

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

**ORIGINAL**

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| In re                                      | : | Chapter 11              |
|  | : |                         |
| SWIFT ENERGY COMPANY, et al., <sup>1</sup> | : | Case No. 15-12670 (MFW) |
|  | : |                         |
| Debtors.                                   | : | (Jointly Administered)  |
|  | : |                         |
|  | : | Re: Docket Nos. 13 & 56 |

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**FINAL ORDER AUTHORIZING THE DEBTORS TO PAY PREPETITION TAXES**

This matter coming before the Court on the Motion for an Order Authorizing the Debtors to Pay Certain Prepetition Taxes (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) to the extent it is applicable; after due deliberation the Court having determined that the relief requested in the Motion is (i) in the best interest of the Debtors, their estates and their creditors and (ii) necessary to prevent immediate and irreparable

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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 Motion.



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harm to the Debtors, their estates and their directors and responsible officers; and good and sufficient cause having been shown;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. All objections to the Motion are overruled.
3. The Debtors are authorized, but not directed, in a reasonable exercise of their business judgment, to: (a) pay the Prepetition Taxes and (b) continue to satisfy such obligations (together with the Prepetition Taxes, the "Obligations") postpetition, in the ordinary course of business, provided that payments on account of Prepetition Taxes shall not exceed \$9 million during these cases pursuant to this Order, which amount may be increased only with the consent of the Official Committee of Unsecured Creditors (the "Committee"), the ad hoc committee of senior noteholders and the secured lenders.
4. The Banks are authorized, when requested by the Debtors, to receive, process, honor and pay all checks presented for payment of, and to honor all funds transfer requests made by the Debtors related to, Prepetition Taxes, whether such checks were presented or funds 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 funds transfers. The Banks are authorized to rely on the Debtors' designation of any particular check or funds transfer as approved by this Order.
5. 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' (or any other parties') rights to dispute

any claim on any grounds; (c) a promise to pay any claim; or (d) an implication or admission that any particular claim is a claim for Prepetition Taxes.

6. 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.

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

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

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

Dated: Feb. 1, 2016  
Wilmington, Delaware

  
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THE HONORABLE MARY F. WALRATH  
UNITED STATES BANKRUPTCY JUDGE