

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

**ORIGINAL**

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In re	:	Chapter 11
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SWIFT ENERGY COMPANY, <i>et al.</i> , <sup>1</sup>	:	Case No. 15-12670 (MFW)
	:	
Debtors.	:	(Jointly Administered)
	:	
	:	Re: Docket No. 6

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**ORDER AUTHORIZING THE DEBTORS TO CONTINUE THEIR INSURANCE PROGRAMS AND PAY RELATED OBLIGATIONS**

This matter coming before the Court on the Motion for an Order Authorizing the Debtors to Continue Their Insurance Programs and Pay Related Obligations (the "Motion");<sup>2</sup> the Court having reviewed the Motion and the First Day Declaration and having considered the statements of counsel and the evidence adduced with respect to the Motion 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 Motion and the Hearing was sufficient under the circumstances and (v) there is good cause to waive the fourteen-day stay imposed by Bankruptcy Rule 6004(h); after due deliberation the Court having determined that the relief requested in the Motion is (i) in the best interests of the Debtors, their estates and their creditors and (ii) necessary to prevent immediate

<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 Motion.



and irreparable harm to the Debtors and their estates; and good and sufficient cause having been shown;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. The Debtors are authorized but not directed to: (a) continue their Insurance Policies on an uninterrupted basis in accordance with the same practices and procedures in effect prior to the Petition Date, and to renew their Insurance Policies or obtain replacement coverage, as needed in the ordinary course of business, without further approval from this Court; (b) pay, in their sole discretion, all undisputed premiums, claims, deductibles, fees, and other obligations relating to the Insurance Policies, as applicable, that relate to the period before or after the Petition Date and are due and payable (collectively, the "Insurance Obligations"); and (c) liquidate in an appropriate forum or settle such Insurance Obligations as necessary. Except pursuant to a further order of this Court, the Debtors are authorized but not directed to pay any prepetition Insurance Obligations in an aggregate amount not to exceed \$1,714,000.
3. The Banks are authorized to receive, process, honor and pay all checks presented for payment of, and to honor all fund transfer requests made by the Debtors related to, the Insurance Obligations, regardless of whether such checks were presented or fund transfer requests were submitted prior to or after the Petition Date, provided that funds are available in the Debtors' accounts to cover such checks and fund transfers. The Banks are authorized to rely on the Debtors' designation of any particular check or fund transfer as approved by this Order.
4. Nothing in the Motion or this Order, nor the Debtors' payment of claims pursuant to this Order, shall be deemed or construed as: (a) an admission as to the validity of

any claim against the Debtors; (b) a waiver of the Debtors' right to dispute any claim on any ground; (c) a promise or requirement to pay any claim; (d) an admission that any particular claim is of a type specified or defined hereunder; (e) a request to assume any executory contract or unexpired lease; or (f) a waiver of the Debtors' rights under the Bankruptcy Code or any other applicable law.

5. Nothing in the Motion or this Order shall be construed as prejudicing the rights of the Debtors to dispute or contest the amount of, or basis for, any claims against the Debtors in connection with or relating to the Debtors' Insurance Policies.

6. To the extent any of the Insurance Policies or related agreements are deemed to be executory contracts within the meaning of section 365 of the Bankruptcy Code, as to which all parties' rights are reserved, neither this Order nor any payments made in accordance with this Order shall constitute the postpetition assumption of those Insurance Policies or related agreements under section 365 of the Bankruptcy Code.

7. Notwithstanding anything to the contrary contained herein, the relief granted in this Order and any payment to be made hereunder shall be subject to the terms of any orders authorizing debtor-in-possession financing and/or granting the use of cash collateral approved by this Court in these chapter 11 cases (including with respect to any budgets governing or relating to such use), and to the extent there is any inconsistency between the terms of such financing and/or cash collateral orders and any action taken or proposed to be taken hereunder, the terms of such financing and/or cash collateral orders shall control.

8. The requirements of Bankruptcy Rule 6003(b) have been satisfied with respect to the payments authorized by this Order.

9. This Order shall be immediately effective and enforceable upon its entry, and the fourteen-day stay imposed by Bankruptcy Rule 6004(h) is hereby waived.

10. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation and/or interpretation of this Order.

Dated: January 5, 2016  
Wilmington, Delaware

  
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THE HONORABLE MARY F. WALRATH  
UNITED STATES BANKRUPTCY JUDGE