuant to this Agreement.

B. The Company further agrees that any ideas, concepts, know-how or techniques relating to data processing or KCC's performance of its services developed or utilized during the term of this Agreement by KCC shall be the exclusive property of KCC. Fees and expenses paid by the Company do not vest in the Company any rights in such property, it being understood that such property is only being made available for the Company's use during and in connection with the services provided by KCC under this Agreement.

### IV. NON-SOLICITATION

The Company agrees that neither it nor its subsidiaries or other affiliated companies shall directly or indirectly solicit for employment, employ or otherwise retain employees of KCC during the term of this Agreement and for a period of twelve (12) months after termination of this Agreement unless KCC provides prior written consent to such solicitation or retention.

### V. CONFIDENTIALITY

Each of KCC and the Company, on behalf of themselves and their respective employees, agents, professionals and representatives, agrees to keep confidential all non-public records, systems, procedures, software and other information received from the other party in connection with the services provided under this Agreement; provided, however, that if either party reasonably believes that it is required to produce any such information by order of any governmental agency or other regulatory body it may, upon not less than five (5) business days' written notice to the other party, release the required information.



## KCC AGREEMENT FOR SERVICES

### VI. SUSPENSION OF SERVICE AND TERMINATION

A. Unless otherwise provided in a Bankruptcy Court order, this Agreement shall remain in force until terminated or suspended by either party (i) upon thirty (30) days' written notice to the other party or (ii) immediately upon written notice for Cause (defined herein). As used herein, the term "Cause" means (i) gross negligence or willful misconduct of KCC that causes serious and material harm to the Company's reorganization under chapter 11 of the Bankruptcy Code, (ii) the failure of the Company to pay KCC invoices for more than sixty (60) days from the later of the date of invoice or Bankruptcy Court approval, or (iii) the accrual of invoices or unpaid services in excess of the retainer held by KCC where KCC reasonably believes it will not be paid.

B. In the event that this contract is terminated, regardless of the reason for such termination, KCC shall coordinate with the Company and, to the extent applicable, the clerk of the Bankruptcy Court, to maintain an orderly transfer of record keeping functions and KCC shall provide all necessary staff, services and assistance required for an orderly transfer. The Company agrees to pay for such services in accordance with KCC's then existing prices for such services. If such termination occurs following entry of a Retention Order under Section 156(c), the Company shall immediately seek entry of an order (in form and substance reasonably acceptable to KCC) that discharges KCC from service and responsibility under Section 156(c) and this Agreement.

C. Any data, programs, storage media or other materials furnished by the Company to KCC or received by KCC in connection with the services provided under the terms of this Agreement may be retained by KCC until the services provided are paid for, or until this Agreement is terminated with the services paid in full. The Company shall remain liable for all fees and expenses imposed under this Agreement as a result of data or physical media maintained or stored by KCC. KCC shall dispose of the data and media in the manner requested by the Company. The Company agrees to pay KCC for reasonable expenses incurred as a result of the disposition of data or media. If the Company has not utilized KCC's services under this Agreement for a period of at least ninety (90) days, KCC may dispose of the data or media, and be reimbursed by the Company for the expense of such disposition, after giving the Company thirty (30) days' notice. Notwithstanding any term herein to the contrary, following entry of the Section 156(c) Order, the disposition of any data or media by KCC shall be in accordance with any applicable instructions from the clerk of the Bankruptcy Court, local Bankruptcy Court rules and orders of the Bankruptcy Court.

### VII. SYSTEM IMPROVEMENTS

KCC strives to provide continuous improvements in the quality of service to its clients. KCC, therefore, reserves the right to make changes in operating procedure, operating systems, programming languages, general purpose library programs, application programs, time period of accessibility, types of terminal and other equipment and the KCC data center serving the Company, so long as any such changes do not materially interfere with ongoing services provided to the Company in connection with the Company's chapter 11 case.





## KCC AGREEMENT FOR SERVICES

### VIII. LIMITATIONS OF LIABILITY AND INDEMNIFICATION

A. Upon prior application to, and the approval of, the Bankruptcy Court as of the commencement of any Bankruptcy Case, the Company shall indemnify and hold KCC, its affiliates, members, directors, officers, employees, consultants, subcontractors and agents (collectively, the "Indemnified Parties") harmless, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, judgments, liabilities and expenses (including reasonable counsel fees and expenses) (collectively, "Losses") resulting from, arising out of or related to KCC's performance under this Agreement. Such indemnification shall exclude Losses resulting from KCC's gross negligence or willful misconduct. Without limiting the generality of the foregoing, Losses include any liabilities resulting from claims by any third-parties against any Indemnified Party. The Company shall notify KCC in writing promptly upon the assertion, threat or commencement of any claim, action, investigation or proceeding that the Company becomes aware of with respect to the services provided by KCC under this Agreement. The Company's indemnification obligations hereunder shall survive the termination of this Agreement.

B. Except as provided herein, KCC's liability to the Company or any person making a claim through or under the Company for any Losses of any kind, even if KCC has been advised of the possibility of such Losses, whether direct or indirect and unless due to gross negligence or willful misconduct of KCC, shall be limited to the total amount billed or billable to the Company for the portion of the particular work which gave rise to the alleged Loss. In no event shall KCC's liability to the Company for any Losses, whether direct or indirect, arising out of this Agreement exceed the total amount billed to the Company and actually paid to KCC for the services contemplated under the Agreement. In no event shall KCC be liable for any indirect, special or consequential damages such as loss of anticipated profits or other economic loss in connection with or arising out of the services provided for in this Agreement.

C. The Company is responsible for the accuracy of the programs, data and information it or any Company Party submits for processing to KCC and for the output of such information. KCC does not verify information provided by the Company and, with respect to the preparation of schedules and statements, all decisions are at the sole discretion and direction of the Company. The Company reviews and approves all schedules and statements filed on behalf of, or by, the Company; KCC bears no responsibility for the accuracy or contents therein. The Company agrees to initiate and maintain backup files that would allow the Company to regenerate or duplicate all programs and data submitted by the Company to KCC.

D. The Company agrees that except as expressly set forth herein, KCC makes no representations or warranties, express or implied, including, but not limited to, any implied or express warranty of merchantability, fitness or adequacy for a particular purpose or use, quality, productiveness or capacity.



## KCC AGREEMENT FOR SERVICES

### IX. FORCE MAJEURE

Whenever performance by KCC of any of its obligations hereunder is materially prevented or impacted by reason of any act of God, strike, lock-out or other industrial or transportation disturbance, fire, lack of materials, law, regulation or ordinance, war or war condition, or by reason of any other matter beyond KCC's reasonable control, then such performance shall be excused and this Agreement shall be deemed suspended during the continuation of such prevention and for a reasonable time thereafter.

### X. INDEPENDENT CONTRACTORS

The Company and KCC are and shall be independent contractors of each other and no agency, partnership, joint venture or employment relationship shall arise, directly or indirectly, as a result of this Agreement.

### XI. NOTICES

All notices and requests in connection with this Agreement shall be given or made upon the respective parties in writing and shall be deemed as given as of the third day following the day it is deposited in the U.S. Mail, postage pre-paid or on the day it is given if sent by facsimile or electronic mail or on the day after the day it is sent if sent by overnight courier to the appropriate address set forth below:

Kurtzman Carson Consultants LLC  
2335 Alaska Ave.  
El Segundo, CA 90245  
Attn: Drake D. Foster  
Tel: (310) 823-9000  
Fax: (310) 823-9133  
E-Mail: [dfoster@kccllc.com](mailto:dfoster@kccllc.com)

Swift Energy Company  
Chris Abundis, Secretary and Counsel  
17001 Northchase Drive, Suite 100  
Houston, Texas 77060  
Tel: (281) 874-2700  
E-Mail: [Chris.Abundis@swiftenergy.com](mailto:Chris.Abundis@swiftenergy.com)  
Fax: (281) 874-0025

Or to such other address as the party to receive the notice or request so designates by written notice to the other.

### XII. APPLICABLE LAW

The validity, enforceability, and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

### XIII. ENTIRE AGREEMENT/ MODIFICATIONS

Each party acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and further agrees that it is the complete and exclusive statement of the agreement between the parties, which supersedes and merges all prior proposals, understandings, other agreements, and communications oral and written between the parties relating to the subject matter of this Agreement. The Company represents that it has the authority to enter into this Agreement, and the Agreement is non-dischargeable under any applicable statute or law. If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired



## **KCC AGREEMENT FOR SERVICES**

thereby. This Agreement may be modified only by a written instrument duly executed by an authorized representative of the Company and an officer of KCC.

### **XIV. COUNTERPARTS; EFFECTIVENESS**

This Agreement may be executed in two or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. This Agreement will become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties, which delivery may be made by exchange of copies of the signature page by facsimile or electronic mail.

### **XV. ASSIGNMENT**

This Agreement and the rights and duties hereunder shall not be assignable by the parties hereto except upon written consent of the other, with the exception that this Agreement can be assigned without written consent by KCC to a wholly-owned subsidiary or affiliate of KCC.

### **XVI. ARBITRATION**

Subject to exclusive Bankruptcy Court jurisdiction following a Company chapter 11 filing, any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in accordance with the rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) shall be entered in any court having jurisdiction thereof. For that purpose, prior to any Company chapter 11 filing, the parties hereto consent to the jurisdiction and venue of an appropriate court located in Los Angeles County, State of California.

### **XVII. ATTORNEYS' FEES**

In the event that any legal action, including an action for declaratory relief, is brought to enforce the performance or interpret the provisions of this Agreement, the parties agree to reimburse the prevailing party's reasonable attorneys' fees, court costs, and all other related expenses, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which the prevailing party may be entitled.

[SIGNATURE PAGE FOLLOWS]



**KCC AGREEMENT FOR SERVICES**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the first date mentioned above.

Kurtzman Carson Consultants LLC

BY: EVAN GERSHBEIN      DATE: 12/17/15  
TITLE: SVP, CORPORATE RESTRUCTURING SERVICES

Swift Energy Company

CA

12/17/15

BY: Ashton D. Heckman      DATE:  
TITLE: CFO



**KCC CORPORATE RESTRUCTURING  
FEE STRUCTURE**

**Consulting Services & Rates**

<b>Position</b>	<b>Hourly Rate</b>
<p><i>Executive Vice President</i></p> <p>The Executive Vice President oversees and manages KCC's Restructuring group.</p>	<p><i>Waived</i></p>
<p><i>Director/Senior Managing Consultant</i></p> <p>The Director/Senior Managing Consultant is the primary contact for the company, counsel and other professionals and oversees and supports the entirety of an engagement. KCC's Directors and SMCs average over seven years of experience and are generally former practitioners. In addition, Rob Jordan, who has over a decade of restructuring experience, will serve as an additional supervisory layer at this level at no charge.</p>	<p><i>\$175</i></p>
<p><i>Consultant/Senior Consultant</i></p> <p>The Senior Consultant manages the various data collection processes required by the Chapter 11 process. This includes, among other things, compiling the creditor matrix and Schedules/SOFAs (and generating drafts of same for counsel and advisors), reviewing and processing claims, overseeing contract review, overseeing all mailings and generating custom claim and ballot reports. KCC's Senior Consultants average over five years of experience.</p> <p>The Consultant is the day-to-day contact for mailings, including the preparation and filing of affidavits of service (a critical due process component). He/she also responds to creditor and counsel inquiries, maintains the public access website, identifies actionable pleadings (i.e., claims objections, notices of transfer, withdrawals, etc.) and updates the official claims register. KCC's Consultants average over five years of experience.</p>	<p><i>\$70-\$160</i></p>
<p><i>Technology/Programming Consultant</i></p> <p>The Technology/Programming Consultant assists with complex system requests, including unique claim/ballot reporting and custom website updates.</p>	<p><i>\$35-\$70</i></p>
<p><i>Clerical</i></p> <p>The Clerical role will process incoming mail, including proofs of claim, ballots, creditor correspondence and returned mail. Also assists with the generation of mailing services.</p>	<p><i>\$25-\$50</i></p>
<p><i>Weekend, holidays and overtime</i></p>	<p><i>Waived</i></p>



## KCC CORPORATE RESTRUCTURING FEE STRUCTURE

### Public Securities<sup>1</sup> & Solicitation Services

Position	Hourly Rate
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<i>Solicitation Lead/Securities Director</i>	<i>\$215</i>
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The Solicitation Lead/Securities Director oversees all activities of the group and provides counsel with respect to solicitation and noticing events ensuring that processes employed are effective and practical for securities depositories, bank, brokers, nominees and their agents. In addition, this position oversees and provides counsel on all rights offerings, exchange offers and complex plan distributions to ensure accuracy and efficiency.

<i>Securities Senior Consultant</i>	<i>\$200</i>
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The Securities Senior Consultant is the day-to-day contact and acts as advisor on transactions including balloting with treatment election, rights offers, exchange offers and complex plan distributions. This position handles service of related materials to banks, brokers and agents and manages tabulation and audit processes, preparing detailed reporting of results.

- Voting Event - Mailing ballots to security holders and tabulating their votes on a plan of reorganization, including competing plan and pre-packaged plan voting, if applicable.
- Corporate Action Event - Mailing election forms to security holders and tabulating the results, e.g., rights offering elections, if applicable.
- NOL Motion – Review of motion and procedures and coordinate noticing to equity holders, if applicable.

### Printing Services

Printing and photocopies	\$0.08 per image (volume discounts apply)
Labels	Waived
Document folding and inserting	Waived
Envelopes	Varies by size

### Noticing Services<sup>2</sup>

Electronic noticing (email)	Waived <sup>3</sup>
Electronic noticing (domestic facsimile)	\$0.08 per page
Claims Acknowledgement Card	Waived
Insert creditor information into customized documents	Waived
Newspaper/Legal notice publishing	Quote prior to publishing

<sup>1</sup> Certain events fees may be applicable.

<sup>2</sup> Expenses shall be consistent with the general practice procedures authorized in the District of \_\_\_\_\_.

<sup>3</sup> A set-up fee for email services larger than 500 parties may apply. This set-up fee varies depending on the total number of parties.



## KCC CORPORATE RESTRUCTURING FEE STRUCTURE

### Claims Administration & Management Expenses

Database and System Access (unlimited users)	Waived
Custom client reports	Waived
License fee and data storage	\$0.10 per creditor per month
Case-specific public website hosting	Waived

### KCC eServices

Online claims filing (ePOC)	Waived
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### KCC CaseView

Access to KCC CaseView	Waived
<ul style="list-style-type: none"> <li>• Proprietary, secured, password protected portal for unlimited users</li> <li>• Comprehensive case data, including extensive real time analytics on claim, solicitation and processing information</li> <li>• Functionality to run or request customized reports summarizing case analytics</li> </ul>	

### Document Management/Imaging

Electronic imaging (scanning & bar coding)	\$0.12 per imaged page
Virtual Data Room	Quote prior to VDR set-up
CD-ROMS (mass document storage)	Varies upon requirements

### Call Center Support Services

Case-specific voice-mail box for creditors	Waived
Interactive Voice Response (“IVR”)	Set-up and per minute fee waived
Monthly maintenance charge	Waived
Management of Call Center	Standard hourly rates
Call Center Operator	\$55

### Disbursements

Check issuance	Quote prior to printing
W-9 mailing and maintenance of TIN database	See hourly rates and noticing charges

\*KCC agrees to an additional \$5,000 per month credit for a maximum of 6 months (if the cases extend that long).

**EXHIBIT B**



**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

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In re	:	Chapter 11
	:	
SWIFT ENERGY COMPANY, <i>et al.</i> , <sup>1</sup>	:	Case No. 15-_____ (____)
	:	
Debtors.	:	(Joint Administration Requested)
	:	

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**DECLARATION OF EVAN J. GERSHBEIN IN SUPPORT OF  
DEBTORS' APPLICATION FOR AN ORDER AUTHORIZING THE  
APPOINTMENT OF KURTZMAN CARSON CONSULTANTS LLC  
CLAIMS AND NOTICING AGENT, NUNC PRO TUNC TO THE PETITION DATE**

I, Evan J. Gershbein, being duly sworn, state the following under penalty of perjury:

1. I am the Senior Vice President of Corporate Restructuring Services for Kurtzman Carson Consultants LLC ("KCC"), whose offices are located at 2335 Alaska Ave., El Segundo, California 90245. Except as otherwise noted, I have personal knowledge of the matters set forth herein, and if called and sworn as a witness, I could and would testify competently thereto.

2. This declaration (the "Declaration") is made in support of the Section 156(c) Application.<sup>2</sup>

3. KCC is comprised of leading industry professionals with significant experience in both the legal and administrative aspects of large, complex chapter 11 cases. KCC's professionals have experience in noticing, claims administration, solicitation, balloting

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<sup>1</sup> The Debtors are the following nine entities (the last four digits of their respective taxpayer identification numbers follow in parentheses): Swift Energy Company (0661); Swift Energy International, Inc. (6721); Swift Energy Group, Inc. (8150); Swift Energy USA, Inc. (8212); Swift Energy Alaska, Inc. (6493); Swift Energy Operating, LLC (2961); GASRS LLC (4381); SWENCO-Western, LLC (0449); and Swift Energy Exploration Services, Inc. (2199). The address of each of the Debtors is 17001 Northchase Drive, Suite 100, Houston, Texas 77060.

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

and facilitating other administrative aspects of chapter 11 cases. KCC has acted as official claims and noticing agent in many large bankruptcy cases in this district and in other districts nationwide. KCC's active cases include: In re Quicksilver Res. Inc., Case No. 15-11880 (BLS) (Bankr. D. Del.); In re Haggen Holdings, LLC, Case No. 15-11874 (KG) (Bankr. D. Del.); In re Cal Dive Int'l, Inc., Case No. 15-10458 (CSS) (Bankr. D. Del.); In re Colt Holding Co., Case No. 15-11296 (LSS) (Bankr. D. Del.); In re Signal Int'l, Inc., Case No. 15-11498 (MFW) (Bankr. D. Del.); In re USA Discounters, Ltd., Case No. 15-11755 (CSS) (Bankr. D. Del.); In re Malibu Lighting Corp., Case No. 15-12080 (KG) (Bankr. D. Del.); and In re Wire Co. Holdings, Inc., Case No. 15-12097 (LSS) (Bankr. D. Del.).

4. As agent and custodian of the Court records pursuant to 28 U.S.C. § 156(c), KCC will perform at the request of the Clerk's office the noticing and claims-related services specified in the Section 156(c) Application. In addition, at the Debtors' request, KCC will perform such other noticing, claims, technical, administrative and support services specified in the Section 156(c) Application, subject to 28 U.S.C. § 156(c) and the Claims Agent Protocol.

5. KCC represents, among other things, the following:
- (a) KCC is not a creditor of the Debtors;
  - (b) KCC is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code;
  - (c) KCC will not consider itself employed by the United States government and will not seek any compensation from the United States government in its capacity as the claims and noticing agent in these chapter 11 cases;
  - (d) by accepting employment in these chapter 11 cases, KCC waives any rights to receive compensation from the United States government as claims and noticing agent;

- (e) in its capacity as the claims and noticing agent in these chapter 11 cases, KCC will not be an agent of the United States and will not act on behalf of the United States;
- (f) KCC will not employ any past or present employees of the Debtors in connection with its work as the claims and noticing agent in these chapter 11 cases;
- (g) in its capacity as claims and noticing agent in these chapter 11 cases, KCC will not intentionally misrepresent any fact to any person;
- (h) KCC will be under the supervision and control of the Clerk's office with respect to the receipt and recordation of claims and claim transfers;
- (i) KCC will comply with all requests of the Clerk's office and the guidelines promulgated by the Judicial Conference of the United States for the implementation of 28 U.S.C. § 156(c); and
- (j) none of the services provided by KCC as claims and noticing agent will be at the expense of the Clerk's office.

6. Although the Debtors do not propose to retain KCC under section 327 of the Bankruptcy Code pursuant to the Section 156(c) Application (such retention will be sought by separate application), I caused to be submitted for review by our conflicts system the names of all known potential parties-in-interest (the "Potential Parties-in-Interest") in these chapter 11 cases. The list of Potential Parties-in-Interest was provided by the Debtors and included, among other things, the Debtors, non-Debtor affiliates, current and former directors and officers of the Debtors, the Debtors' largest creditors and other parties. The results of the conflict check were compiled and reviewed by KCC professionals under my supervision. At this time, and as set forth in further detail herein, KCC is not aware of any relationship that would present a disqualifying conflict of interest. Should KCC discover any new relevant facts or relationships bearing on the matters described herein during the period of its retention, KCC will use reasonable efforts to promptly file a supplemental declaration.

7. To the best of my knowledge, and based solely upon information provided to me by the Debtors, and except as provided herein, neither KCC, nor any of its professionals, has any materially adverse connection to the Debtors, their creditors or other relevant parties. KCC may have relationships with certain of the Debtors' creditors as vendors or in connection with cases in which KCC serves or has served in a neutral capacity as claims and noticing agent and/or administrative advisor for another chapter 11 debtor.

8. KCC is an indirect subsidiary of Computershare Limited ("Computershare"). Computershare is a financial services and technologies provider for the global securities industry. Within the Computershare corporate structure, KCC operates as a separate, segregated business unit. As such, any relationships that Computershare and its affiliates maintain do not create an interest of KCC that is materially adverse to the Debtors' estates or any class of creditors or security holders.

9. KCC has and will continue to represent clients in matters unrelated to these chapter 11 cases. In addition, KCC and its personnel have and will continue to have relationships in the ordinary course of its business with certain vendors, professionals and other parties-in-interest that may be involved in the Debtors' chapter 11 cases. KCC may also provide professional services to entities or persons that may be creditors or parties-in-interest in these chapter 11 cases, which services do not directly relate to, or have any direct connection with, these chapter 11 cases or the Debtors.

10. To the best of my knowledge, neither KCC nor any of its partners or employees represents any interest materially adverse to the Debtors' estates with respect to any matter upon which KCC is to be engaged. Based on the foregoing, I believe that KCC is a

"disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my information, knowledge and belief.

Dated: December 31, 2015  
El Segundo, California

/s/ Evan J. Gershbein  
Evan J. Gershbein  
Senior Vice President of Corporate Restructuring Services  
Kurtzman Carson Consultants LLC  
2335 Alaska Avenue  
El Segundo, California 90245  
Telephone: (310) 823-9000

**EXHIBIT C**

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

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In re	:	Chapter 11
	:	
SWIFT ENERGY COMPANY, <i>et al.</i> , <sup>1</sup>	:	Case No. 15-_____ (_____)
	:	
Debtors.	:	(Joint Administration Requested)
	:	

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**ORDER AUTHORIZING THE DEBTORS TO APPOINT  
KURTZMAN CARSON CONSULTANTS LLC AS CLAIMS AND  
NOTICING AGENT, NUNC PRO TUNC TO THE PETITION DATE**

This matter coming before the Court on the Debtors' Application for an Order Authorizing the Appointment of Kurtzman Carson Consultants LLC as Claims and Noticing Agent, *Nunc Pro Tunc* to the Petition Date (the "Section 156(c) Application");<sup>2</sup> the Court having reviewed the Section 156(c) Application, the KCC Declaration, the First Day Declaration and having considered the statements of counsel and evidence adduced with respect to the Section 156(c) Application at a hearing before the Court (the "Hearing"); the Court having found that (i) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (ii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409, (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (iv) notice of the Section 156(c) Application and the Hearing was sufficient under the circumstances, (v) the Debtors have estimated that there are thousands of creditors in these chapter 11 cases, many of which may require notice and file proofs of claim, (vi) the provision of notice and the receipt, docketing and maintenance of proofs of claim would

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<sup>1</sup> The Debtors are the following nine entities (the last four digits of their respective taxpayer identification numbers follow in parentheses): Swift Energy Company (0661); Swift Energy International, Inc. (6721); Swift Energy Group, Inc. (8150); Swift Energy USA, Inc. (8212); Swift Energy Alaska, Inc. (6493); Swift Energy Operating, LLC (2961); GASRS LLC (4381); SWENCO-Western, LLC (0449); and Swift Energy Exploration Services, Inc. (2199). The address of each of the Debtors is 17001 Northchase Drive, Suite 100, Houston, Texas 77060.

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

be unduly time consuming and burdensome for the Clerk, (vii) KCC has the capability and experience to provide such services and (viii) KCC is a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, with respect to the matters upon which it is to be engaged; and the Court having determined that the legal and factual bases set forth in the Section 156(c) Application, the KCC Declaration and at the Hearing establish just cause for the relief granted herein;

IT IS HEREBY ORDERED THAT:

1. The Section 156(c) Application is GRANTED.
2. 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 Order.
3. The Debtors are authorized to appoint 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 these chapter 11 cases, and all related tasks, as described in the Section 156(c) Application and the Services Agreement.
4. KCC shall serve as the custodian of court records and shall be designated as the authorized repository for all proofs of claim filed in these 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.
5. KCC is authorized and directed to obtain a post office box or address for the receipt of proofs of claim.



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

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 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.

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

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

11. KCC may hold its retainer during these chapter 11 cases as security for the Debtors' payment obligations under the Services Agreement. Following termination of the Services Agreement, KCC shall return any unused portion of the retainer.

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

13. 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.

14. 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 Order.

15. If, before the earlier of (a) 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) and (b) the 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 the entry of an order by this 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.

16. In the event KCC is unable to provide the services set out in this Order, KCC shall immediately notify the Clerk and Debtors' counsel and, upon approval of the Court, 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.

17. Nothing in this Order shall operate to limit the approval of any retention application for KCC under section 327 of the Bankruptcy Code for services that KCC intends to perform outside the ambit of those services described in the Section 156(c) Application.

18. Notwithstanding any term in the Services Agreement to the contrary, during the chapter 11 cases KCC's liability will not be limited to the amount paid or billed to the Debtors.

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

20. 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 Order.

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

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

Dated: \_\_\_\_\_, 2016  
Wilmington, Delaware

\_\_\_\_\_  
UNITED STATES BANKRUPTCY JUDGE