

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

---

In re:	)	Chapter 11
	)	
SAMSON RESOURCES CORPORATION, <i>et al.</i> , <sup>1</sup>	)	Case No. 15-11934 (___)
	)	
Debtors.	)	(Joint Administration Requested)
	)	

---

**DEBTORS’ MOTION FOR ENTRY OF AN ORDER  
AUTHORIZING THE DEBTORS TO (I) CONTINUE TO OPERATE  
THE CASH MANAGEMENT SYSTEM, (II) HONOR CERTAIN PREPETITION  
OBLIGATIONS RELATED THERETO, (III) MAINTAIN EXISTING BUSINESS  
FORMS, AND (IV) CONTINUE TO PERFORM INTERCOMPANY TRANSACTIONS**

---

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) respectfully state the following in support of this motion.

**Relief Requested**

1. The Debtors seek entry of an order (the “Order”), substantially in the form attached hereto as **Exhibit A**: authorizing the Debtors to (a) continue to operate their Cash Management System, (b) honor certain prepetition obligations related thereto, (c) maintain existing business forms in the ordinary course of business, and (d) continue to perform intercompany transactions amongst the Debtors consistent with historical practice.<sup>2</sup>

---

<sup>1</sup> 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). The location of parent Debtor Samson Resources Corporation’s corporate headquarters and the Debtors’ service address is: Two West Second Street, Tulsa, Oklahoma 74103.

<sup>2</sup> Because the Debtors engage in Intercompany Transactions on a regular basis and such transactions are common among similar enterprises, the Debtors believe the Intercompany Transactions are ordinary course transactions within the meaning of section 363(c)(1) of the Bankruptcy Code and, therefore, do not require the Court’s approval. Nonetheless, out of an abundance of caution, the Debtors are seeking express authority to engage in such transactions on a postpetition basis. The continued performance of the ordinary course Intercompany Transactions is necessary to ensure the Debtors’ ability to operate their business during these chapter 11 cases. For the avoidance of doubt, the Debtors do not intend to, and will not during these chapter 11 cases, transfer

### **Jurisdiction and Venue**

2. The United States Bankruptcy Court for the District of Delaware (the “Court”) 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). The Debtors confirm their consent, pursuant to rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), to the entry of a final order by the Court in connection with this motion 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.

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

4. The statutory bases for the relief requested herein are sections 105, 345, and 363 of title 11 of the United States Code (the “Bankruptcy Code”), rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Local Rules 2015-2 and 9013-1(m).

### **Background**

5. The Debtors are a privately held onshore oil and gas exploration and production company with headquarters in Tulsa, Oklahoma and operations primarily located in Colorado, Louisiana, North Dakota, Oklahoma, Texas, and Wyoming. The Debtors operate, or have royalty or working interests in, approximately 8,700 oil and gas production sites.

---

funds to their non-Debtor affiliates, including foreign affiliates, without further order from the Court and notice to the U.S. Trustee and any official committee appointed in these chapter 11 cases.

6. Each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code on September 16, 2015 (the "Petition Date"). The facts and circumstances supporting this motion are set forth in the *Declaration of Philip Cook in Support of Chapter 11 Petitions and First Day Motions* Docket No. 2, which is incorporated by reference.

7. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors have concurrently filed a motion requesting procedural consolidation and joint administration of these chapter 11 cases pursuant to Bankruptcy Rule 1015(b).

### **The Cash Management System**

#### **I. Overview**

8. The Debtors maintain a cash management system (the "Cash Management System"), which comprises a total of fifteen (15) bank accounts, each of which is identified on **Exhibit 2** annexed to **Exhibit A** attached hereto (collectively, the "Bank Accounts"). Thirteen of the Bank Accounts reside at JPMorgan Chase & Co. ("Chase"), one account resides at Wells Fargo Bank, N.A. ("Wells Fargo"), and one account resides at Bank of Oklahoma (collectively, the "Cash Management Banks").

9. As described at length in the First Day Declaration, the Debtors' operate their business and generate most of their revenues through three operating companies: Samson Resources Company, Samson Contour Energy E&P, LLC ("Contour"), and Samson Lone Star, LLC ("Lone Star" and, together with Samson Resources Company and Contour, the "Operating Companies"). Each of the Operating Companies maintains a master account, which collects revenue from sales of oil and natural gas, and two disbursement accounts which fund expenditures associated with the Operating Companies' general operating expenses, capital expenses, and royalty and joint interest payments. Samson Resources Company's master

account (ending in 2007) serves as the Debtors' centralized main operating account and makes disbursements throughout the Cash Management System, as necessary. This account is funded by the key funding account (ending in 9037).

10. The Debtors also maintain a payroll account, one land and lease account, a tax-free-contribution-plan account, and an employee credit-card and expense-reimbursement account.

11. The Cash Management System is comparable to the centralized cash management systems used by similarly situated companies to manage the cash of operating units in a cost-effective, efficient manner. The Debtors use the Cash Management System in the ordinary course of their business to collect, transfer, and disburse funds generated from their operations and to facilitate cash monitoring, forecasting, and reporting. The Debtors' treasury department maintains daily oversight over the Cash Management System and implements cash management controls for entering, processing, and releasing funds, including in connection with intercompany transactions. Additionally, the Debtors' corporate accounting department regularly reconciles the Debtors' books and records to ensure that all transfers are accounted for properly.

## II. Bank Accounts

12. The Bank Accounts are described in the following table:

Account	Account Description
Samson Investment Company—9037	The Samson Investment Company account is a key funding account that interacts, as needed, with the Company's Revolver facility to either borrow funds or pay down principal borrowings. Funds held in the account are primarily used to fund the Samson Resources Company Account and pay corporate interest expenses and fees associated with the Revolver, the Second Lien Credit Agreement, and the Senior Notes Indenture (the " <u>Credit Documents</u> "). This account also receives funds from derivative settlements due under the Company's International Swaps and Derivatives Association agreements and from the Samson Resources Company account (ending in 2007) when funds are needed to pay the principal and

Account	Account Description
	interest under the Credit Documents.
Samson Resources Company—2007	The Samson Resources Company account is the main operating account for the Company. The account both receives funds from and transfers funds to the Samson Investment Company account. This account also disburses funds to multiple accounts throughout the Company's Cash Management System, as needed. Such disbursements are primarily made to the following accounts: Samson Resources Company Payroll, Samson Resources Company Land and Lease, Tax Free Contribution, Wells Fargo Samson Investment Company, Samson Lone Star, and Samson Contour Energy E&P LLC. The account receives operating revenue and joint interest billing proceeds through lockbox receipts, the Company's automated clearing house (" <u>ACH</u> "), and wires. The account funds the Samson Resources Operating and Revenue Controlled Disbursement Accounts (ending in 1478 and 1486, respectively). The Company's 401(k) (Vanguard) contributions are funded and paid from this account.
Samson Resources Company Controlled Disbursements—Operating—1478	The Samson Resources Company Controlled Disbursements Operating account is a zero-balance account, funded, as necessary, by the Samson Resources Company account immediately before disbursing funds and issuing checks for Samson Resources Company's general administrative, operating, and capital expenses.
Samson Resources Company Controlled Disbursements—Revenue—1486	The Samson Resources Company Controlled Disbursements Revenue account is a zero-balance account, funded, as necessary, by the Samson Resources Company account immediately before disbursing funds and issuing checks for Samson Resources Company's payments to royalty owners, overriding and working interest owners, and joint-interest owners.
Samson Lone Star LLC—3022	The Samson Lone Star LLC account is an operating account for Samson Lone Star LLC. This account is funded by and transfers funds to the Samson Resources Company account (ending in 2007). The account receives Samson Lone Star LLC's operating revenue and joint interest billing proceeds through lockbox receipts, ACH, and wires. The account also funds the Samson Lone Star LLC Operating and Revenue Controlled Disbursement accounts (ending in 1494 and 1502, respectively).
Samson Lone Star LLC Controlled Disbursements	The Samson Lone Star LLC Controlled Disbursements Operating account is a zero-balance account, funded, as necessary, by the Samson Lone Star LLC account immediately before disbursing

Account	Account Description
—Operating—1494	funds and issuing checks for Samson Lone Star's general administrative, operating, and capital expenses.
Samson Lone Star LLC Controlled Disbursements—Revenue—1502	The Samson Lone Star LLC Controlled Disbursements Revenue account is a zero-balance account, funded, as necessary, by the Samson Lone Star LLC account immediately before disbursing funds and issuing checks for Samson Lone Star LLC's payments to royalty owners, overriding and working interest owners, and joint-interest owners.
Samson Contour Energy E&P LLC—4685	The Samson Contour Energy E&P LLC account is an operating account for Samson Contour Energy E&P LLC. This account is funded by and transfers funds to the Samson Resources account (ending in 2007). The account receives Samson Contour E&P LLC's operating revenue and joint-interest billing proceeds through lockbox receipts, ACH, and wires. The account also funds the Samson Contour Energy E&P LLC Operating and Revenue Controlled Disbursement accounts (ending in 1019 and 1076, respectively).
Samson Contour Energy E&P LLC Controlled Disbursements—Operating—1019	The Samson Contour Energy E&P LLC Controlled Disbursements Operating account is a zero-balance account, funded, as necessary, by the Samson Contour Energy E&P LLC account immediately before disbursing funds and issuing checks for Samson Contour E&P LLC's general administrative, operating, and capital expenses.
Samson Contour Energy E&P LLC Controlled Disbursements—Revenue—1076	The Samson Contour Energy E&P LLC Controlled Disbursements Revenue account is a zero-balance account, funded, as necessary, by the Samson Contour Energy E&P LLC account immediately before disbursing funds and issuing checks for Samson Contour Energy E&P's payments to royalty owners, overriding and working interest owners, and joint-interest owners.
Samson Resources Company Payroll—8038	The Samson Resources Co. Payroll account is a zero-balance account, funded by the Samson Resources Company account (ending in 2007), as necessary, immediately before disbursing funds. This account pays payroll expenses on account of Samson Investment Company, Samson Resources Company, Samson Lone Star LLC, and Samson Contour Energy E&P LLC.
Samson Resources Company Land and Lease—2723	The Samson Resources Company Land and Lease account is a zero-balance account funded by the Samson Resources Company account (ending in 2007), as necessary, immediately before disbursing funds. This account pays expenses related to certain of the

Account	Account Description
	Operating Companies' land expenditures such as lease rentals, shut-ins, minimum royalty, easements, extensions, and recording fees.
Samson Tax Fee Contribution Plan—6067	The Samson Tax Free Contribution Plan account is funded by the Samson Resources Company account (ending in 2007) upon request from the Payroll department. This account is associated with the Company's Flexible Spending Plan.
Wells Fargo—Samson Investment Company—1028	The Wells Fargo Samson Investment Company account is used to pay the Operating Companies' full-time employee credit-card and out-of-pocket business expenses. In connection with the Samson Investment Company account, Wells Fargo makes advances from time to time on behalf of the Debtors (with a maximum exposure of \$300,000) under the Wells Fargo Mastercard Multicard Agreement.
Bank of Oklahoma 0890	The Bank of Oklahoma account is used to issue letters of credit.

13. The Debtors pay their Cash Management Banks approximately \$50,000 per month in the aggregate, monthly or quarterly, on account of fees incurred in connection with the Bank Accounts (the "Bank Fees"). The Debtors estimate that they owe Chase, Wells Fargo, and Bank of Oklahoma approximately \$150,000 as of the Petition Date, the entirety of which will become due and payable within 21 days of the Petition Date.

### **III. The Cash Management Banks Are in Compliance with the U.S. Trustee Guidelines**

14. Two of the Debtors' three Cash Management Banks—Chase and Wells Fargo—are designated as authorized depositories by the Office of the United States Trustee for the District of Delaware (the "U.S. Trustee"), pursuant to the Operating Guidelines and Reporting Requirements for Debtors in Possession and Trustees (the "U.S. Trustee Guidelines").

15. One of the Cash Management Banks—Bank of Oklahoma—has executed a Uniform Depository Agreement with the Office of the U.S. Trustee.

16. The Debtors submit that because Chase and Wells Fargo have been authorized by the U.S. Trustee and Bank of Oklahoma has executed a Uniform Depository Agreement with the Office of the U.S. Trustee, the Debtors are in compliance with the U.S. Trustee Guidelines.

#### **IV. Business Forms**

17. As part of the Cash Management System, the Debtors utilize numerous preprinted business forms (the “Business Forms”) in the ordinary course of their business. The Debtors also maintain books and records to document, among other things, their profits and expenses. To minimize expenses to their estates and avoid confusion on the part of employees, customers, vendors, and suppliers during the pendency of these chapter 11 cases, the Debtors request that the Court authorize their continued use of all correspondence and business forms (including, without limitation, letterhead, purchase orders, invoices, and preprinted and future checks) as such forms were in existence immediately before the Petition Date, without reference to the Debtors’ status as debtors in possession, rather than requiring the Debtors to incur the expense and delay of ordering entirely new business forms as required under the U.S. Trustee Guidelines.

#### **V. Intercompany Transactions**

18. The Debtors maintain business relationships with each other (the “Intercompany Transactions”) resulting in intercompany receivables, and payables in the ordinary course of business (the “Intercompany Claims”). Such Intercompany Transactions are frequently conducted among the Debtors pursuant to prepetition shared services and informal intercompany trade arrangements, among others. Intercompany Transactions are made, through direct deposits and checks either to (a) reimburse certain Debtors for various expenditures associated with their business, (b) fund certain Debtors’ accounts in anticipation of such expenditures, as needed, or (c) transfer funds up to the Company’s main operating account when such excess revenue is available.



19. As discussed above, Samson Resources Company is the Debtors' main operating company and holds its main operating account. The Samson Resources Company account receives funds from Samson Investment Company and disburses funds, as necessary, throughout the Cash Management system. Specifically, Samson Resources Company funds Samson Lone Star, LLC's and Samson Contour E&P, LLC's operations as the need arises. Conversely, when excess revenue is available to Samson Lone Star, LLC and Samson Contour E&P, LLC, those entities transfer funds to Samson Resources Company, which, in turn, may use such funds to pay the Debtors' various payroll, lease rental, and other obligations or transfer funds to Samson Investment Company to fund payments associated with the Debtors Credit Agreements. Finally, in order to make payments associated with the Debtors' Credit Agreements, Samson Resources Company transfers funds, as needed, to Samson Investment Company.

20. Each of the transfers discussed above is made on an as-needed basis in the Debtors' sole discretion. In connection with the daily operation of the Cash Management System, as funds are disbursed throughout the Cash Management System and as business is transacted between the Debtors, at any given time there may be Intercompany Claims owing by one Debtor to another Debtor. As previously indicated, certain Intercompany Claims are settled in cash while others are reflected as journal entry receivables and payables, as applicable, in the respective Debtors' accounting systems.

21. The Debtors track all fund transfers in their respective accounting system and can ascertain, trace, and account for all Intercompany Transactions. If the Intercompany Transactions were to be discontinued, the Cash Management System and the Debtors' operations

would be disrupted unnecessarily to the detriment of the Debtors, their creditors, and other stakeholders.<sup>3</sup>

**Basis for Relief**

**I. Maintaining the Existing Cash Management System Is Essential to the Debtors' Ongoing Operations and Restructuring Efforts.**

22. The U.S. Trustee Guidelines require debtors in possession to, among other things:
- a. establish one debtor in possession bank account for all estate monies required for the payment of taxes, including payroll taxes;
  - b. close all existing bank accounts and open new debtor in possession accounts;
  - c. maintain a separate debtor in possession account for cash collateral; and
  - d. obtain checks that bear the designation "debtor in possession" and reference the bankruptcy case number and type of account on such checks.

23. These requirements are designed to provide a clear line of demarcation between prepetition and postpetition claims and payments and help protect against the inadvertent payment of prepetition claims by preventing banks from honoring checks drawn before the Petition Date. Considering, however, that the Debtors' business and financial affairs are complex and require the collection, disbursement, and movement of funds through their fifteen bank accounts, enforcement of this provision of the U.S. Trustee Guidelines during these chapter 11 cases would severely disrupt, if not cripple, the Debtors' operations. Accordingly, the Debtors respectfully request that the Court allow them to operate each of the Bank Accounts listed on **Exhibit 2** annexed to **Exhibit A** attached hereto as such were maintained in the ordinary course of business before the Petition Date.

---

<sup>3</sup> Moreover, this motion provides an overview of the Debtors' typical Intercompany Transactions. The relief requested herein is applicable with respect to all Intercompany Transactions and is not limited to those Intercompany Transactions described in this motion. To the extent that there are any outstanding prepetition obligations related to Intercompany Transactions not described herein, the Debtors, out of an abundance of caution, seek authority to honor such obligations.

24. Continuation of the Cash Management System is permitted pursuant to section 363(c)(1) of the Bankruptcy Code, which authorizes the debtor in possession to “use property of the estate in the ordinary course of business without notice or a hearing.” Additionally, courts in this and other districts have recognized that an integrated cash management system “allows efficient utilization of cash resources and recognizes the impracticalities of maintaining separate cash accounts for the many different purposes that require cash.” *In re Columbia Gas Sys., Inc.*, 136 B.R. 930, 934 (Bankr. D. Del. 1992), *aff’d in part and rev’d in part*, 997 F.2d 1039 (3d Cir. 1993). The United States Court of Appeals for the Third Circuit has agreed, emphasizing that requiring a debtor to maintain separate accounts “would be a huge administrative burden and economically inefficient.” *Columbia Gas*, 997 F.2d at 1061; *see also In re Southmark Corp.*, 49 F.3d 1111, 1114 (5th Cir. 1995) (finding cash management system allows a debtor “to administer more efficiently and effectively its financial operations and assets”).

## **II. Maintaining the Existing Cash Management Systems Will Not Harm Parties in Interest.**

25. Continued use of the Cash Management System will facilitate the Debtors’ transition into chapter 11 by, among other things, avoiding administrative inefficiencies and expenses associated with disrupting this system and minimizing delays in the payment of postpetition obligations. The Debtors respectfully submit that parties in interest will not be harmed by their maintenance of the Cash Management System, including maintenance of the Bank Accounts and the Intercompany Transactions, because the Debtors have implemented appropriate mechanisms to ensure that unauthorized payments will not be made on account of obligations incurred before the Petition Date.

26. Specifically, with the assistance of their advisors, the Debtors have implemented internal control procedures that prohibit payments on account of prepetition debts without the

prior approval of the Debtors' respective treasury department. In light of such protective measures, the Debtors submit that maintaining the Cash Management System is in the best interests of their estates and creditors.

**III. Authorizing the Debtors to Continue Using Debit, Wire, Credit Card, and ACH Payments Is Warranted.**

27. The Debtors request that the Court grant further relief from the U.S. Trustee Guidelines to the extent they require the Debtors to make all disbursements by check. In particular, the U.S. Trustee Guidelines require that all receipts and all disbursements of estate funds must be made by check with a notation representing the reason for the disbursement. As discussed above, in the ordinary course of business, the Debtors conduct transactions through ACH transfers and other similar methods. In addition, a certain percentage of the Debtors' customer receipts are received through wire transfer payments. If the Debtors' ability to conduct transactions by debit, wire, ACH transfer, or other similar methods is impaired, the Debtors may be unable to perform under certain contracts, their business operations may be unnecessarily disrupted, and their estates will incur additional costs.

**IV. Authorizing the Banks to Continue to Maintain, Service, and Administer the Bank Accounts in the Ordinary Course of Business Is Warranted.**

28. As discussed above, implementing the U.S. Trustee Guidelines would needlessly interrupt the Debtors' operations and impair the Debtors' efforts to preserve the value of their estates and reorganize in an efficient manner. Thus, the Debtors respectfully request that the Court authorize the banks to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors in possession, without interruption and in the ordinary course of business. In this regard, the banks should be authorized to receive, process, honor, and pay any and all checks, ACH transfers and other instructions, and drafts payable through, drawn, or directed on such Bank Accounts after the Petition Date by holders, makers, or other parties

entitled to issue instructions with respect thereto; *provided, however*, any check, draft, or other notification that the Debtors advise the banks to have been drawn, issued, or otherwise presented before the Petition Date may be honored by the banks only to the extent authorized by order of the Court.

29. The Debtors further request that the Court authorize the banks to accept and honor all representations from the Debtors as to which checks, drafts, wires, or ACH transfers should be honored or dishonored consistent with any order of the Court and governing law, whether such checks, drafts, wires, or ACH transfers are dated before or subsequent to the Petition Date. The Debtors also request that, to the extent a bank honors a prepetition check or other item drawn on any account either: (a) at the direction of the Debtors; or (b) in a good-faith belief that the Court has authorized such prepetition check or item to be honored, such bank will not be deemed to be liable to the Debtors or to their estates on account of such prepetition check or other item honored postpetition. The Debtors respectfully submit that such relief is reasonable and appropriate because the banks are not in a position to independently verify or audit whether a particular item may be paid in accordance with a Court order or otherwise.

30. Moreover, the Debtors request that the Court authorize the banks to (a) continue to charge the Debtors the Bank Fees, as applicable, and (b) charge-back returned items to the Bank Accounts, whether such items are dated before, on, or subsequent to the Petition Date, in the ordinary course of business. The Debtors further request that the Court order that liens on any of the Bank Accounts granted to creditors will not have priority over the Bank Fees of the respective bank at which the Bank Account is located.

31. Courts in this district, in similar large chapter 11 cases, have regularly waived the U.S. Trustee Guidelines on the grounds that they are impractical and potentially detrimental to a

debtor's postpetition business operations and restructuring efforts. *See, e.g., In re Quicksilver Resources Inc.*, No. 15-10585 (LSS) (Bankr. D. Del. July 7, 2015) (authorizing debtors' continued use of cash management system and bank accounts); *In re Energy Future Holdings Corp.*, No. 14-10979 (CSS) (Bankr. D. Del. June 4, 2014) (same); *In re GSE Envtl., Inc.*, No. 14-11126 (MFW) (Bankr. D. Del. May 6, 2014); *In re Dolan Co.*, No. 14-10614 (BLS) (Bankr. D. Del. Mar. 25, 2014); *In re Dex One Corp.*, No. 13-10533 (KG) (Bankr. D. Del. Mar. 19, 2013) (same); *In re Conexant Sys., Inc.*, No. 13-10367 (MFW) (Bankr. D. Del. Mar. 1, 2013) (same).<sup>4</sup>

**V. The Court Should Authorize the Debtors to Continue Using Their Existing Business Forms.**

32. To avoid disruption of the Cash Management System and unnecessary expense, pursuant to Local Rule 2015-2(a), the Debtors request that they be authorized to continue to use their business forms substantially in the form existing immediately before the Petition Date, without reference to their status as debtors in possession. The Debtors submit that parties in interest will not be prejudiced if the Debtors are authorized to continue to use their business forms substantially in the forms existing immediately before the Petition Date. Parties doing business with the Debtors undoubtedly will be aware of their status as debtors in possession and, thus, changing business forms is unnecessary and would be unduly burdensome. In accordance with Local Rule 2015-2(a), when the Debtors exhaust their limited existing supply of checks during these chapter 11 cases, the Debtors will transition to using checks with the designation "Debtor in Possession" and the corresponding bankruptcy number on all such forms (including checks).

---

<sup>4</sup> Because of the voluminous nature of the orders cited herein, such orders have not been attached to this motion. Copies of these orders are available upon request to the Debtors' proposed counsel.

33. In other large chapter 11 cases, courts in this District have allowed debtors to use their prepetition business forms without the “debtor in possession” label. *See, e.g., In re Quicksilver Resources Inc.*, No. 15-10585 (LSS) (Bankr. D. Del. July 7, 2015) (authorizing debtors’ continued use of cash management system and bank accounts); *In re Energy Future Holdings Corp.*, No. 14-10979 (CSS) (Bankr. D. Del. June 4, 2014) (same); *In re GSE Envtl., Inc.*, No. 14-11126 (MFW) (Bankr. D. Del. May 6, 2014) (same); *In re Dolan Co.*, No. 14-10614 (BLS) (Bankr. D. Del. Mar. 25, 2014) (same); *In re Sorenson Commc’ns, Inc.*, No. 14-10454 (BLS) (Bankr. D. Del. Mar. 4, 2014) (same); *In re Maxcom Telecomunicaciones, S.A.B. de C.V.*, No. 13-11839 (PJW) (Bankr. D. Del. July 25, 2013) (same).

**VI. The Court Should Authorize the Debtors to Continue Conducting Intercompany Transactions in the Ordinary Course and Grant Administrative Priority Status to Postpetition Intercompany Claims Among the Debtors.**

34. The Debtors’ funds move through the Cash Management System as described above. At any given time, there may be Intercompany Claims owing by one Debtor to another. Intercompany Transactions are made between and among Debtor affiliates in the ordinary course as part of the Cash Management System.<sup>5</sup> The Debtors track all fund transfers in their accounting system and can ascertain, trace, and account for all Intercompany Transactions previously described. The Debtors, moreover, will continue to maintain records of such Intercompany Transactions. If the Intercompany Transactions were to be discontinued, the Cash Management System and related administrative controls would be disrupted to the Debtors’ and their estates’ detriment. In addition, a number of critical services currently provided by the

---

<sup>5</sup> Because the Debtors engage in Intercompany Transactions on a regular basis and such transactions are common among enterprises like that of the Debtors, the Debtors submit the Intercompany Transactions are ordinary course transactions within the meaning of section 363(c)(1) of the Bankruptcy Code and, thus, do not require this Court’s approval. Nonetheless, out of an abundance of caution, the Debtors are seeking express authority to engage in such transactions on a postpetition basis. Moreover, the continued performance of the ordinary course Intercompany Transactions is integral to ensure the Debtors’ ability to operate their business as debtors in possession.

Debtors would be disrupted. Accordingly, the Debtors respectfully submit that the continued performance of the Intercompany Transactions is in the best interest of the Debtors' estates and their creditors and, therefore, the Debtors should be permitted to continue such performance.

35. Since these transactions represent extensions of intercompany credit made in the ordinary course of business that are an essential component of the Cash Management System, the Debtors respectfully request the authority to continue conducting the Intercompany Transactions in the ordinary course of business without need for further Court order and request that pursuant to section 503(b)(1) and 364(b) of the Bankruptcy Code, all postpetition payments between or among a Debtor and another Debtor on account of an Intercompany Transaction be accorded administrative expense status. This relief will ensure that each entity receiving payments from a Debtor will continue to bear ultimate repayment responsibility for such ordinary course transactions, thereby reducing the risk that these transactions would jeopardize the recoveries available to each Debtor's respective creditors.

36. Similar relief has been granted in other comparable multi-debtor chapter 11 cases in this jurisdiction. *See, e.g., In re Quicksilver Resources Inc.*, No. 15-10585 (LSS) (Bankr. D. Del. July 7, 2015) (authorizing debtors' continued use of cash management system and bank accounts); *In re Energy Future Holdings Corp.*, No. 14-10979 (CSS) (Bankr. D. Del. June 4, 2014) (same); *In re GSE Envtl., Inc.*, No. 14-11126 (MFW) (Bankr. D. Del. May 6, 2014) (same); *In re Dolan Co.*, No. 14-10614 (BLS) (Bankr. D. Del. Mar. 25, 2014) (same); *In re Maxcom Telecomunicaciones, S.A.B. de C.V.*, No. 13-11839 (PJW) (Bankr. D. Del. July 25, 2013) (same); *In re Conexant Systems, Inc.*, No. 13-10367 (MFW) (Bankr. D. Del. Apr. 11, 2013) (same); *In re Appleseed's Intermediate Holdings LLC*, No. 11-10160 (KG) (Bankr. D. Del. Jan. 20, 2011) (same).



**The Requirements of Bankruptcy Rule 6003 Are Satisfied**

37. Bankruptcy Rule 6003 empowers a court to grant relief within the first 21 days after the Petition Date “to the extent that relief is necessary to avoid immediate and irreparable harm.” For the reasons discussed above, authorizing the Debtors to (a) continue to operate their Cash Management System, (b) honor certain prepetition obligations related thereto, (c) maintain existing business forms, and (d) continue to perform intercompany transactions consistent with historical practice as well as granting the other relief requested herein is integral to the Debtors’ ability to transition their operations into these chapter 11 cases. Failure to receive such authorization and other relief during the first 21 days of these chapter 11 cases would severely disrupt the Debtors’ operations at this critical juncture. For the reasons discussed herein, the relief requested is necessary in order for the Debtors to operate their business in the ordinary course and preserve the ongoing value of the Debtors’ operations and maximize the value of their estates for the benefit of all stakeholders. Accordingly, the Debtors submit that they have satisfied the “immediate and irreparable harm” standard of Bankruptcy Rule 6003 to support granting the relief requested herein.

**Reservation of Rights**

38. Nothing contained herein is intended or should be construed as an admission as to the validity of any claim against the Debtors, a waiver of the Debtors’ rights to dispute any claim, or an approval or assumption of any agreement, contract, or lease under section 365 of the Bankruptcy Code. The Debtors expressly reserve their right to contest any claim related to the relief sought herein. Likewise, if the Court grants the relief sought herein, any payment made pursuant to an order of the Court is not intended to be nor should it be construed as an admission as to the validity of any claim or a waiver of the Debtors’ rights to subsequently dispute such claim.

**Waiver of Bankruptcy Rule 6004(a) and 6004(h)**

39. To implement the foregoing successfully, the Debtors request that the Court enter an order providing that notice of the relief requested herein satisfies Bankruptcy Rule 6004(a) and that the Debtors have established cause to exclude such relief from the 14-day stay period under Bankruptcy Rule 6004(h).

**Notice**

40. The Debtors will provide notice of this motion to: (a) the Office of the U.S. Trustee for the District of Delaware; (b) the holders of the 50 largest unsecured claims against the Debtors (on a consolidated basis); (c) the agent under the Debtors' first lien credit facility; (d) counsel to the agent under the Debtors' first lien credit facility; (e) the agent under the Debtors' second lien credit facility; (f) counsel to the agent under the Debtors' second lien credit facility; (g) the indenture trustee under the Debtors' 9.75% senior notes due 2020; (h) counsel to certain majority holders of the existing common stock of the Debtors; (i) holders of the existing preferred stock of the Debtors; (j) counsel to holders of the existing preferred stock of the Debtors; (k) the United States Attorney's Office for the District of Delaware; (l) the Internal Revenue Service; (m) the United States Securities and Exchange Commission; (n) the Environmental Protection Agency and similar state environmental agencies for states in which the Debtors conduct business; (o) the state attorneys general for states in which the Debtors conduct business; and (p) the Cash Management Banks. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

**No Prior Request**

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

*[Remainder of page intentionally left blank]*

WHEREFORE, the Debtors respectfully request entry of the Order, substantially in the form attached hereto as **Exhibit A**, (a) granting the relief requested herein, and (b) granting such other relief as is just and proper.

Dated: September 17, 2015  
Wilmington, Delaware

*/s/ Domenic E. Pacitti*

\_\_\_\_\_  
Domenic E. Pacitti (DE Bar No. 3989)

**KLEHR HARRISON HARVEY BRANZBURG LLP**

919 N. Market Street, Suite 1000

Wilmington, Delaware 19801

Telephone: (302) 426-1189

Facsimile: (302) 426-9193

-and -

Morton Branzburg (*pro hac vice* admission pending)

**KLEHR HARRISON HARVEY BRANZBURG LLP**

1835 Market Street, Suite 1400

Philadelphia, Pennsylvania 19103

Telephone: (215) 569-2700

Facsimile: (215) 568-6603

-and-

Paul M. Basta, P.C. (*pro hac vice* admission pending)

Edward O. Sassower, P.C. (*pro hac vice* admission pending)

Joshua A. Sussberg, P.C. (*pro hac vice* admission pending)

Ryan J. Dattilo (*pro hac vice* admission pending)

**KIRKLAND & ELLIS LLP**

601 Lexington Avenue

New York, New York 10022

Telephone: (212) 446-4800

Facsimile: (212) 446-4900

-and-

James H.M. Sprayregen, P.C. (*pro hac vice* admission pending)

Brad Weiland (*pro hac vice* admission pending)

**KIRKLAND & ELLIS LLP**

300 North LaSalle

Chicago, Illinois 60654

Telephone: (312) 862-2000

Facsimile: (312) 862-2200

*Proposed Co-Counsel for the Debtors and Debtors in Possession*

**EXHIBIT A**

**Proposed Order**

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

	)	
In re:	)	Chapter 11
	)	
SAMSON RESOURCES CORPORATION, <i>et al.</i> , <sup>1</sup>	)	Case No. 15-11934 (____)
	)	
Debtors.	)	(Joint Administration Requested)
	)	
	)	Re: Docket No. _____

**PROPOSED ORDER AUTHORIZING THE  
DEBTORS TO (I) CONTINUE TO OPERATE THEIR  
CASH MANAGEMENT SYSTEM, (II) HONOR CERTAIN PREPETITION  
OBLIGATIONS RELATED THERETO, (III) MAINTAIN EXISTING BUSINESS  
FORMS, AND (IV) CONTINUE TO PERFORM INTERCOMPANY TRANSACTIONS**

Upon the motion (the “Motion”)<sup>2</sup> of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order (this “Order”), authorizing the Debtors to (a) continue to operate the Cash Management System, (b) honor certain prepetition obligations related thereto, (c) in the ordinary course of business, maintain existing business forms, and (d) continue to perform intercompany transactions consistent with historical practice, all as more fully set forth in the Motion; and upon the *Declaration of Philip Cook in Support of Chapter 11 Petitions and First Day Motions*; and this Court having 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; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court

---

<sup>1</sup> 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). The location of parent Debtor Samson Resources Corporation’s corporate headquarters and the Debtors’ service address is: Two West Second Street, Tulsa, Oklahoma 74103.

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, 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 operating the Cash Management System, substantially as identified on Exhibit 1 attached hereto and as described in the Motion; (b) honor their prepetition obligations related thereto; (c) maintain existing business forms; and (d) continue to perform Intercompany Transactions consistent with historical practice.
3. The Debtors are further authorized, in their sole discretion, to: (a) continue to use, with the same account numbers, the Bank Accounts in existence as of the Petition Date, including those accounts identified on Exhibit 2 attached hereto; (b) use, in their present form, all correspondence and business forms (including letterhead, purchase orders, and invoices), as well as preprinted and future checks and other documents related to the Bank Accounts without reference to the Debtors' status as debtors in possession; (c) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; (d) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, wire transfers, and other

debits; (e) pay the prepetition Bank Fees; and (f) pay any ordinary course bank fees incurred in connection with the Bank Accounts, and to otherwise perform its obligations under the documents governing the Bank Accounts. Once the Debtors have exhausted their existing supply of checks, the Debtors will reprint checks with the designation "Debtor in Possession" and the corresponding bankruptcy number on all such checks; *provided, however*, that, with respect to checks which the Debtors or their agents print themselves, the Debtors shall begin printing the "Debtor in Possession" legend on such items within ten (10) days of the date of entry of this Order.

4. All existing depository and disbursement banks at which the Bank Accounts are maintained are authorized to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors in possession, without interruption and in the ordinary course, and to receive, process, honor, and pay, to the extent of available funds, any and all checks, drafts, wires, credit card payments, and ACH transfers issued and drawn on the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be; *provided, however*, that (a) those certain existing deposit agreements between the Debtors and the banks shall continue to govern the postpetition cash management relationship between the Debtors and the banks, and all of the provisions of such agreements, including, without limitation, the termination and fee provisions, shall remain in full force and effect, and (b) the Debtors and the banks may, without further Order of this Court, agree to and implement changes to the cash management systems and procedures in the ordinary course of business, including, without limitation, the opening and closing of bank accounts. With respect to the Wells Fargo Mastercard Multicard Agreement (related to Samson Investment Company account ending 1028), Wells Fargo is authorized to make advances from time to time on behalf of the Debtors



with a maximum exposure to Samson of \$300,000.00, Samson is authorized to continue to use the Wells Fargo Mastercard Multicard Agreement subject to the terms and conditions thereof, and the Debtors are authorized and directed to pay all prepetition charges relating thereto.

5. All banks provided with notice of this Order maintaining any of the Bank Accounts shall not honor or pay any bank payments drawn on the listed Bank Accounts or otherwise issued before the Petition Date for which the Debtors specifically issue stop payment orders in accordance with the documents governing such Bank Accounts.

6. In the course of providing cash management services to the Debtors, each of the banks at which the Bank Accounts are maintained is authorized, without further order of this Court, to deduct the applicable fees from the appropriate accounts of the Debtors, and further, to charge back to the appropriate accounts of the Debtors any amounts resulting from returned checks or other returned items, including returned items that result from ACH transactions, wire transfers, or other electronic transfers of any kind, regardless of whether such items were deposited or transferred prepetition or postpetition and regardless of whether the returned items relate to prepetition or postpetition items or transfers.

7. Subject to the terms set forth herein, any bank may rely upon the representations of the Debtors with respect to whether any check, draft, wire, or other transfer drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to any order of this Court, and no bank that honors a prepetition check or other item drawn on any account that is the subject of this Order (a) at the direction of the Debtors or (b) in a good-faith belief that this Court has authorized such prepetition check or item to be honored shall be deemed to be nor shall be liable to the Debtors or their estates on account of such prepetition check or other item being honored postpetition, or otherwise deemed to be in violation of this Order.

8. Any banks are further authorized to (a) honor the Debtors' directions with respect to the opening and closing of any Bank Account and (b) accept and hold, or invest, the Debtors' funds in accordance with the Debtors' instructions; *provided, however*, that the Debtors' banks shall not have any liability to any party for relying on such representations to the extent such reliance otherwise complies with applicable law.

9. The Debtors, in their sole discretion, are authorized to (a) open any new Bank Accounts or close any existing Bank Accounts, (b) enter into any ancillary agreements, including, without limitation, new deposit account control agreements, related to the foregoing, as they may deem necessary and appropriate; *provided, however*, that in the event that the Debtors open or close any Bank Accounts, such opening or closing shall be timely indicated on the Debtors' monthly operating reports and notice of such opening or closing shall be provided to the Office of the United States Trustee for the District of Delaware (the "Office of the U.S. Trustee") and counsel to any official committee appointed in these cases (subsequent to its appointment) within 15 days; *provided, further*, that the Debtors shall open such new bank account(s) at banks that have executed a uniform depository agreement with the Office of the U.S. Trustee, or at such banks that are willing to immediately execute such an agreement.

10. For any bank maintaining any of the Bank Accounts that is party to a Uniform Depository Agreement with the Office of the U.S. Trustee, within 15 days of entry of this Order, the Debtors shall (a) contact such bank, (b) provide the applicable Debtor's employer identification number, and (c) identify each of its accounts held at such bank as being held by a debtor in possession in a bankruptcy case.

11. The requirement to establish separate accounts for cash collateral and/or tax payments is hereby waived.

12. Notwithstanding anything to the contrary set forth herein, the Debtors are authorized to continue Intercompany Transactions arising from or related to the operation of their business in the ordinary course; *provided, however*, that the Debtors shall not transfer funds to non-Debtor affiliates, including foreign affiliates, during these chapter 11 cases without further order of this Court and notice to the Office of the U.S. Trustee and counsel to any official committee appointed in these chapter 11 cases. All postpetition payments from a Debtor under any postpetition Intercompany Transactions authorized hereunder are hereby accorded administrative expense status under section 503(b) of the Bankruptcy Code. In connection with the Intercompany Transactions, the Debtors shall continue to maintain current records with respect to all transfers of cash so that all Intercompany Transactions may be readily ascertained, traced, and properly recorded on intercompany accounts and shall make such records available to the Office of the U.S. Trustee upon request; *provided*, that such records shall distinguish between prepetition and postpetition transactions.

13. Nothing contained in the Motion or this Order shall be deemed or construed as an admission as to the validity or priority of any claim or lien against the Debtors or as a waiver of the Debtors' rights to dispute any claim or lien.

14. Notwithstanding the Debtors' use of a consolidated cash management system, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor, regardless of which entity pays those disbursements.

15. [Notwithstanding the relief granted in this Order, any payment made by the Debtors pursuant to the authority granted herein shall be subject to the orders approving entry into debtor-in-possession financing and authorizing use of cash collateral.]

16. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).

17. Notice of the Motion satisfies the requirements of Bankruptcy Rule 6004(a).

18. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

19. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

20. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

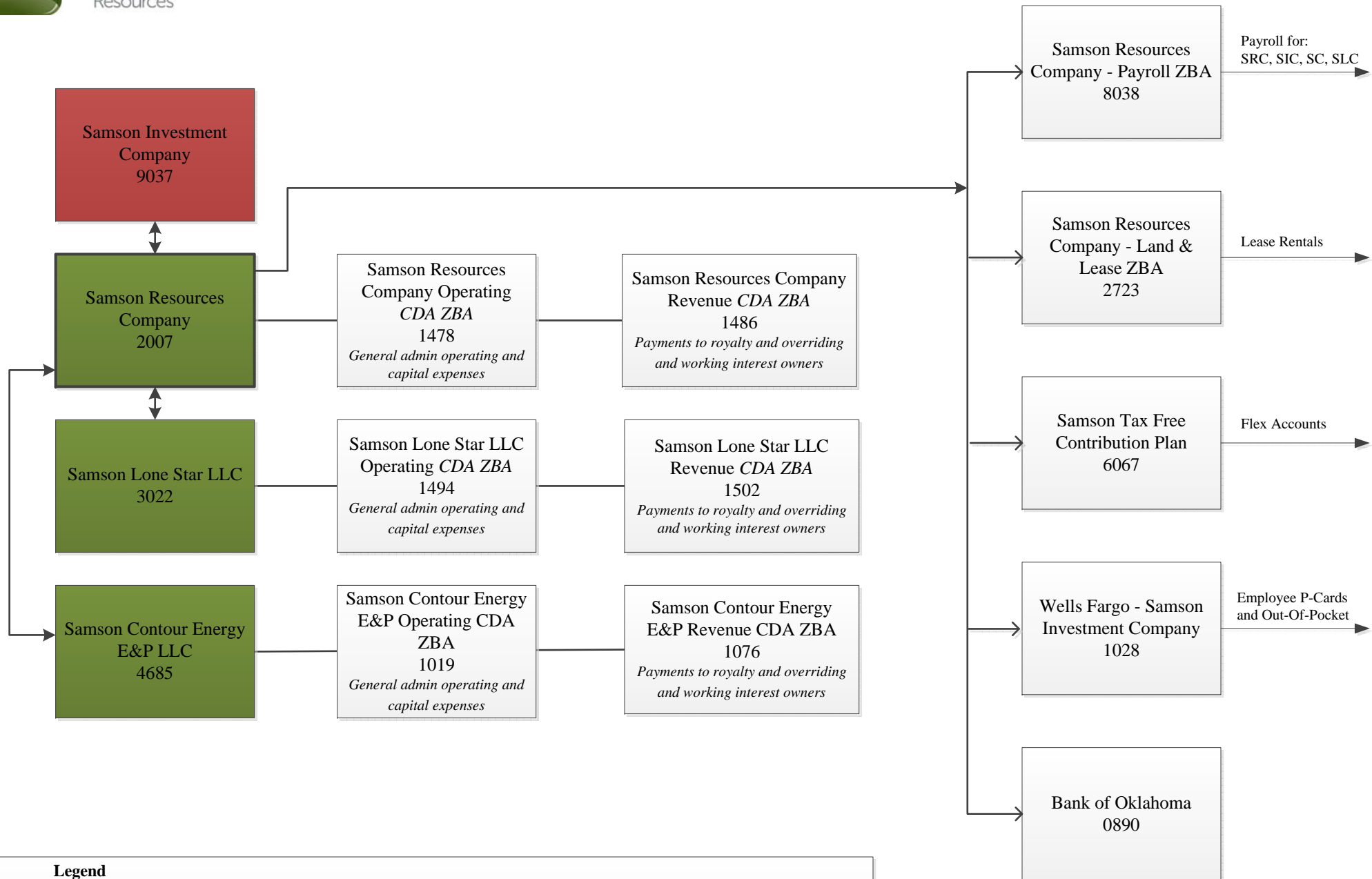
Dated: \_\_\_\_\_, 2015  
Wilmington, Delaware

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

**EXHIBIT 1**

**Cash Management System Schematic**

**CASH MANAGEMENT SYSTEM**



Legend	
Revenue-Collecting Accounts	Receive operating revenue and joint interest billing proceeds.
Key Funding Account	Interacts, as needed, with RBL facility. Funds held in account primarily used to fund Samson Resources Company account and pay corporate interest expense and fees associated with RBL, Term Loan, and Senior Notes.

**EXHIBIT 2**

**Bank Accounts**

**Bank Accounts**

	<b>Debtor</b>	<b>Bank Name</b>	<b>Account Number</b>	<b>Account Type</b>
1	Samson Resources Company	JPMorgan Chase Bank, NA	XXXXXX2007	Operating
2	Samson Resources Company	JPMorgan Chase Bank, NA	XXXXXX8038	Payroll ZBA
3	Samson Resources Company	JPMorgan Chase Bank, NA	XXXXXX2723	Land and Lease ZBA
4	Samson Investment Company	JPMorgan Chase Bank, NA	XXXXXX6067	Tax Free Contribution Plan
5	Samson Resources Company	JPMorgan Chase Bank, NA	XXXXXX1478	Operating CDA ZBA
6	Samson Resources Company	JPMorgan Chase Bank, NA	XXXXXX1486	Revenue CDA ZBA
7	Samson Investment Company	JPMorgan Chase Bank, NA	XXXXXX9037	Funding
8	Samson Lone Star LLC	JPMorgan Chase Bank, NA	XXXXXX3022	Operating
9	Samson Lone Star LLC	JPMorgan Chase Bank, NA	XXXXXX1494	Operating CDA ZBA
10	Samson Lone Star LLC	JPMorgan Chase Bank, NA	XXXXXX1502	Revenue CDA ZBA
11	Samson Contour Energy Co.	JPMorgan Chase Bank, NA	XXXXXX4685	Operating
12	Samson Contour Energy Co.	JPMorgan Chase Bank, NA	XXXXXX1019	Operating CDA ZBA
13	Samson Contour Energy Co.	JPMorgan Chase Bank, NA	XXXXXX1076	Revenue CDA ZBA
14	Samson Investment Company	Bank of Oklahoma	XXXXXX0890	Issues Letters of Credit
15	Samson Investment Company	Wells Fargo Bank, NA	XXXXXX1028	Business Expense