

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

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: Chapter 11
In re: :
: Case No. 15-11934 (BLS)
SAMSON RESOURCES :
CORPORATION, *et al.*,¹ : (Jointly Administered)
: Reorganized Debtors. : Hearing Date: February 5, 2020 at 11:00 a.m. (ET)
: : Objection Deadline: January 22, 2020 at 4:00 p.m.
: : (ET)
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**MOTION OF SETTLEMENT TRUST FOR AN
ORDER EXTENDING THE TERMINATION DATE OF THE
SETTLEMENT TRUST THROUGH FEBRUARY 16, 2023**

The Samson Settlement Trust (the “Settlement Trust”) established pursuant to the *Global Settlement Joint Chapter 11 Plan of Reorganization of Samson Resources Corporation and Its Debtor Affiliates (with Technical Modifications)* [D.I. 2009] (the “Plan”)² hereby submits this motion (the “Motion”) pursuant to sections 105(a) of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 9006(b)(1) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) for an order, substantially in the form of attached **Exhibit A**, extending the Termination Date (as defined below) of the Trust Agreement (as defined below) through and including February 16, 2023. In support of the Motion, the Settlement Trust respectfully states:

¹ The 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) (collectively, the “Debtors” or “Reorganized Debtors”). The location of parent Reorganized Debtor Samson Resources; Corporation’s corporate headquarters and the Reorganized Debtors’ service address is: Two West Second Street, Tulsa, Oklahoma 74103.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan.

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334 and Article XI of the Plan. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory and other bases for the relief requested herein are set forth in section 105(a) of the Bankruptcy Code, Rule 9006(b)(1) of the Bankruptcy Rules, Rule 9006-1 of the *Local Rules for the United States Bankruptcy Court District of Delaware* (the “Local Rules”), Article IV Section V of the confirmed Plan (as defined below), and Section 14.1 of the Trust Agreement (as defined below).

3. Pursuant to Local Rule 9013-1(f), the Settlement Trust consents to the entry of a final judgment or order with respect to the Motion if it is determined that the Bankruptcy Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

BACKGROUND

4. On September 16, 2015 (the “Petition Date”), each of the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. From and after the Petition Date, the Reorganized Debtors continue to operate as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

5. On February 13, 2017, the Court confirmed the Plan and entered the *Findings of Fact, Conclusions of Law, and Order Confirming Global Settlement Joint Chapter 11 Plan of Reorganization of Samson Resources Corporation and Its Debtor Affiliates* (the “Confirmation Order”) [D.I. 2019]. On February 16, 2017, (the “Execution Date”) the Debtors and the Settlement Trustee executed the Settlement Trust Agreement (the “Trust Agreement”). [D.I. 2032]. On

February 28, 2017, the Initial Effective Date of the Plan occurred and the Trust Agreement went effective. On March 1, 2017, all conditions to the effectiveness of the Plan had been satisfied or waived, and the Plan was substantially consummated. [D.I. 2070].

6. The Settlement Trust was established with the primary purposes of liquidating the Settlement Trust Assets and distributing any proceeds or other assets to the Settlement Trust Beneficiaries as provided in the Plan and in the Trust Agreement. Trust Agreement, Recitals (E). The Settlement Trust Assets are comprised of cash and certain claims and causes of action including the December 2011 buyout of the Debtors (“2011 Acquisition”). Plan Art. I. Sec. A.

7. By the terms of the Plan and the Trust Agreement, the Settlement Trust will terminate on February 16, 2020 (the “Termination Date”) absent extension.³ The confirmed Plan, provides that an extension may be granted if the Bankruptcy Court “determines that a fixed-period extension (not to exceed three (3) years, together with any prior extensions, without a favorable private letter ruling from the IRS or an opinion of counsel satisfactory to the Settlement Trustee that any further extension would not adversely affect the status of the trust as a liquidating trust for United States federal income tax purposes) is necessary to facilitate or complete the recovery and liquidation of the Settlement Trust Assets.” Plan Art. IV.V. The Trust Agreement contains identical language. Trust Agreement § 14.1.⁴

³ Article IV.V of the Plan provides:

[t]he Settlement Trust shall in no event be dissolved later than three (3) years from the creation of such the Bankruptcy Court, upon motion within the six (6) month period prior to the third (3rd) anniversary (or within the six (6) month period prior to the end of an extension period), determines that a fixed period extension (not to exceed three (3) years, together with any prior extensions, without a favorable private letter ruling from the IRS or an opinion of counsel satisfactory to the trustee(s) of the Settlement Trust that any further extension would not adversely affect the status of the trust as a liquidating trust for United States federal income tax purposes) is necessary to facilitate or complete the recovery and liquidation of the Settlement Trust Assets.

⁴ Section 14.1 of the Trust Agreement provides:

The Settlement Trustee and the Settlement Trust shall be discharged or dissolved, as the

8. As noted in the *Post-Confirmation Report Quarterly Summary Report of the Settlement Trust for the Quarter Ending September 30, 2019* (the “Quarterly Summary Report September 2019”) [D.I. 3240] the Settlement Trust has been diligently fulfilling its obligations and using its best efforts to pursue causes of actions to maximize the value of the Settlement Trust Assets and to distribute the proceeds to its Beneficiaries. Specifically, the Settlement Trust has (a) pursued causes of action, including filing an adversary proceeding to recover assets that were allegedly fraudulently transferred to the previous shareholders of Samson Resources Corporation during the 2011 Acquisition (the “Samson Schusterman Action”)⁵ and filing almost 300 preference actions, (b) made distributions under the Plan to the Settlement Trust Beneficiaries, (c) collected accounts receivables, (d) collected litigation proceeds, (e) continued to resolve the proofs of claims filed against Debtors by prosecuting twenty substantive and non-substantive omnibus claims objections,⁶ filing three *Notice of Satisfaction of Claims*,⁷ and, in some instances, consensually resolving claim disputes, and (f) administered part of the Settlement Trust Assets.

case may be, on the earlier of (a) such time as (i) all of the Settlement Trust Assets have been liquidated and (ii) all distributions required to be made by the Settlement Trustee under the Plan and this Agreement have been made, and (b) three (3) years after the date hereof, unless the Bankruptcy Court, upon motion of the Settlement Trustee within the six (6) months prior to the third (3rd) anniversary hereof (or within six (6) months prior to the end of an extension period), determines that a fixed-period extension (not to exceed three (3) years, together with any prior extensions, without a favorable private letter ruling from the IRS or an opinion of counsel satisfactory to the Settlement Trustee that any further extension would not adversely affect the status of the trust as a liquidating trust for United States federal income tax purposes) is necessary to facilitate or complete the recovery and liquidation of the Settlement Trust Assets.

⁵ Adversary Case No. 17-51524, *Complaint* [D.I. 8].

⁶ See Omnibus Claim Objections at: [D.I. 3188]; [D.I. 3104]; [D.I. 3103]; [D.I. 3100]; [D.I. 3101]; [D.I. 2998]; [D.I. 2997]; [D.I. 2947]; [D.I. 2946]; [D.I. 2945]; [D.I. 2420]; [D.I. 2419]; [D.I. 2418]; [D.I. 2417]; [D.I. 2356]; [D.I. 2355]; [D.I. 2354]; [D.I. 2353]; [D.I. 2060]; and [D.I. 677].

⁷ See Notice of Satisfaction of Claims at: [D.I. 2421]; [D.I.2948]; and [D.I. 3093].

RELIEF REQUESTED

9. The Settlement Trust respectfully requests entry of an order extending the Termination Date of the Trust Agreement to the earlier of (i) the date upon which “all of the Settlement Trust Assets have been liquidated and [] all distributions required to be made by the Settlement Trustee under the Plan” have been made within the meaning of Section 14.1 of the Trust Agreement, or (ii) February 16, 2023, without prejudice to the ability of the Settlement Trust to request further extensions of the Termination Date.

BASIS FOR RELIEF REQUESTED

10. The confirmed Plan and the Trust Agreement expressly permit an extension of the Termination Date if such extension “is necessary to facilitate or complete the recovery and liquidation of the Settlement Trust Assets.” Plan Art. IV Sec. V; Trust Agreement, § 14.1. A motion requesting extension shall be filed within six (6) months prior to the Termination Date. *Id.*

11. Bankruptcy Rule 9006(b) also provides for extensions of time for cause. Specifically:

[W]hen an act is required or allowed to be done at or within a specified period by these rules or by a notice given thereunder or by order of court, the court for cause shown may at any time in its discretion . . . with or without motion or notice order the period enlarged if the request therefor is made before the expiration of the period originally prescribed or as extended by a previous order.

12. Fed R. Bankr. P. 9006(b)(1). Finally, section 105 of the Bankruptcy Code provides that the “court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a).

13. This Court has routinely granted similar extensions. *See CWC Liquidation Inc.*, Case No. 14-10867-BLS [D.I. 1936] (Bank. D. Del. Sept. 24, 2019) (extending the trust agreement for one year); *Phoenix Brands LLC*, Case No. 16-11242-BLS, [D.I. 937] (Bankr. D. Del. Dec. 17,

2018) (same); *KiOR, Inc.*, Case No. 14-12514-CSS [D.I. 983] (Bank. D. Del. June 22, 2018) (extending the trust agreement for three years); *MPC Computers, LLC, et al.*, Case No. 08-12667-MFW [D.I. 1877] (Bank. D. Del. Dec. 15, 2015) (extending the trust agreement for one year); and *Evergreen Solar, Inc.*, Case No. 11-12590-MFW [D.I. 1243] (Bank. D. Del. Jan 26, 2015) (same).

EXTENSION OF THE TERMINATION DATE IS NECESSARY

14. An extension of the Termination Date is necessary to facilitate or complete the recovery and liquidation of the Settlement Trust Assets because the Liquidating Trust continues to pursue material claims on behalf of the Beneficiaries, including the claims asserted in the Samson Schusterman Action. Despite diligent efforts (*see supra* at ¶ 8), the Settlement Trust has not made a final distribution to the Settlement Trust Beneficiaries and anticipates that such a distribution will be made after a final resolution of the Samson Schusterman Action. The Samson Schusterman Action was an asset transferred to the Settlement Trust pursuant to the Plan. In September 2017, the Settlement Trust commenced an action against the Debtors' previous controlling shareholders, the Schusterman family, seeking to recover billions of dollar of cash the Schusters received through a leveraged buyout. Adversary Proceeding Case No. 17-51524, D.I. 159. Fact discovery in that case is ongoing. Under the current Case Management Order, fact discovery is scheduled to conclude on March 4, 2020 and expert discovery is scheduled to conclude on June 17, 2020. The Samson Schusterman Action will therefore not be resolved until well after the current Termination Date. Upon resolution of the Samson Schusterman Action, the Settlement Trust will have to make a final distribution of (a) any proceeds received as a result of the resolution of such action and (b) any remaining cash on hand.

15. In addition to the Samson Schusterman Action, the Settlement Trust continues to collect assets and prosecute other litigations, including various preference actions. Of the almost

300 preference actions that the Settlement Trust filed, three remain outstanding and are in discovery or mediation.⁸

16. Courts have granted similar extensions where litigation was pending. *See KiOR, Inc.*, Case No. 14-12514-CSS [D.I. 983] (Bankr. D. Del. June 22, 2018) (extending the trust agreement for three years due to a pending litigation against directors and officers); *MPC Computers, LLC*, Case No. 08-12667-MFW [D.I. 1877] (Bankr. D. Del. Dec. 15, 2015) (extending the trust agreement for one year because of pending adversary proceedings); *Lyondell Chemical Co.*, Case No. 09-10023 (REG) [D.I. 7353] (Bankr. S.D.N.Y. Dec. 9, 2014) (extending the trust agreement for three years because the prosecution of certain actions was ongoing).

17. The Settlement Trust has worked diligently to perform its obligations and to maximize the recoveries for the Settlement Trust Beneficiaries. The Settlement Trust will endeavor to resolve the Samson Schusterman Action and to conclude the distribution of the Trust expeditiously, but it will not be possible to do so prior to the passage of the current Termination Date.

18. Accordingly, the Settlement Trust seeks an order extending the Termination Date of the Trust Agreement through and including February 16, 2023.

RESERVATION OF RIGHTS

19. The Settlement Trust reserves all rights to seek further extensions of the Termination Date, as necessary or appropriate.

⁸ The outstanding preference actions include: *Kravitz v. Arkoma Tanks, LLC*, Case No. 17-51484; *Kravitz v. Northern Flow Oilfield Services, LLC*, Case No. 17-51343; and *Kravitz v. Legend Services, LLC*, Case No. 17-51327.

NOTICE

20. Notice of this Motion has been provided to (i) the Office of the United States Trustee for the District of Delaware, and (ii) those parties that have requested notice pursuant to Bankruptcy Rule 2002. In light of the procedural nature of the post-confirmation relief requested herein, the Settlement Trust submits that such notice is sufficient under the circumstances and that no other or further notice is required.

CONCLUSION

WHEREFORE, the Settlement Trust respectfully requests that this Court enter an order, substantially in the form attached hereto as **Exhibit A**: (i) extending the Termination Date of the Trust through the earlier of (a) the final liquidation, administration, and distribution of the Settlement Trust Assets or (b) February 16, 2023 without prejudice to the Settlement Trust to seek further extensions; and (ii) granting such other and further relief as the Court may deem just and proper.

Dated: January 3, 2020

Respectfully submitted,

FARNAN LLP

/s/ Michael J. Farnan

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

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: Chapter 11
In re: :
: Case No. 15-11934 (BLS)
SAMSON RESOURCES :
CORPORATION, *et al.*,¹ : (Jointly Administered)
: :
Reorganized Debtors. : Hearing Date: February 5, 2020 at 11:00 a.m. (ET)
: : Objection Deadline: January 22, 2020 at 4:00 p.m.
: (ET)
-----x

NOTICE OF MOTION AND HEARING

PLEASE TAKE NOTICE that on January 3, 2020, the Settlement Trust filed the *Motion of Settlement Trust for an Order Extending the Termination Date of the Trust Through February 16, 2023* (the “Motion”) with the United States Bankruptcy Court for the District of Delaware.

PLEASE TAKE FURTHER NOTICE that any responses or objections to the Motion must be in writing, filed with the Clerk of the Bankruptcy Court, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801, and served upon and received by the undersigned counsel on or before **January 22, 2019 at 4:00 p.m. (Eastern Time)**.

PLEASE TAKE FURTHER NOTICE that if any objections or responses are received, a hearing with respect to the Motion will be held on **February 5, 2020 at 11:00 a.m. (Eastern Time)** before the Honorable Brendan L. Shannon, United States Bankruptcy Judge, at the United

¹ The 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) (collectively, the “Debtors” or “Reorganized Debtors”). The location of parent Reorganized Debtor Samson Resources; Corporation’s corporate headquarters and the Reorganized Debtors’ service address is: Two West Second Street, Tulsa, Oklahoma 74103.

States Bankruptcy Court for the District of Delaware, 824 Market Street, 6th Floor, Courtroom 1, Wilmington, Delaware 19801.

IF NO OBJECTIONS TO THE MOTION ARE TIMELY FILED, SERVED AND RECEIVED IN ACCORDANCE WITH THIS NOTICE, THE BANKRUPTCY COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

Dated: January 3, 2020

Respectfully submitted,

FARNAN LLP

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EXHIBIT A

(Proposed Order)

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

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	:	
In re:	:	Chapter 11
	:	
SAMSON RESOURCES CORPORATION, <i>et al.</i> , ¹	:	Case No. 15–11934 (BLS)
	:	
	:	(Jointly Administered)
	:	
Reorganized Debtors.	:	Re: D.I. _____
	:	
	-----X	

**ORDER EXTENDING THE TERMINATION DATE
OF THE SETTLEMENT TRUST THROUGH FEBRUARY 16, 2023**

Upon the *Motion of the Settlement Trust for an Order Extending the Termination Date of the Trust Through February 16, 2023* (the “Motion”);² the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; venue being proper before this Court; consideration of the Motion and the relief requested being a core proceeding pursuant to 28 U.S.C. § 157(b); due and proper notice of the Motion having been provided, and it appearing that no other or further notice need be provided; the Court having found and determined that: the extension is necessary to the liquidating purpose of the trust; the relief sought in the Motion is in the best interests of the Debtors’ estates, their creditors and all parties

¹ The 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) (collectively, the “Debtors” or “Reorganized Debtors”). The location of parent Reorganized Debtor Samson Resources; Corporation’s corporate headquarters and the Reorganized Debtors’ service address is: Two West Second Street, Tulsa, Oklahoma 74103.

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

in interest; that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is hereby

ORDERED, that the Motion is granted; and it is further

ORDERED, that the Trust will terminate on the earlier of (i) the finalization of the liquidation, administration, and distribution of the Settlement Trust Assets and the full performance of all other duties and functions as set forth in the Plan and the Trust Agreement or (ii) February 16, 2023 (the "Termination Date"); and it is further

ORDERED, that this Order is without prejudice to the Settlement Trust's right to seek further extensions of the Termination Date; and it is further

ORDERED, that the Court shall retain jurisdiction to construe and enforce this Order.