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

In re:

) Chapter 11

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SAMSON RESOURCES CORPORATION, et al.,<sup>1</sup>

Reorganized Debtors.

Case No. 15-11934 (BLS)

(Jointly Administered)

Response Deadline: Dec. 22, 2017 at 4:00 p.m. (ET) Hearing Date: January 8, 2018 at 10:00 a.m. (ET)

## REORGANIZED DEBTORS' THIRTEENTH OMNIBUS (SUBSTANTIVE) OBJECTION TO CERTAIN CLAIMS BASED ON FUNDS HELD IN SUSPENSE PURSUANT TO SECTION 502(b) OF THE BANKRUPTCY CODE, BANKRUPTCY RULES 3001, 3003, AND 3007, AND LOCAL BANKRUPTCY RULE 3007-1

## THIS OBJECTION SEEKS TO DISALLOW AND EXPUNGE CERTAIN FILED PROOFS OF CLAIM.

## CLAIMANTS RECEIVING THIS OBJECTION SHOULD LOCATE THEIR NAMES AND CLAIMS ON <u>EXHIBIT 1</u> TO <u>EXHIBIT A</u> ATTACHED TO THIS OBJECTION.

The above captioned reorganized debtors (collectively, the "<u>Reorganized Debtors</u>") file this thirteenth omnibus objection to claims (this "<u>Objection</u>"), pursuant to which the Reorganized Debtors request entry of an order, substantially in the form attached hereto as <u>Exhibit A</u> (the "<u>Order</u>"), (a) disallowing the claims<sup>2</sup> identified on <u>Exhibit 1</u> to <u>Exhibit A</u>, each attached hereto and as discussed in further detail below and (b) authorizing Garden City Group, LLC ("<u>GCG</u>" or the "<u>Claims Agent</u>") to expunge each of the claims described herein from the official register

<sup>&</sup>lt;sup>1</sup> The Reorganized Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Geodyne Resources, Inc. (2703); Samson Contour Energy Co. (7267); Samson Contour Energy E&P, LLC (2502); Samson Holdings, Inc. (8587); Samson-International, Ltd. (4039); Samson Investment Company (1091); Samson Lone Star, LLC (9455); Samson Resources Company (8007); and Samson Resources Corporation (1227). The location of parent Reorganized Debtor Samson Resources Corporation's corporate headquarters and the Reorganized Debtors' service address is: 15 East 5th Street, Suite 1000, Tulsa, Oklahoma 74103.

<sup>&</sup>lt;sup>2</sup> To the extent the Court allows a claim, the Reorganized Debtors, the Settlement Trust, and the holder of such claim reserves their rights regarding proper classification of such claim.

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maintained by the Claims Agent (the "<u>Claims Register</u>"). In support of this Objection, the Reorganized Debtors submit the *Declaration of Matthew Brown, in Support of the Reorganized Debtors' Thirteenth Omnibus (Substantive) Objection to Certain Claims Based on Funds Held In Suspense Pursuant to Section 502(b) of the Bankruptcy Code, Bankruptcy Rules 3001, 3003, and 3007, and Local Bankruptcy Rule 3007-1* (the "Brown Declaration"), attached hereto as **Exhibit B**. This Objection complies in all respects with Rule 3007-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), as modified by this Court.<sup>3</sup> In further support of this Objection, the Reorganized Debtors respectfully state as follows.

## **Jurisdiction and Venue**

1. The United States Bankruptcy Court for the District of Delaware (the "<u>Court</u>") has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware, dated February 29, 2012.* This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2), and the Reorganized Debtors consent, pursuant to Local Bankruptcy Rule 9013-1(f), to the entry of a final order by the Court in connection with this Objection to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

<sup>&</sup>lt;sup>3</sup> On February 28, 2017, the Reorganized Debtors filed a motion seeking a waiver of Local Rule 3007-1 allowing the Debtors to (i) base substantive omnibus claim objections on no more than 500 claims per each such omnibus claim objection and (ii) file more than two substantive omnibus claim objections each calendar month [Docket No. 2056]. On March 24, 2017, the Court entered an order granting the waiver [Docket No. 2168].

3. The statutory bases for the relief requested in this Objection are section 502(b) of title 11 of the United States Code (the "<u>Bankruptcy Code</u>"), Rules 3001, 3003, and 3007 of the Federal Rules of Bankruptcy Procedure (the "<u>Bankruptcy Rules</u>"), and Local Rule 3007-1.

### **Relief Requested**

4. By this Objection, the Reorganized Debtors seek entry of the Order disallowing in full and expunging from the Claims Register each of the claims identified on **Exhibit 1** to Exhibit A (the "Held-in-Suspense Claims"). The Held-in-Suspense Claims related to certain suspended funds (the "Suspended Funds"). The Suspended Funds represent amounts that are due and owing to certain lessors or other parties entitled to receive royalties, but are otherwise unpayable for a variety of reasons, including, among others, incorrect contact information, ongoing disputes over ownership of the underlying interests or unsigned division orders. The Debtors hold the Suspended Funds for the benefit of the applicable royalty owner. To disburse such funds, the Reorganized Debtors require additional information from the applicable claimant. To the extent that the claimant provides the required information, the Reorganized Debtors will disburse the Suspended Funds to such claimant. However, to the extent that the Reorganized Debtors do not receive the required information, the Reorganized Debtors intend to hold the Suspended Funds as required under applicable law, but request that the Court disallow and expunge the related claim so that the Reorganized Debtors can continue to reconcile their Claims Register with those claims that are currently entitled to distribution. By this Objection, the Reorganized Debtors are not seeking to alter the rights of the claimants under applicable state law with respect to the Suspended Funds.

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### **Background**

5. On September 16, 2015 (the "<u>Petition Date</u>"), each of the debtors and debtors in possession (the "<u>Debtors</u>") filed a voluntary petition with the Court under the Bankruptcy Code. The Debtors operated their businesses and managed their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Office of the United States Trustee for the District of Delaware (the "<u>U.S. Trustee</u>") formed an official committee of unsecured creditors of Samson Resources Corporation on September 30, 2015 [Docket No. 129]. Further information regarding the Debtors' business operations and capital structure is set forth in the declaration of Philip Cook in support of the Debtors' first day motions [Docket No. 2].

6. On October 15, 2015, the Debtors filed their schedules of assets and liabilities (the "<u>Schedules</u>") and statements of financial affairs ("<u>Statements</u>" and together, with the Schedules, the "<u>Schedules and Statements</u>") [Docket Nos. 201–218]. On June 29, 2016, the Debtors filed certain amended Schedules and Statements [Docket Nos. 1108–1118].

7. On October 16, 2015, the Court entered an order (the "<u>Bar Date Order</u>") establishing November 20, 2015, at 5:00 p.m. (the "<u>Bar Date</u>") as the final date and time for non-government claimants holding or asserting a claim against the Debtors arising on or before the Petition Date to file proofs of claim in these chapter 11 cases and approving the form and manner of notice of the Claims Bar Date [Docket No. 224].<sup>4</sup>

8. Written notice of the Bar Date was mailed to, among others, all known creditors and other known holders of claims against the Debtors as of the date of entry of the Bar Date

<sup>&</sup>lt;sup>4</sup> The Bar Date Order also established March 14, 2016 at 5:00 p.m. as the final date and time for all governmental units (as defined in section 101(27) of the Bankruptcy Code) holding or asserting a claim against the Debtors, including claims for unpaid taxes, arising on or before the Petition Date to file proofs of claim in these chapter 11 cases (the "<u>Governmental Bar Date</u>"), which deadline was subsequently extended as to certain governmental units by agreement of the Debtors to April 14, 2016, at 5:00 p.m. [Docket No. 771].

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Order, including all entities listed in the Schedules as holding claims against the Debtors, and to all parties who had filed requests for notices under Bankruptcy Rule 2002 as of the date of the Bar Date Order. In addition to mailing such actual notice, the Debtors also published notice of the Bar Date in the national edition of *The New York Times* [Docket No. 467].

9. On February 13, 2017, the Court entered an order confirming the Debtors' plan of reorganization (the "<u>Plan</u>") [Docket No. 2019]. Thereafter, on March 1, 2017, the Plan became effective [Docket No. 2020]. On this date, the Debtors became the Reorganized Debtors.

10. To date, approximately 3,288 proofs of claim have been filed in these chapter 11 cases, as recorded on the Claims Register. The Reorganized Debtors, together with their advisors, have begun the process of conducting a comprehensive review and reconciliation of these claims. This process includes identifying particular categories of proofs of claim that may be targeted for disallowance, reduction and allowance, or reclassification and allowance. The Reorganized Debtors intend to file a series of omnibus objections to various categories of claims.

#### **Royalty Claim Background and Review Process**

11. As set forth in more detail in the Brown Declaration, the Debtors utilize leases, division orders, affidavits of heirship, court orders, sworn title opinions, and other authentic documents maintained within their files and submitted by owners to calculate and make royalty payments. The Reorganized Debtors reviewed these records of the Debtors against each of the Held-in-Suspense Claims.

### **Basis for Objection**

12. Section 502(a) of the Bankruptcy Code provides that "[a] claim or interest, proof of which is filed under section 501 of this title, is deemed allowed, unless a party in interest . . . objects." 11 U.S.C. § 502(a). The burden of proof for determining the validity of claims rests on

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different parties at different stages of the objection process. As explained by the United States

Court of Appeals for the Third Circuit:

The burden of proof for claims brought in the bankruptcy court under 11 U.S.C.A. § 502(a) rests on different parties at different times. Initially, the claimant must allege facts sufficient to support the claim. If the averments in his filed claim meet this standard of sufficiency, it is 'prima facie' valid [citations omitted]. In other words, a claim that alleges facts sufficient to support legal liability to the claimant satisfies the claimants' initial obligation to go forward. The burden of going forward then shifts to the objector to produce evidence sufficient to negate the prima facie validity of the filed claim.... In practice, the objector must produce evidence which, if believed, would refute at least one of the allegations that is essential to the claim's legal sufficiency. If the objector produces sufficient evidence to negate one or more of the sworn facts in the proof of claim, the burden reverts to the claimant to prove the validity of the claim by a preponderance of the evidence.

*In re Allegheny Int'l Inc.*, 954 F.2d 167, 173-74 (3d. Cir. 1992) (citation omitted). Once the *prima facie* validity of a Claim is rebutted, "it is for the claimant to prove his claim, not for the objector to disprove it." *In re Kahn*, 114 B.R. 40, 44 (Bankr. S.D.N.Y. 1990) (citations omitted).

13. A chapter 11 debtor "has the duty to object to the allowance of any claim that is improper." *Int'l Yacht & Tennis, Inc. v. Wasserman Tennis, Inc. (In re Int'l Yacht & Tennis, Inc.)*, 922 F.2d 659, 661-62 (11th Cir. 1991); *see also* 11 U.S.C. §§ 704(a)(5), 1106(a)(1), and 1107(a).

14. Upon review of the proofs of claim filed against the Debtors in these chapter 11 cases, the Reorganized Debtors have identified six (6) Held-in-Suspense Claims listed on **Exhibit 1** to **Exhibit A**. The Held-in-Suspense Claims relate to certain Suspended Funds. The Suspended Funds represent amounts that are due and owing to certain lessors or other parties in interest entitled to receive royalties, but are otherwise unpayable for a variety of reasons, including, among others, incorrect contact information, ongoing disputes over ownership of the underlying interests or unsigned division orders. The Debtors hold the

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Suspended Funds for the benefit of the applicable royalty owner. *See* Brown Declaration. To disburse such funds, the Reorganized Debtors require additional information from the applicable claimant. *See* Brown Declaration. To the extent that the claimant provides the information required under applicable state law, the Reorganized Debtors will disburse the Suspended Funds to such claimant. However, to the extent that the Reorganized Debtors do not receive the required information, the Reorganized Debtors intend to hold the Suspended Funds as required under applicable law. By this Objection, the Reorganized Debtors are not seeking to alter the rights of the Claimants under applicable state law with respect to the Suspended Funds. Because the Reorganized Debtors are not currently able to distribute funds under applicable law to the claimants due to lack of the required information, the Reorganized Debtors object to the Held-In-Suspense Claims listed on **Exhibit A** from the Claims Register.<sup>5</sup>

#### **Responses to the Objection**

15. To contest the Reorganized Debtors' objection to any claim listed on **Exhibit A**, a claimant must file and serve a written response to this objection (a "<u>Response</u>") so that it is **actually received by no later than December 22, 2017 at 4:00 p.m. (prevailing Eastern Time**) (the "<u>Response Deadline</u>"). Every Response must be filed with the Office of the Clerk of the United States Bankruptcy Court for the District of Delaware (the "<u>Clerk</u>"), 824 North Market Street, Wilmington, Delaware 19801, and served upon the following entities, so that the Response is <u>actually received</u> no later than the Response Deadline, at the following address:

<sup>&</sup>lt;sup>5</sup> For the avoidance of doubt, the Reorganized Debtors intend to hold the Suspended Funds as required by applicable state law. *See, e.g.*, TEX. PROP. CODE § 75.101 (unclaimed mineral proceeds presumed abandoned after three years); *id.* § 74.301 (holder of presumptively abandoned property on March 1 must deliver the property to the state comptroller before July 1); OKLA. STAT. § 552(E) (holder of escrowed royalties shall transmit escrowed monies annually to the state Corporation Commission). The disallowance of the Held-in-Suspense Claims is for administrative purposes to ensure that the Claims Register only contains claims currently entitled to distribution.

Richards, Layton & Finger, P.A. One Rodney Square 920 North King Street Wilmington, Delaware 19801 Attn: John H. Knight Amanda R. Steele Joseph C. Barsalona II

Counsel for Samson Resources II, LLC, for itself and the Reorganized Debtors

16. Every Response to this objection must contain at a minimum the following information:

- (a) a caption setting forth the name of this Court, the name of the Debtors, the case number, and the title of this objection;
- (b) the claimant's name, the claim number, and a description of the basis for the amount of the claim;
- (c) the specific factual basis and supporting legal argument upon which the claimant will rely in opposing this objection;
- (d) any supporting documentation, to the extent it was not included with the claim previously filed with the Clerk or GCG, upon which the claimant will rely to support the basis for and amounts asserted in the claim; and
- (e) the name, address, telephone number, and fax number of the person(s) (which may be the claimant or the claimant's legal representative) with whom counsel for the Reorganized Debtors should communicate with respect to the claim or the objection and who possesses authority to reconcile, settle, or otherwise resolve the objection to the disputed claim on behalf of the claimant.
- 17. If a claimant fails to file and serve a timely Response by the Response Deadline,

the Reorganized Debtors may present to the Court an appropriate order granting the requested relief, without further notice to the claimant or a hearing.

## **Separate Contested Matter**

18. To the extent that a claimant files a response to any objection set forth herein and the Reorganized Debtors are unable to resolve the response, each such Held-in-Suspense Claim

and the objection by the Reorganized Debtors to each such Held-in-Suspense Claim asserted herein, will constitute a separate contested matter as contemplated by Bankruptcy Rule 9014. Any order the Court enters that addresses any individual objection asserted in the Objection will be deemed a separate order with respect to each affected Held-in-Suspense Claim.

## **Reservation of Rights**

19. Nothing contained in this Objection or any actions taken by the Reorganized Debtors pursuant to relief granted in the Order is intended or should be construed as: (a) an admission as to the validity of any particular claim (including the Held-in-Suspense Claims) against a Debtor or Reorganized Debtor entity; (b) a waiver of the Reorganized Debtors' rights to dispute any particular claim (including the Held-in-Suspense Claims) on any grounds; (c) a promise or requirement to pay any particular claim (including the Held-in-Suspense Claims); (d) an implication or admission that any particular claim (including the Held-in-Suspense Claims) is of a type specified or defined in this Objection; (e) an admission by the Reorganized Debtors that any contract or lease is executory or unexpired, as applicable; (f) a waiver or limitation of the Reorganized Debtors' rights under the Bankruptcy Code or any other applicable law; (g) a request or authorization to assume or reject any agreements under section 365 of the Bankruptcy Code; (h) a waiver of any party's rights to assert that any other party is in breach or default of any agreement; or (i) an admission that any contract or lease is integrated with any other contract or lease.

20. For the avoidance of doubt, to the extent the Court does not disallow the Held-in-Suspense Claims in full, the Reorganized Debtors, Settlement Trust, and claimants reserve all rights regarding the classification of the Held-in-Suspense Claims.

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21. The Reorganized Debtors hereby reserve their right to amend, modify, and/or supplement this Objection, including to object to any of the claims listed on **Exhibit 1** to **Exhibit A** on any additional grounds, prior to the hearing before the Court on this Objection, if any; provided, however, that nothing in this Objection shall affect the Reorganized Debtors' right to object to any proofs of claim at a future date on a basis other than as set forth in this Objection as permitted by bankruptcy or nonbankruptcy law, subject to any limitations set forth in the Local Bankruptcy Rules or in the Order.

### **Notice**

22. The Reorganized Debtors shall provide notice of this Objection on the date hereof via first class mail to: (a) the Office of the U.S. Trustee for the District of Delaware; (b) the Settlement Trust; (c) those parties requesting notice pursuant to Bankruptcy Rule 2002; and (d) the claimants that filed the Held-in-Suspense Claims. The Reorganized Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

### **No Prior Request**

23. No prior request for the relief sought in this Objection has been made to this or any other court.

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WHEREFORE, the Reorganized Debtors respectfully request that the Court enter the

Order granting the relief requested herein and granting such other and further relief as is

appropriate under the circumstances.

Dated: December 4, 2017 Wilmington, Delaware

> /s/ Amanda R. Steele John H. Knight (No. 3848) Amanda R. Steele (No. 5530) Joseph C. Barsalona II (No. 6102) RICHARDS, LAYTON & FINGER, P.A. One Rodney Square, 920 North King Street Wilmington, Delaware 19801 Telephone: (302) 651-7700 Facsimile: (302) 651-7701 E-mail: knight@rlf.com steele@rlf.com barsalona@rlf.com

-and-

Ana Alfonso (admitted *pro hac vice*) WILLKIE FARR & GALLAGHER LLP 787 Seventh Avenue New York, New York 10019-6099 Telephone: (212) 728-8000 Facsimile: (212) 728-8111 E-mail: aalfonso@willkie.com

Counsel for Samson Resources II, LLC, for itself and the Reorganized Debtors

## PLEASE CAREFULLY REVIEW THIS OBJECTION AND THE ATTACHMENTS HERETO TO DETERMINE WHETHER THIS OBJECTION AFFECTS YOUR CLAIM.

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

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In re:

Chapter 11

SAMSON RESOURCES CORPORATION, et al.,<sup>1</sup>

Reorganized Debtors.

Case No. 15-11934 (BLS)

(Jointly Administered)

Response Deadline: Dec. 22, 2017 at 4:00 p.m. (ET) Hearing Date: January 8, 2018 at 10:00 a.m. (ET)

## **NOTICE OF OMNIBUS OBJECTION AND HEARING**

PLEASE TAKE NOTICE that, on December 4, 2017, the above-captioned reorganized debtors (collectively, the "<u>Reorganized Debtors</u>") filed with the United States Bankruptcy Court for the District of Delaware (the "<u>Bankruptcy Court</u>") the *Reorganized Debtors' Thirteenth Omnibus (Substantive) Objection to Certain Claims Based on Funds Held in Suspense Pursuant to Section 502(b) of the Bankruptcy Code, Bankruptcy Rules 3001, 3003, and 3007, and Local Bankruptcy Rule 3007-1 (the "<u>Objection</u>") which seeks to disallow certain claims. Your claim(s) may be disallowed as a result of the Objection. Therefore, you should read the attached Objection carefully.* 

PLEASE TAKE FURTHER NOTICE THAT YOUR SUBSTANTIVE RIGHTS MAY BE AFFECTED BY THE OBJECTION AND BY ANY FURTHER CLAIM OBJECTION THAT MAY BE FILED BY THE REORGANIZED DEBTORS OR

<sup>&</sup>lt;sup>1</sup> The Reorganized Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Geodyne Resources, Inc. (2703); Samson Contour Energy Co. (7267); Samson Contour Energy E&P, LLC (2502); Samson Holdings, Inc. (8587); Samson-International, Ltd. (4039); Samson Investment Company (1091); Samson Lone Star, LLC (9455); Samson Resources Company (8007); and Samson Resources Corporation (1227). The location of parent Reorganized Debtor Samson Resources Corporate headquarters and the Reorganized Debtors' service address is: 15 East 5th Street, Suite 1000, Tulsa, Oklahoma 74103.

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# OTHERWISE. THE RELIEF SOUGHT HEREIN IS WITHOUT PREJUDICE TO THE REORGANIZED DEBTORS' RIGHT TO PURSUE FURTHER OBJECTIONS AGAINST YOUR CLAIM(S) SUBJECT TO THE OBJECTION IN ACCORDANCE WITH APPLICABLE LAW AND APPLICABLE ORDERS OF THIS COURT.

PLEASE TAKE FURTHER NOTICE that if the holder of a claim that is the subject of the Objection wishes to respond to the Objection, the holder must file a written response with: (i) the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801; and (ii) counsel for the Reorganized Debtors, Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, Delaware 19801 (Attn: John H. Knight, Amanda R. Steele, and Joseph C. Barsalona II) so as to be <u>received</u> on or before **December 22, 2017 at 4:00 p.m. (Eastern Time)**.

PLEASE TAKE FURTHER NOTICE that responses to the Objection must contain, at minimum, the following: (a) a caption setting forth the name of the Bankruptcy Court, the name of the Debtors, the case number, and the title of this Objection; (b) the claimant's name, the claim number, and a description of the basis for the amount of the claim; (c) the specific factual basis and supporting legal argument upon which the claimant will rely in opposing this Objection; (d) any supporting documentation, to the extent it was not included with the claim previously filed with the Clerk or GCG, upon which the claimant will rely to support the basis for and amounts asserted in the claim; and (e) the name, address, telephone number, and fax number of the person(s) (which may be the claimant or the claimant's legal representative) with whom counsel for the Reorganized Debtors should communicate with respect to the claim or the Objection and who possesses authority to reconcile, settle, or

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otherwise resolve the Objection to the disputed claim on behalf of the claimant.

PLEASE TAKE FURTHER NOTICE that if no response to the Objection is timely filed and received in accordance with the above procedures, an order may be entered granting the relief requested in the Objection without further notice or a hearing. If a response is properly filed, served, and received in accordance with the above procedures and such response is not resolved, a hearing to consider such response and the Objection will be held before The Honorable Brendan L. Shannon, United States Bankruptcy Judge for the District of Delaware, at the Bankruptcy Court, 824 North Market Street, 6th Floor, Courtroom 1, Wilmington, Delaware 19801 on January 8, 2018 at 10:00 a.m. (Eastern Time) (the "Hearing"). Only a response made in writing and timely filed and received will be considered by the Bankruptcy Court at the Hearing.

# IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE BANKRUPTCY COURT MAY GRANT THE RELIEF REQUESTED IN THE OBJECTION WITHOUT FURTHER NOTICE OR HEARING.

## [REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Dated: December 4, 2017 Wilmington, Delaware

/s/ Amanda R. Steele

John H. Knight (No. 3848) Amanda R. Steele (No. 5530) Joseph C. Barsalona II (No. 6102) RICHARDS, LAYTON & FINGER, P.A. One Rodney Square, 920 North King Street Wilmington, Delaware 19801 Telephone: (302) 651-7700 Facsimile: (302) 651-7701 E-mail: knight@rlf.com steele@rlf.com barsalona@rlf.com

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Counsel for Samson Resources II, LLC, for itself and the Reorganized Debtors

# EXHIBIT A

**Proposed Order** 

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

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In re:

SAMSON RESOURCES CORPORATION, et al.,<sup>1</sup>

Reorganized Debtors.

Chapter 11

Case No. 15-11934 (BLS)

(Jointly Administered)

Re: Docket No: \_\_\_\_\_

## ORDER SUSTAINING REORGANIZED DEBTORS' THIRTEENTH OMNIBUS (SUBSTANTIVE) OBJECTION TO CERTAIN CLAIMS BASED ON FUNDS HELD IN SUSPENSE PURSUANT TO SECTION 502(b) OF THE BANKRUPTCY CODE, BANKRUPTCY RULES 3001, 3003, AND 3007, AND LOCAL BANKRUPTCY RULE 3007-1

Upon the objection (the "<u>Objection</u>")<sup>2</sup> of the above-captioned reorganized debtors (collectively, the "<u>Reorganized Debtors</u>"), for entry of an order (this "<u>Order</u>"), disallowing the Held-In Suspense Claims set forth on <u>Exhibit 1</u> attached hereto, all as set forth in the Objection and the Brown Declaration; and the Court having found that it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having found that venue of these cases and the Objection in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found that the relief requested in the Objection is in the best interests of the Debtors' estates,

<sup>&</sup>lt;sup>1</sup> The Reorganized Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Geodyne Resources, Inc. (2703); Samson Contour Energy Co. (7267); Samson Contour Energy E&P, LLC (2502); Samson Holdings, Inc. (8587); Samson-International, Ltd. (4039); Samson Investment Company (1091); Samson Lone Star, LLC (9455); Samson Resources Company (8007); and Samson Resources Corporation (1227). The location of parent Reorganized Debtor Samson Resources Corporation's corporate headquarters and the Reorganized Debtors' service address is: 15 East 5th Street, Suite 1000, Tulsa, Oklahoma 74103.

<sup>&</sup>lt;sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Objection.

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their creditors, and other parties in interest; and the Court having found that the Reorganized Debtors provided appropriate notice of the Objection and the opportunity for a hearing on the Objection (the "<u>Hearing</u>") under the circumstances; and the Court having reviewed the Objection and having heard the statements in support of the relief requested therein at the Hearing, if any; and the Court having determined that the legal and factual bases set forth in the Objection and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Objection is sustained as set forth herein.

2. The Held-in-Suspense Claims set forth on the attached **Exhibit 1** are hereby disallowed in their entirety.

3. Notwithstanding the relief granted in this Order, all rights and obligations of the Reorganized Debtors and the Claimants are reserved under applicable state law with respect to the Suspended Funds.

4. The Claims Agent is authorized to modify the Claims Register to comport with the entry of this Order.

5. Notwithstanding the relief granted in this Order and any actions taken pursuant to such relief, nothing in this Order shall be deemed: (a) an admission as to the validity of any particular claim (including the Held-in-Suspense Claims) against a Debtor or Reorganized Debtor entity; (b) a waiver of the Reorganized Debtors' rights to dispute any particular claim (including the Held-in-Suspense Claims) on any grounds; (c) a promise or requirement to pay any particular claim (including the Held-in-Suspense Claims); (d) an implication or admission that any particular claim is of a type specified or defined in this Objection (except as set forth

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herein); (e) an admission by the Reorganized Debtors that any contract or lease is executory or unexpired, as applicable; (f) a waiver or limitation of the Reorganized Debtors' rights under the Bankruptcy Code or any other applicable law; (g) a request or authorization to assume or reject any agreements under section 365 of the Bankruptcy Code; (h) a waiver of any party's rights to assert that any other party is in breach or default of any agreement; or (i) an admission that any contract or lease is integrated with any other contract or lease.

Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062,
9014 or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

7. The Reorganized Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Objection.

8. This Court shall retain exclusive jurisdiction to resolve any dispute arising from or related to this Order.

Wilmington, Delaware Dated: \_\_\_\_\_, 2018

THE HONORABLE BRENDAN LINEHAN SHANNON UNITED STATES BANKRUPTCY JUDGE

# **EXHIBIT 1** to **EXHIBIT A**

Held-in-Suspense Claims

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## Samson Resources Corporation, et al.

## **OMNIBUS THIRTEEN : SUBSTANTIVE : EXHIBIT A - NO LIABILITY**

	NAME	CASE NUMBER	DEBTOR NAME	FILED DATE	CLAIM #	TOTAL CLAIM DOLLARS	REASON FOR PROPOSED DISALLOWANCE
1	COLEMAN, GERALD 1916 LEE ST LONGVIEW, TX 75604-1915	15-11934 (CSS)	Samson Resources Corporation	12/02/2015	2556	Undetermined*	Debtors hold funds in suspense due to unexecuted division order.
2	DALLAS THEOLOGICAL SEMINARY C/O FARMERS NATIONAL COMPANY 5110 S YALE AVE STE 400 TULSA, OK 74135-7483	15-11934 (CSS)	Samson Resources Corporation	11/16/2015	988	Undetermined*	Debtors hold funds in suspense because additional documents are needed from royalty owner to verify ownership.
3	ESTATE OF IVEY L DAVENPORT JONES C/O KIMBERLY DAVENPORT MARSHALL 3126 FREDRICK ST SHREVEPORT, LA 71109	15-11934 (CSS)	Samson Resources Corporation	11/20/2015	2102	Undetermined*	Debtors hold funds in suspense because additional documents are needed from royalty owner to verify ownership.
4	GILBERT T ADAMS JR, INDEPENDENT EXECUTOR OF THE ESTATE OF GIBLERT T ADAMS DECEASED & THE ESTATE OF VIOLA JOSS ADAMS DECEASED 1855 CALDER AVE BEAUMONT, TX 77701-1619	15-11934 (CSS)	Samson Resources Corporation	11/20/2015	2079	Undetermined*	Debtors hold funds in suspense because additional documents are needed from royalty owner to verify ownership.
5	HUNT OIL CO, A DE CORPORATION 1900 NORTH AKARD STREET DALLAS, TX 75201	15-11942 (CSS)	Samson Resources Company	11/18/2015	1421	\$145,000.00*	Debtors hold funds in suspense because additional documents are needed from royalty owner to verify ownership.
6	SMITH, MAC H PO BOX 7104 RUIDOSO, NM 88355-7104	15-11941 (CSS)	Samson Lone Star, LLC	12/08/2015	2596	Undetermined*	Debtors hold funds in suspense because additional documents are needed from royalty owner to verify ownership.
					TOTAL	\$145,000.00	

# EXHIBIT B

**Brown Declaration** 

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

In re:

SAMSON RESOURCES CORPORATION, et al.,<sup>1</sup>

Reorganized Debtors.

Chapter 11

)

)

Case No. 15-11934 (BLS)

(Jointly Administered)

## DECLARATION OF MATTHEW BROWN IN SUPPORT OF THE REORGANIZED DEBTORS' THIRTEENTH OMNIBUS (SUBSTANTIVE) OBJECTION TO CERTAIN CLAIMS BASED ON FUNDS HELD IN SUSPENSE PURSUANT TO SECTION 502(B) OF THE BANKRUPTCY CODE, BANKRUPTCY RULES 3001, 3003, AND 3007, AND LOCAL BANKRUPTCY RULE 3007-1

I, Matthew Brown, declare as follows:

1. I make this declaration (the "Declaration") in support of the Reorganized

Debtors' Thirteenth Omnibus (Substantive) Objection to Certain Claims Based on Funds Held In

Suspense Pursuant to Section 502(b) of the Bankruptcy Code, Bankruptcy Rules 3001, 3003, and

3007, and Local Bankruptcy Rule 3007-1 (the "Objection").<sup>2</sup>

2. I began working for the Debtors in 2007 and am currently serving as a Supervisor

in the Revenue Accounting department for the Reorganized Debtors.

3. I make this Declaration upon the basis of personal knowledge or knowledge of

persons under my supervision and a review, by me and others working with me and under my

<sup>&</sup>lt;sup>1</sup> The Reorganized Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Geodyne Resources, Inc. (2703); Samson Contour Energy Co. (7267); Samson Contour Energy E&P, LLC (2502); Samson Holdings, Inc. (8587); Samson-International, Ltd. (4039); Samson Investment Company (1091); Samson Lone Star, LLC (9455); Samson Resources Company (8007); and Samson Resources Corporation (1227). The location of parent Reorganized Debtor Samson Resources Corporation's corporate headquarters and the Reorganized Debtors' service address is: 15 East 5th Street, Suite 1000, Tulsa, Oklahoma 74103.

<sup>&</sup>lt;sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Objection.

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supervision, of (i) the claims identified on <u>Exhibit 1</u> (the "<u>Held-in-Suspense Claims</u>"), , (ii) the Claims Register, and (iii) the Debtors' applicable books and records.

4. To date, approximately 3,288 proofs of claim have been filed in these chapter 11 cases. Considerable time and resources have been expended to review and reconcile the proofs of claim filed against the Debtors in these chapter 11 cases. Upon review of the proofs of claim filed in these chapter 11 cases and supporting documentation attached thereto, the Reorganized Debtors have determined that the Claims listed on **Exhibit 1** to **Exhibit A** to the Objection are not properly asserted pursuant to section 502(b) of the Bankruptcy Code, Bankruptcy Rules 3001, 3003, and 3007, Local Bankruptcy Rule 3007-1, and applicable orders of the Bankruptcy Court.

5. The Debtors utilize leases, division orders, affidavits of heirship, court orders, sworn title opinions, and other authentic documents maintained within their files and submitted by owners to calculate and make royalty payments.

6. The Held-in-Suspense Claims identified on **Exhibit 1** to **Exhibit A** consist of claims that relate to certain suspended funds (the "<u>Suspended Funds</u>"). The Suspended Funds represent amounts that are due and owing to certain royalty owners or other parties entitled to receive royalties, but are otherwise unpayable for a variety of reasons, including, among others, incorrect contact information, ongoing disputes over ownership of the underlying interest, and unsigned division orders. For example, the Debtors suspended payments for a number of the Held-in-Suspense Claims if the Debtors did not have an executed division order from the royalty owner. An executed division order represents the owner's acknowledgment that the interest set out on the division order is correct and authorizes the company to submit royalties based on that decimal interest until notified by the owner that the ownership has been changed. The division

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order further indemnifies the Debtors against liability to third parties who claim to own the interest being paid to the royalty owner. The Debtors suspended royalty payments if they did not have the requisite acknowledgement and indemnification.

7. The Debtors have held the Suspended Funds for the benefit of the applicable owner. To the extent the Reorganized Debtors receive the information required by applicable state law from the royalty owners, the Reorganized Debtors will distribute such funds in compliance. If the Reorganized Debtors do not receive the required information, then the Reorganized Debtors intend to hold the Suspended Funds as required under applicable law. As a result, due to the Reorganized Debtors inability to distribute the Suspended Funds at this time without more information, I believe that the Held-in-Suspense Claims should be expunged from the Claims Register.

## [Signature Page Follows]

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

Dated: December 4, 2017 Wilmington, Delaware

/s/ Matthew Brown

Matthew Brown Supervisor - Accounting