

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re:)	Chapter 11	
)		
Quicksilver Resources Inc., <u>et al.</u> , ¹)	Case No. 15-10585 (LSS)	
)		
Debtors.)	Jointly Administered	
)		
)	Hearing Date: Feb. 21, 2017 at 10:00 a.m. (ET)	
)	Response Deadline: Feb. 7, 2017 at 4:00 p.m. (ET)	
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**LIQUIDATION TRUSTEE’S SIXTH OMNIBUS OBJECTION (SUBSTANTIVE)
TO CERTAIN CLAIMS (A) FOR WHICH THE DEBTORS HAVE NO LIABILITY
OR (B) WHICH SHOULD BE RECLASSIFIED**

Eugene I. Davis, in his capacity as the liquidation trustee (the “Liquidation Trustee”) for the KWK Liquidation Trust (the “Liquidation Trust”), the trust established pursuant to the *First Amended Joint Chapter 11 Plan of Liquidation for Quicksilver Resources Inc. and its Affiliated Debtors* (the “Plan”), seeks entry of an order, substantially in the form attached hereto as **Exhibit C** (the “Proposed Order”), (a) disallowing and expunging the claims set forth on **Exhibit A** attached hereto because the Liquidation Trustee believes that the Debtors do not have any liability on account of each such claim (the “No Liability Claims”), and (b) reclassifying the claim set forth on **Exhibit B** attached hereto because the Liquidation Trustee believes that the claim is not entitled to administrative expense or priority claim status (the “Reclassified Claim”). In support of this objection, the Liquidation Trustee submits the *Declaration of Eugene I. Davis in Support of Liquidation Trustee’s Sixth Omnibus Objection (Substantive) to Certain Claims (A)*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Quicksilver Resources Inc. (“Quicksilver”) [6163]; Barnett Shale Operating LLC [0257]; Cowtown Drilling, Inc. [8899]; Cowtown Gas Processing L.P. [1404]; Cowtown Pipeline Funding, Inc. [9774]; Cowtown Pipeline L.P. [9769]; Cowtown Pipeline Management, Inc. [9771]; Makarios Resources International Holdings LLC [1765]; Makarios Resources International Inc. [7612]; QPP Holdings LLC [0057]; QPP Parent LLC [8748]; Quicksilver Production Partners GP LLC [2701]; Quicksilver Production Partners LP [9129]; and Silver Stream Pipeline Company LLC [9384].

for Which the Debtors Have No Liability or (B) Which Should Be Reclassified (the “Davis Declaration”)² and respectfully states:

JURISDICTION

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).³
2. Venue in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The predicates for the relief requested herein are sections 105 and 502 of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 3007 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Local Rule 3007-1.

BACKGROUND

A. General Background

4. On March 17, 2015 (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in this Court. Throughout their chapter 11 cases, the Debtors operated their business and managed their properties as debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108. These chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Bankruptcy Rule 1015 and Local Rule 1015-1. No request for the appointment of a trustee has been made in these chapter 11 cases. On March 25, 2015, the Acting United States Trustee, Region 3 (the “U.S. Trustee”) appointed the statutory committee of unsecured creditors (the “Committee”) [D.I. 119].

² A copy of the Davis Declaration is attached hereto as **Exhibit D**.

³ Under 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”), the Liquidation Trustee hereby confirms its consent to the entry of a final order by this Court in connection with this objection if it is later determined that this Court, absent consent of the parties, cannot enter final orders or judgments in connection therewith consistent with Article III of the United States Constitution.

5. On January 27, 2016, the Court entered an order [D.I. 1095] (the “Sale Order”) approving the sale of substantially all of the Debtors’ U.S. assets to BlueStone Natural Resources II, LLC (“Bluestone”) for \$254 million in cash (the “Sale”). The Sale to Bluestone closed on April 6, 2016, effective as of April 1, 2016.

6. On August 16, 2016, the Court entered an order [D.I. 1633] (the “Confirmation Order”) confirming the Plan. The effective date of the Plan occurred on August 31, 2016 (the “Effective Date”). On the Effective Date, the Liquidation Trust was established pursuant to the Plan and the KWK Liquidating Trust Agreement, dated as of August 31, 2016, by and among the Debtors and the Liquidation Trustee. Pursuant to the Plan and the Trust Agreement, the Liquidation Trustee is responsible for reconciling claims asserted against the Debtors and making distributions to holders of Allowed Claims.

B. Specific Background

7. On June 9, 2015, each Debtor filed its respective Schedule of Assets and Liabilities and Statement of Financial Affairs [D.I. 383-401; 403-412; 414] (collectively, the “Schedules and Statements”). Quicksilver filed amendments to its Schedule of Assets and Liabilities on June 25, 2015 [D.I. 443], October 14, 2015 [D.I. 704], and an amendment to its Statement of Financial Affairs on July 1, 2015 [D.I. 455].

8. On May 19, 2015, the Debtors filed the *Debtors’ Motion for Entry of an Order Establishing Deadlines and Procedures for Filing Proofs of Claim and Approving the Form and Manner of Notice Thereof* [D.I. 349] (the “Bar Date Motion”). The Court entered an order on June 10, 2015 [D.I. 417] (the “Bar Date Order”) granting the relief requested in the Bar Date Motion, which, among other things, established July 31, 2015 at 5:00 p.m. (prevailing Eastern Time) as the time and date by which any person or entity (excluding governmental units)

asserting a claim against the Debtors in their chapter 11 cases was required to file a proof of claim (the “General Bar Date”). See Bar Date Order, ¶ 2

9. In accordance with the Bar Date Order, Garden City Group LLC (“GCG”), the Debtors’ court-appointed claims and noticing agent, mailed notices of the General Bar Date and proof of claim forms to, among others, all of the Debtors’ creditors and other known parties in interest as of the Petition Date. Notice of the General Bar Date was also published once in the *New York Times*, *Fort Worth Star-Telegram*, and certain local publications. See D.I. 435, 436, 499, 518, and 520.

10. Pursuant to the Plan, requests for payment of an Administrative Expense Claim must have been filed with the Bankruptcy Court and served on the Debtors or the Liquidation Trustee by October 16, 2016 (the “Administrative Bar Date”).

11. To date, approximately 628 proofs of claim have been filed in these chapter 11 cases. The Liquidation Trustee and its advisors are in the process of comprehensively reviewing and reconciling each of the filed claims and comparing them with the Debtors’ books and records to determine the validity of such claims. As part of this ongoing review, the Liquidation Trustee has reviewed each of the claims listed on Exhibit A and Exhibit B and has concluded that each such claim is appropriately objected to on the bases set forth below.

RELIEF REQUESTED

12. By this objection, the Liquidation Trustee respectfully requests entry of the Proposed Order disallowing and expunging the No Liability Claims identified on Exhibit A and reclassifying as a general unsecured claim the Reclassified Claim identified on Exhibit B.

CLAIMS OBJECTION

13. When asserting a proof of claim against a bankrupt estate, a claimant must allege facts that, if true, would support a finding that the debtor is legally liable to the claimant.

In re Allegheny Int'l, Inc., 954 F.2d 167, 173 (3d Cir. 1992); *Matter of Int'l Match Corp.*, 69 F.2d 73, 76 (2d Cir. 1934) (finding that a proof of claim should at least allege facts from which legal liability can be seen to exist). Where the claimant alleges sufficient facts to support its claim, its claim is afforded *prima facie* validity. *In re Allegheny Int'l, Inc.*, 954 F.2d at 173.

14. As a result, a party wishing to dispute such a claim must produce evidence in sufficient force to negate the claim's *prima facie* validity. *Id.* The objecting party must produce evidence that would refute at least one of the allegations essential to the claim's legal sufficiency. *Id.* Once the objecting party produces such evidence, the burden shifts back to the claimant to prove the validity of his or her claim by a preponderance of the evidence. *Id.* The burden of persuasion is always on the claimant. *Id.*

A. No Liability Claims

15. The No Liability Claims that are listed on **Exhibit A** consist of certain wholly unliquidated and contingent claims and certain claims in a liquidated amount for which the Liquidation Trustee submits that the Debtors have no liability. Upon review of the Claims filed against the Debtors in these chapter 11 cases, the Liquidation Trustee has identified fifty-two (52) No Liability Claims listed on **Exhibit A**. These claims generally fall into one of the following categories: (1) Contingent D&O Indemnity Claims; (2) Property Tax Claims; (3) Contingent and Unliquidated Claims; and (4) Liquidated Administrative Claim (each of the foregoing as defined below).

(1) **Contingent D&O Indemnity Claims**

16. The No Liability Claims that are identified on **Schedule 1** of **Exhibit A** consist of contingent and unliquidated claims filed by the Debtors' former directors and officers for alleged indemnification obligations (the "**Contingent D&O Indemnity Claims**"). The Liquidation Trustee submits that the Debtors have no liability on account of any of the Contingent D&O

Indemnity Claims. Moreover, the Liquidation Trustee believes that each of the Contingent D&O Liability Claims was filed as a protective measure shortly before the General Bar Date so that the Debtors' directors and officers would preserve their necessary rights with respect to indemnification.

17. The Liquidation Trustee is not aware of an actual claim for indemnification asserted by any of the former directors and officers. Accordingly, each of the Contingent D&O Indemnity Claims should be disallowed for the following reasons. First, pursuant to the Plan, the Debtors' indemnification obligations for current and former directors and officers were assumed and assigned to the Liquidation Trust. See Plan at ¶ 5.11. The assumption of such obligations was in addition to the "tail insurance" that was purchased prepetition by the Debtors in favor of their directors and officers. Therefore, the former directors and officers are adequately protected in the event that any claims were to arise in the future. The Contingent D&O Indemnity Claims must be disallowed and expunged so that the Liquidation Trustee can complete the claims reconciliation process.⁴

18. Second, the Contingent D&O Indemnity Claims should be disallowed pursuant to Section 502(e)(1)(B) of the Bankruptcy Code. Disallowance is appropriate pursuant to Section 502(e)(1)(B) when (i) the claims are contingent, (ii) the claims are for reimbursement or contribution, and (iii) the debtor and the claimant are co-liable on the claims. *In re Touch America Holdings, Inc.*, 381 B.R. 95, 107 (Bankr. D. Del. 2008). Here, the Contingent D&O Indemnity Claims are contingent since no actual claims have been asserted for indemnification obligations. The reimbursement prong is satisfied since courts have consistently held that the concept of reimbursement includes indemnity. *Id.* The co-liable prong is satisfied because any

⁴ The disallowance of the Contingent D&O Indemnity Claims is in no way intended to impact the tail insurance and/or the assumption of the indemnification obligations pursuant to the Plan.

claim against the Debtors' former directors and officers for which indemnification would be sought would also result in a claim against the Debtors. The purpose of Section 502(e)(1)(B) is to "preclude redundant recoveries on identical claims against insolvent estates." *Id.* at 109. Accordingly, the Liquidation Trustee requests that the Contingent D&O Indemnity Claims be disallowed and expunged.

(2) Property Tax Claims

19. The No Liability Claims that are identified on Schedule 2 of **Exhibit A** consist of administrative priority claims for estimated 2016 property taxes (the "Property Tax Claims"). Pursuant to the Sale, Bluestone assumed responsibility for the actual payment of any taxes relating to a tax year ending after the closing date (including 2016 property taxes).⁵ As part of the final settlement statement, the Debtors paid approximately \$1.7 million to Bluestone for its share of property tax obligations arising prior to the closing of the Sale. Accordingly, as discussed in the Davis Declaration, the Debtors do not have any liability associated with the Property Tax Claims and the Liquidation Trustee requests that such claims be disallowed and expunged.

(3) Contingent and Unliquidated Claims

20. The No Liability Claims that are identified on Schedule 3 of **Exhibit A** consist of various claims that were filed as contingent claims or wholly unliquidated claims. The Liquidation Trustee has reviewed the Contingent and Unliquidated Claims and the Debtors' books and records and has concluded that the Debtors' do not have any liability for each of the claims. Moreover, the claimants asserting each of the Contingent and Unliquidated Claims have not filed amended claims or otherwise sought to assert an actual claim in a specified amount. Accordingly, as discussed in the Davis Declaration, the Debtors do not have any liability

⁵ See Section 8.1 of the Asset Purchase Agreement approved pursuant to the Sale Order [D.I. 1095].

associated with the Contingent and Unliquidated Claims and Liquidation Trustee requests that such Claims be disallowed and expunged.

(4) Liquidated Administrative Claim

21. The No Liability Claim that is identified on Schedule 4 of Exhibit A is a claim filed by a landowner for alleged royalty payments owed pursuant to oil, gas, and mineral leases with the Debtors (the "Liquidated Administrative Claim"). The claimant asserted entitlement to an administrative expense claim pursuant to Section 503(b)(9) of the Bankruptcy Code. The Liquidation Trustee has reviewed the claim and the Debtors' books and records and has determined that the Debtors do not have any liability for the claim. Accordingly, for the reasons discussed in the Davis Declaration, Liquidation Trustee requests that such Liquidated Administrative Claim be disallowed and expunged.

22. As noted above, each of the No Liability Claims reflects a proof of claim that asserts a claim for which the Liquidation Trustee believes the Debtors are not liable, based on the supporting documentation provided in the proof of claim and a reasonable review of the Debtors' books and records. After reasonable efforts, the Liquidation Trustee has been unable to locate any documentation that would substantiate the No Liability Claims, whether in full or in part.

B. Reclassified Claim

23. The Reclassified Claim identified on Exhibit B is a contingent and wholly unliquidated claim filed against the Debtors and asserts "administrative priority claims" in an "Unknown" amount for claims related to an oil and gas lease, letter agreement, and water pond agreement with the Debtors. Pursuant to Section 503(b)(1)(A) of the Bankruptcy Code, an administrative expense claim may be allowed for "the actual, necessary costs and expenses of preserving the estate." Ordinarily, an expense will be accorded administrative status (1) if it arises out of a transaction between the creditor and debtor-in-possession; and (2) only to the

extent that the consideration supporting the claimant's right to payment was both supplied to and beneficial to the debtor-in-possession in the operation of the business.” *In re Old Carco LLC*, 424 B.R. 633, 642 (Bankr. S.D.N.Y. 2010). The claimant has the burden of establishing entitlement to administrative expense priority. *Id.*

24. The Liquidation Trustee has reviewed the Reclassified Claims and has determined that the claim does not offer any facts that would entitle the claimant to an administrative expense claim. Moreover, the claimant asserting the Reclassified Claim has not filed an amended claim to establish a liquidated amount and did not file a request for payment of administrative expenses prior to the Administrative Bar Date. The Liquidation Trustee submits that any claim associated with the agreements identified in the Reclassified Claim would constitute a general unsecured claim and the Liquidation Trustee is continuing its review to determine whether the Debtors had any liability associated with the claim. Accordingly, for the reasons discussed in the Davis Declaration, Liquidation Trustee requests that the Reclassified Claim be reclassified as a general unsecured claim and subject to any further objections that the Liquidation Trustee may determine are appropriate.

RESPONSES TO THE OBJECTION

25. To contest the Liquidation Trustee’s objection to any claim listed on **Exhibit A** or **Exhibit B**, a claimant must file and serve a written response to this objection (a “Response”) so that it is **actually received by no later than February 7, 2017 at 4:00 p.m. (prevailing Eastern Time)** (the “Response Deadline”). Every Response must be filed with the Office of the Clerk of the United States Bankruptcy Court for the District of Delaware (the “Clerk”), 824 North Market Street, Wilmington, Delaware 19801, and served upon the following entities, so that the Response is actually received no later than the Response Deadline, at the following addresses:

Akin Gump Strauss Hauer & Feld LLP
1700 Pacific Avenue, Suite 4100
Dallas, Texas 75201
Attn: Charles R. Gibbs
Sarah Link Schultz

-and-

Richards, Layton & Finger, P.A.
One Rodney Square
920 North King Street
Wilmington, Delaware 19801
Attn: Paul N. Health
Amanda R. Steele

Counsel for the Liquidation Trustee

-and-

PIRINATE Consulting Group, LLC
5 Canoe Brook Drive
Livingston, New Jersey 07039
Attn: Eugene I. Davis

26. 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 Liquidation Trustee 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.

27. If a claimant fails to file and serve a timely Response by the Response Deadline, the Liquidation Trustee may present to the Court an appropriate order granting the requested relief, without further notice to the claimant or a hearing.

REPLIES TO RESPONSES

28. Consistent with Local Rule 9006-1(d), the Liquidation Trustee may, at their option, file and serve a reply to a claimant's Response no later than 4:00 p.m. (prevailing Eastern Time), one day prior to the deadline for filing the agenda for any hearing scheduled to consider this objection.

SEPARATE CONTESTED MATTERS

29. To the extent a Response is filed regarding any claim listed in this objection and the Liquidation Trustee is unable to resolve the Response, the objection by the Liquidation Trustee to such claim shall constitute a separate contested matter as contemplated by Bankruptcy Rule 9014. Any order entered by the Court regarding an objection asserted in this objection shall be deemed a separate order with respect to each claim subject thereto.

RESERVATION OF RIGHTS

30. The Liquidation Trustee hereby reserves the right to (i) file subsequent objections to any claims subject hereto on any ground; (ii) amend, modify, or supplement this objection, including, without limitation, the filing of objections to further amended or newly-filed claims; (iii) seek to expunge or reduce any claim to the extent all or a portion of such claim has been paid; and (iv) settle any claim for less than the asserted amount. Separate notice and a hearing will be provided in respect of any such additional objections.

COMPLIANCE WITH LOCAL RULE 3007-1

31. To the best of the Liquidation Trustee's knowledge and belief, this objection and the accompanying exhibits comply with Local Rule 3007-1. To the extent this objection does not comply in all respects with the requirements of Local Rule 3007-1, the undersigned believes such deviations are not material and respectfully requests that any such requirement be waived.

NOTICE

32. The Liquidation Trustee has provided notice of this objection to (a) the U.S. Trustee, Attn.: Jane Leamy, Esq.; (b) each of the claimants subject to this objection; (c) members of the Trust Advisory Board; (d) members of the Unsecured Advisory Group; and (e) any parties entitled to notice pursuant to Local Rule 2002-1(b). In view of the nature of the relief requested in this objection, the Liquidation Trustee respectfully submits that no further notice is necessary.

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WHEREFORE, for the reasons set forth herein, the Liquidation Trustee respectfully requests entry of the Proposed Order, substantially in the form in **Exhibit C** hereto, (i) disallowing and expunging the No Liability Claims identified on **Exhibit A**; (ii) reclassifying as a general unsecured claim the Reclassified Claim identified on **Exhibit B**; and (iii) granting such other and further relief as this Court deems just and proper.

Wilmington, Delaware
Date: January 17, 2017

/s/ Amanda R. Steele

RICHARDS, LAYTON & FINGER, P.A.

Paul N. Heath (DE 3704)

Amanda R. Steele (DE 5530)

One Rodney Square

920 North King Street

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– and –

AKIN GUMP STRAUSS HAUER & FELD LLP

Charles R. Gibbs (admitted *pro hac vice*)

Sarah Link Schultz (admitted *pro hac vice*)

1700 Pacific Avenue, Suite 4100

Dallas, Texas 75201

Telephone: (214) 969-2800

Facsimile: (214) 969-4343

**COUNSEL FOR THE LIQUIDATION
TRUSTEE**

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**

)	
In re:	)	Chapter 11
)	
Quicksilver Resources Inc., <u>et al.</u> , ¹	)	Case No. 15-10585 (LSS)
)	
Debtors.	)	Jointly Administered
)	
	)	Hearing Date: Feb. 21, 2017 at 10:00 a.m. (ET)
	)	Response Deadline: Feb. 7, 2017 at 4:00 p.m. (ET)

NOTICE OF OMNIBUS OBJECTION AND HEARING

PLEASE TAKE NOTICE that, on January 17, 2017, Eugene I. Davis, in his capacity as the liquidation trustee (the “Liquidation Trustee”) for the KWK Liquidation Trust (the “Liquidation Trust”) filed with the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) the *Liquidation Trustee’s Sixth Omnibus Objection (Substantive) to Certain Claims (A) for Which the Debtors Have No Liability or (B) Which Should be Reclassified* (the “Objection”) which seeks to disallow or reclassify certain claims. **Your claim(s) may be disallowed or reclassified 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 LIQUIDATING TRUSTEE OR

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Quicksilver Resources Inc. (“Quicksilver”) [6163]; Barnett Shale Operating LLC [0257]; Cowtown Drilling, Inc. [8899]; Cowtown Gas Processing L.P. [1404]; Cowtown Pipeline Funding, Inc. [9774]; Cowtown Pipeline L.P. [9769]; Cowtown Pipeline Management, Inc. [9771]; Makarios Resources International Holdings LLC [1765]; Makarios Resources International Inc. [7612]; QPP Holdings LLC [0057]; QPP Parent LLC [8748]; Quicksilver Production Partners GP LLC [2701]; Quicksilver Production Partners LP [9129]; and Silver Stream Pipeline Company LLC [9384].

OTHERWISE. THE RELIEF SOUGHT HEREIN IS WITHOUT PREJUDICE TO THE LIQUIDATING TRUSTEE'S 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; (ii) counsel for the Liquidating Trustee, (a) Akin Gump Strauss Hauer & Feld LLP, 1700 Pacific Avenue, Suite 4100, Dallas, Texas 75201 (Attn: Charles R. Gibbs and Sarah Link Schultz), and (c) Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, Delaware 19801 (Attn: Paul N. Heath and Amanda R. Steele); and (iii) the Liquidating Trustee, PIRINATE Consulting Group, LLC, 5 Canoe Brook Drive, Livingston, New Jersey 07039 (Attn: Eugene I. Davis) so as to be received on or before **February 7, 2017 at 4:00 p.m. (prevailing 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 Liquidating Trustee 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.

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 Laurie Selber Silverstein, United States Bankruptcy Judge for the District of Delaware, at the Bankruptcy Court, 824 North Market Street, 6th Floor, Courtroom 2, Wilmington, Delaware 19801 on **February 21, 2017 at 10:00 a.m. (prevailing 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.

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Wilmington, Delaware
Date: January 17, 2017

/s/ Amanda R. Steele

RICHARDS, LAYTON & FINGER, P.A.

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– and –

AKIN GUMP STRAUSS HAUER & FELD LLP

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Sarah Link Schultz (admitted *pro hac vice*)

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Facsimile: (214) 969-4343

**COUNSEL FOR THE LIQUIDATION
TRUSTEE**

EXHIBIT A

No Liability Claims

Exhibit A - No Liability Claims

Schedule 1 – Contingent D&O Indemnity Claims

Sixth Omnibus Objection to Claims

Quicksilver Resources Inc., et al.
Case No. 15-10585 (LSS), Jointly Administered

Note: Claimants are listed alphabetically.

SEQ NO.	CLAIM(S) TO BE DISALLOWED & EXPUNGED				REASON FOR DISALLOWANCE
	NAME	DATE FILED	CLAIM NO.	CLAIM AMOUNT	
1	BLUM, CLAY 3505 KASMIER COURT ARLINGTON, TX 76001 Debtor: Quicksilver Resources Inc.	07/27/15	393	Unsecured: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
2	CALLANAN, JOHN 801 CHERRY STREET SUITE 3700 UNIT 19 FORT WORTH, TX 76102 Debtor: Quicksilver Resources Inc.	07/27/15	413	Unsecured: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
3	DARDEN, GLENN C/O LOUIS R. STRUBECK, JR. NORTON ROSE FULBRIGHT US LLP 2200 ROSS AVENUE, SUITE 3600 DALLAS, TX 75201 Debtor: Quicksilver Resources Inc.	07/30/15	510	Admin: Unliquidated Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
4	DARDEN, GLENN C/O LOUIS R. STRUBECK, JR. NORTON ROSE FULBRIGHT US LLP 2200 ROSS AVENUE, SUITE 3600 DALLAS, TX 75201 Debtor: Barnett Shale Operating LLC	07/30/15	511	Admin: Unliquidated Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
5	DARDEN, GLENN C/O LOUIS R. STRUBECK, JR. NORTON ROSE FULBRIGHT US LLP 2200 ROSS AVENUE, SUITE 3600 DALLAS, TX 75201 Debtor: Cowtown Drilling, Inc.	07/30/15	512	Admin: Unliquidated Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
6	DARDEN, GLENN C/O LOUIS R. STRUBECK, JR. NORTON ROSE FULBRIGHT US LLP 2200 ROSS AVENUE, SUITE 3600 DALLAS, TX 75201 Debtor: Cowtown Pipeline Funding, Inc.	07/30/15	513	Admin: Unliquidated Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
7	DARDEN, GLENN C/O LOUIS R. STRUBECK, JR. NORTON ROSE FULBRIGHT US LLP 2200 ROSS AVENUE, SUITE 3600 DALLAS, TX 75201 Debtor: Cowtown Pipeline Management, Inc.	07/30/15	514	Admin: Unliquidated Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
8	DARDEN, GLENN C/O LOUIS R. STRUBECK, JR. NORTON ROSE FULBRIGHT US LLP 2200 ROSS AVENUE, SUITE 3600 DALLAS, TX 75201 Debtor: Makarios Resources International Inc.	07/30/15	515	Admin: Unliquidated Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
9	DARDEN, GLENN C/O LOUIS R. STRUBECK, JR. NORTON ROSE FULBRIGHT US LLP 2200 ROSS AVENUE, SUITE 3600 DALLAS, TX 75201 Debtor: QPP Holdings LLC	07/30/15	516	Admin: Unliquidated Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
10	DARDEN, GLENN C/O LOUIS R. STRUBECK, JR. NORTON ROSE FULBRIGHT US LLP 2200 ROSS AVENUE, SUITE 3600 DALLAS, TX 75201 Debtor: Quicksilver Production Partners GP LLC	07/30/15	517	Admin: Unliquidated Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.

Exhibit A - No Liability Claims

Schedule 1 – Contingent D&O Indemnity Claims

Sixth Omnibus Objection to Claims

Quicksilver Resources Inc., et al.
Case No. 15-10585 (LSS), Jointly Administered

Note: Claimants are listed alphabetically.

SEQ NO.	CLAIM(S) TO BE DISALLOWED & EXPUNGED				REASON FOR DISALLOWANCE
	NAME	DATE FILED	CLAIM NO.	CLAIM AMOUNT	
11	DARDEN, GLENN C/O LOUIS R. STRUBECK, JR. NORTON ROSE FULBRIGHT US LLP 2200 ROSS AVENUE, SUITE 3600 DALLAS, TX 75201 Debtor: Silver Stream Pipeline Company LLC	07/30/15	518	Admin: Unliquidated Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
12	DUNN, W BYRON C/O LOUIS R. STRUBECK, JR. NORTON ROSE FULBRIGHT US LLP 2200 ROSS AVENUE, SUITE 3600 DALLAS, TX 75201 Debtor: Quicksilver Resources Inc.	07/30/15	504	Admin: Unliquidated Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
13	GOMEZ, VANESSA 3924 LENOX DR FORT WORTH, TX 76107 Debtor: Quicksilver Resources Inc.	07/30/15	482	Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
14	GOMEZ, VANESSA 3924 LENOX DR FORT WORTH, TX 76107 Debtor: Quicksilver Production Partners LP	07/30/15	483	Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
15	GOMEZ, VANESSA 3924 LENOX DR FORT WORTH, TX 76107 Debtor: Quicksilver Production Partners GP LLC	07/30/15	484	Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
16	GOMEZ, VANESSA 3924 LENOX DR FORT WORTH, TX 76107 Debtor: QPP Parent LLC	07/30/15	485	Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
17	GOMEZ, VANESSA 3924 LENOX DR FORT WORTH, TX 76107 Debtor: QPP Holdings LLC	07/30/15	486	Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
18	GOMEZ, VANESSA 3924 LENOX DR FORT WORTH, TX 76107 Debtor: Makarios Resources International Inc.	07/30/15	487	Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
19	GOMEZ, VANESSA 3924 LENOX DR FORT WORTH, TX 76107 Debtor: Makarios Resources International Holdings LLC	07/30/15	488	Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
20	GOMEZ, VANESSA 3924 LENOX DR FORT WORTH, TX 76107 Debtor: Cowtown Pipeline Management, Inc.	07/30/15	489	Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
21	GOMEZ, VANESSA 3924 LENOX DR FORT WORTH, TX 76107 Debtor: Cowtown Pipeline Funding, Inc.	07/30/15	491	Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
22	GOMEZ, VANESSA 3924 LENOX DR FORT WORTH, TX 76107 Debtor: Cowtown Gas Processing L.P.	07/30/15	492	Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.

Exhibit A - No Liability Claims

Schedule 1 – Contingent D&O Indemnity Claims

Sixth Omnibus Objection to Claims

Quicksilver Resources Inc., et al.
Case No. 15-10585 (LSS), Jointly Administered

Note: Claimants are listed alphabetically.

SEQ NO.	CLAIM(S) TO BE DISALLOWED & EXPUNGED				REASON FOR DISALLOWANCE
	NAME	DATE FILED	CLAIM NO.	CLAIM AMOUNT	
23	GOMEZ, VANESSA 3924 LENOX DR FORT WORTH, TX 76107 Debtor: Cowtown Drilling, Inc.	07/30/15	493	Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
24	GOMEZ, VANESSA 3924 LENOX DR FORT WORTH, TX 76107 Debtor: Barnett Shale Operating LLC	07/30/15	494	Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
25	GOMEZ, VANESSA 3924 LENOX DR FORT WORTH, TX 76107 Debtor: Silver Stream Pipeline Company LLC	07/30/15	495	Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
26	GOMEZ, VANESSA 3924 LENOX DR FORT WORTH, TX 76107 Debtor: Cowtown Pipeline L.P.	07/30/15	490	Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
27	HOUSE, ANN B 3920 POTOMAC AVE FORT WORTH, TX 76107 Debtor: Quicksilver Resources Inc.	07/15/15	310	Unsecured: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
28	MASSEY, ROMY VICE PRESIDENT - CAO AND ASSISTANT SECRE 801 CHERRY STREET SUITE 3700 UNIT 19 FORT WORTH, TX 76102 Debtor: Quicksilver Resources Inc.	07/23/15	370	Unsecured: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
29	MCGOVERN, MICHAEL Y C/O LOUIS R. STRUBECK, JR. NORTON ROSE FULBRIGHT US LLP 2200 ROSS AVENUE, SUITE 3600 DALLAS, TX 75201 Debtor: Quicksilver Resources Inc.	07/30/15	505	Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
30	MORRIS, STEVEN M C/O LOUIS R. STRUBECK, JR. NORTON ROSE FULBRIGHT US LLP 2200 ROSS AVENUE, SUITE 3600 DALLAS, TX 75201 Debtor: Quicksilver Resources Inc.	07/30/15	502	Admin: Unliquidated Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
31	PAGE, STAN SENIOR VP - US OPERATIONS 801 CHERRY STREET, SUITE 4000 FORT WORTH, TX 76102 Debtor: Quicksilver Resources Inc.	07/23/15	369	Unsecured: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
32	PINSONNAULT, SCOTT M C/O LOUIS R. STRUBECK, JR. NORTON ROSE FULBRIGHT US LLP 2200 ROSS AVENUE, SUITE 3600 DALLAS, TX 75201 Debtor: Quicksilver Resources Inc.	07/30/15	506	Admin: Unliquidated Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
33	REGAN, JOHN C VINE OIL AND GAS 5800 GRANITE PARKWAY #550 PLANO, TX 75024 Debtor: Quicksilver Resources Inc.	07/31/15	544	Unsecured: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.

Exhibit A - No Liability Claims

Schedule 1 – Contingent D&O Indemnity Claims

Sixth Omnibus Objection to Claims

Quicksilver Resources Inc., *et al.*
Case No. 15-10585 (LSS), Jointly Administered

Note: Claimants are listed alphabetically.

SEQ NO.	CLAIM(S) TO BE DISALLOWED & EXPUNGED				REASON FOR DISALLOWANCE
	NAME	DATE FILED	CLAIM NO.	CLAIM AMOUNT	
34	ROGERS, III, W YANDELL C/O LOUIS R. STRUBECK, JR. NORTON ROSE FULBRIGHT US LLP 2200 ROSS AVENUE, SUITE 3600 DALLAS, TX 75201 Debtor: Quicksilver Resources Inc.	07/30/15	499	Admin: Unliquidated Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
35	RUPNOW, CLIFFORD VP - PRODUCT MARKETING AND TRANSPORTATIO 801 CHERRY STREET SUITE 3700 UNIT 19 FORT WORTH, TX 76102 Debtor: Quicksilver Resources Inc.	07/30/15	455	Unsecured: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
36	SELF, ANNE D C/O LOUIS R. STRUBECK, JR. NORTON ROSE FULBRIGHT US LLP 2200 ROSS AVENUE, SUITE 3600 DALLAS, TX 75201 Debtor: Quicksilver Resources Inc.	07/30/15	507	Admin: Unliquidated Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
37	SELF, ANNE D C/O LOUIS R. STRUBECK, JR. NORTON ROSE FULBRIGHT US LLP 2200 ROSS AVENUE, SUITE 3600 DALLAS, TX 75201 Debtor: Makarios Resources International Inc.	07/30/15	508	Admin: Unliquidated Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
38	SELF, ANNE D C/O LOUIS R. STRUBECK, JR. NORTON ROSE FULBRIGHT US LLP 2200 ROSS AVENUE, SUITE 3600 DALLAS, TX 75201 Debtor: Quicksilver Production Partners GP LLC	07/30/15	509	Admin: Unliquidated Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
39	VILLAMAR, FRANCISCO SECRETARY 801 CHERRY STREET, SUITE 4000 FORT WORTH, TX 76102 Debtor: Quicksilver Resources Inc.	07/14/15	300	Unsecured: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.
40	WARNER, MARK J C/O LOUIS R. STRUBECK, JR. NORTON ROSE FULBRIGHT US LLP 2200 ROSS AVENUE, SUITE 3600 DALLAS, TX 75201 Debtor: Quicksilver Resources Inc.	07/30/15	501	Admin: Unliquidated Priority: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability. The D&O indemnification obligations were assumed by the Liquidation Trust.

Exhibit A - No Liability Claims Schedule 2 – Property Tax Claims

Sixth Omnibus Objection to Claims

Quicksilver Resources Inc., et al.
Case No. 15-10585 (LSS), Jointly Administered

Note: Claimants are listed alphabetically.

SEQ NO.	CLAIM(S) TO BE DISALLOWED & EXPUNGED				REASON FOR DISALLOWANCE
	NAME	DATE FILED	CLAIM NO.	CLAIM AMOUNT	
1	HILL COUNTY APPRAISAL DISTRICT C/O MCCREARY VESELKA BRAGG & ALLEN PC ATTN LEE GORDON PO BOX 1269 ROUND ROCK, TX 78680 Debtor: Quicksilver Resources Inc.	01/27/16	626	Admin: \$141,985.02* Secured: \$141,985.02*	The liabilities were assumed by Bluestone and the Debtors have no outstanding obligations.
2	THE COUNTY OF DENTON TEXAS C/O MCCRARY VESELKA BRAGG & ALLEN PC ATTN LEE GORDON PO BOX 1269 ROUND ROCK, TX 78680 Debtor: Quicksilver Resources Inc.	01/27/16	629	Admin: \$158,070.75* Secured: \$158,070.75*	The liabilities were assumed by Bluestone and the Debtors have no outstanding obligations.
3	THE COUNTY OF HILL TEXAS C/O MCCREARY VESELKA BRAGG & ALLEN PC ATTN LEE GORDON PO BOX 1269 ROUND ROCK, TX 78680 Debtor: Quicksilver Resources Inc.	01/27/16	628	Admin: \$67,146.36* Secured: \$67,146.36*	The liabilities were assumed by Bluestone and the Debtors have no outstanding obligations.

* Denotes an unliquidated component.

Exhibit A - No Liability Claims

Schedule 3 - Contingent and Unliquidated Claims

Sixth Omnibus Objection to Claims

Quicksilver Resources Inc., et al.
Case No. 15-10585 (LSS), Jointly Administered

Note: Claimants are listed alphabetically.

SEQ NO.	CLAIM(S) TO BE DISALLOWED & EXPUNGED				REASON FOR DISALLOWANCE
	NAME	DATE FILED	CLAIM NO.	CLAIM AMOUNT	
1	ACE AMERICAN INSURANCE COMPANY C/O ACE GROUP ATTN JOY J BERNSTEIN, ESQ 436 WALNUT ST WA04K PHILADELPHIA, PA 19106 Debtor: Quicksilver Resources Inc.	05/01/15	76	Unsecured: \$0.00*	The claims are contingent and unliquidated and the Debtors have no liability on their books and records.
2	ARCH INSURANCE COMPANY C/O ARCH INSURANCE GROUP INC ATTN FRANCINE PETROSINO, LEGAL ASSISTANT 300 PLAZA THREE 3RD FL JERSEY CITY, NJ 07311 Debtor: Quicksilver Resources Inc.	07/31/15	530	Admin: Unliquidated Secured: Unliquidated Priority: Unliquidated Unsecured: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability on their books and records.
3	BRAZOS ELECTRIC POWER COOPERATIVE INC ATTN CLIFTON KARNEI 7616 BAGBY AVE WACO, TX 76712 Debtor: Quicksilver Resources Inc.	07/31/15	531	Unsecured: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability on their books and records.
4	CHEVRON USA INC C/O CHEVRON UPSTREAM LAW ATTN EMILY PIPKIN BLACKWELL ESQ 1400 SMITH ST RM 05198 HOUSTON, TX 77002 Debtor: Quicksilver Resources Inc.	07/30/15	461	Admin: Unliquidated Secured: Unliquidated Unsecured: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability on their books and records.
5	EADES, JACK D JR 105 CLIFFSIDE DR SOUTH BURLESON, TX 76028 Debtor: Quicksilver Resources Inc.	07/07/15	220	Admin: Unliquidated Secured: Unliquidated Priority: Unliquidated Unsecured: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability on their books and records.
6	LEVEL 3 COMMUNICATIONS, LLC ATTN PRESIDENT, MANAGING OR GENERAL AGEN 1025 ELDORADO BLVD BROOMFIELD, CO 80021 Debtor: Quicksilver Resources Inc.	09/30/16	668	Admin: Unliquidated Secured: Unliquidated Priority: Unliquidated Unsecured: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability on their books and records.
7	UPSTREAM TAX CONSULTING LLC C/O SHANNON GRACEY RATLIFF & MILLER LLP ATTN JOSHUA N EPPICH 901 MAIN ST STE 4600 DALLAS, TX 75202 Debtor: Quicksilver Resources Inc.	07/21/15	348	Admin: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability on their books and records.
8	XTO ENERGY INC C/O FORSHEY & PROSTOK LLP ATTN J ROBERT FORSHEY 777 MAIN ST STE 1290 FORT WORTH, TX 76102 Debtor: Quicksilver Resources Inc.	07/31/15	534	Unsecured: Unliquidated	The claims are contingent and unliquidated and the Debtors have no liability on their books and records.

* Denotes an unliquidated component.

Exhibit A - No Liability Claims Schedule 4 – Liquidated Administrative Claims

Sixth Omnibus Objection to Claims

Quicksilver Resources Inc., *et al.*
Case No. 15-10585 (LSS), Jointly Administered

Note: Claimants are listed alphabetically.

SEQ NO.	CLAIM(S) TO BE DISALLOWED & EXPUNGED				REASON FOR DISALLOWANCE
	NAME	DATE FILED	CLAIM NO.	CLAIM AMOUNT	
1	BROOKS, CURTIS & MARIE L PO BOX 153 CURTIS & MARIE L RAINBOW, TX 76077 Debtor: Quicksilver Resources Inc.	07/27/15	395	503(b)(9): \$35,000.00	The Debtors have no outstanding liability to claimant on their books and records.

Exhibit B

Reclassified Claim

Exhibit B - Reclassified Claim

Sixth Omnibus Objection to Claims

Quicksilver Resources Inc., et al.
Case No. 15-10585 (LSS), Jointly Administered

Note: Claimants are listed alphabetically.

SEQ NO.	CLAIM(S) TO BE MODIFIED			REASON FOR MODIFICATION
	NAME	CLAIM NO.	ASSERTED CLASSIFICATION AND CLAIMED AMOUNT	
1	STEINER VALLEY LIMITED PARTNERSHIP A TEXAS LP C/O GOODRICH POSTNIKOFF & ASSOCIATES LLP ATTN JOSEPH F POSTNIKOFF 801 CHERRY ST UNIT 15 FORT WORTH, TX 76102 Date Filed: 07/29/15 Debtor: Quicksilver Resources Inc.	430	Admin: Unliquidated Priority: Unliquidated	General Unsecured The claim is not entitled to administrative expense priority.

EXHIBIT C

Proposed Order

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

)	
In re:	)	Chapter 11
)	
Quicksilver Resources Inc., <u>et al.</u> , ¹	)	Case No. 15-10585 (LSS)
)	
Debtors.	)	Jointly Administered
)	

**ORDER (A) DISALLOWING AND EXPUNGING CERTAIN
CLAIMS FOR WHICH THE DEBTORS HAVE NO LIABILITY AND
(B) RECLASSIFYING CERTAIN CLAIMS**

Upon the objection of the Liquidation Trustee,² pursuant to Bankruptcy Code sections 105 and 502, Bankruptcy Rule 3007, and Local Rule 3007-1, to the No Liability Claims and the Reclassified Claims; and the Court having jurisdiction to consider the objection and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the objection and the relief requested therein being a core proceeding in accordance with 28 U.S.C. § 157(b)(2); and venue being proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the objection being adequate and appropriate under the particular circumstances; and the Court having considered the Davis Declaration and found and determined that the relief sought in the objection is in the best interests of the Debtors’ estates, the Debtors’ creditors, and other parties in interest and that the legal and factual bases set forth in the

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Quicksilver Resources Inc. (“Quicksilver”) [6163]; Barnett Shale Operating LLC [0257]; Cowtown Drilling, Inc. [8899]; Cowtown Gas Processing L.P. [1404]; Cowtown Pipeline Funding, Inc. [9774]; Cowtown Pipeline L.P. [9769]; Cowtown Pipeline Management, Inc. [9771]; Makarios Resources International Holdings LLC [1765]; Makarios Resources International Inc. [7612]; QPP Holdings LLC [0057]; QPP Parent LLC [8748]; Quicksilver Production Partners GP LLC [2701]; Quicksilver Production Partners LP [9129]; and Silver Stream Pipeline Company LLC [9384].

² All capitalized terms not otherwise defined herein are to be given the meanings ascribed to them in the objection.

objection establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED**:

1. The objection is sustained to the extent provided herein.
2. The No Liability Claims listed on **Exhibit A** to the Objection under the heading labeled “Claims to be Disallowed & Expunged” are disallowed and expunged in their entirety.
3. The Reclassified Claim listed on **Exhibit B** to the Objection is reclassified as a general unsecured claim without prejudice to the right of the Liquidation Trustee to assert further objections with respect to any alleged liability related to the Reclassified Claim.
4. The Liquidation Trustee’s rights to (i) file subsequent objections to any claims on any ground; (ii) amend, modify, or supplement the objection, including, without limitation, the filing of objections to further amended or newly-filed claims; (iii) seek to expunge or reduce any claim to the extent all or a portion of such claim has been paid; and (iv) settle any claim for less than the asserted amount are expressly preserved. Additionally, should the objection be denied, the Liquidation Trustee’s rights to object to the No Liability Claims and the Reclassified Claim on any grounds other than those set forth in the objection are preserved.
5. The objection by the Liquidation Trustee to each claim, as addressed in the objection and as set forth in **Exhibit A** and **Exhibit B**, constitutes a separate contested matter as contemplated by Bankruptcy Rule 9014 and Local Rule 3007-1. This Order shall be deemed a separate Order with respect to each claim that is the subject of the objection. Any stay of this Order pending appeal by any claimants whose claims are subject to this Order shall only apply to the contested matter that involves such claimant and shall not act to stay the applicability and/or finality of this Order with respect to any other contested matters addressed in the objection and this Order.

6. The Liquidation Trustee, GCG, and the Clerk are authorized to take any and all actions that are necessary or appropriate to give effect to this Order.

7. This Court shall retain jurisdiction over the Liquidation Trustee and the claimants whose claims are the subject of the objection with respect to any matters related to or arising from the objection or the implementation of this Order.

Wilmington, Delaware

Date: _____, 2017

The Honorable Laurie Selber Silverstein
United States Bankruptcy Judge

EXHIBIT D

Davis Declaration

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

In re:)	
	)	Chapter 11
Quicksilver Resources Inc., <u>et al.</u> , ¹	)	Case No. 15-10585 (LSS)
)	
Debtors.	)	Jointly Administered
)	

**DECLARATION OF THE LIQUIDATION TRUSTEE IN SUPPORT OF
SIXTH (SUBSTANTIVE) OMNIBUS OBJECTION TO CERTAIN
CLAIMS (A) FOR WHICH THE DEBTORS HAVE NO LIABILITY AND (B)
WHICH SHOULD BE RECLASSIFIED**

I, Eugene I. Davis, pursuant to 28 U.S.C. § 1746, hereby declare under penalty of perjury that the following is true and correct to the best of my knowledge, information, and belief:

1. I am the Liquidation Trustee² of the KWK Liquidation Trust, the trust established pursuant to the *First Amended Joint Chapter 11 Plan of Liquidation for Quicksilver Resources Inc. and its Affiliated Debtors* (the “Plan”). As the Liquidation Trustee, I am responsible for reconciling claims asserted against the Debtors and, if necessary, prosecuting objections to Disputed Claims asserted against the Debtors.

2. I submit this declaration (the “Declaration”) in support of the *Liquidation Trustee’s Sixth (Substantive) Omnibus Objection to Certain Claims (A) for Which the Debtors Have No Liability and (B) Which Should Be Reclassified*, dated as of the date hereof and filed contemporaneously herewith.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Quicksilver Resources Inc. [6163]; Barnett Shale Operating LLC [0257]; Cowtown Drilling, Inc. [8899]; Cowtown Gas Processing L.P. [1404]; Cowtown Pipeline Funding, Inc. [9774]; Cowtown Pipeline L.P. [9769]; Cowtown Pipeline Management, Inc. [9771]; Makarios Resources International Holdings LLC [1765]; Makarios Resources International Inc. [7612]; QPP Holdings LLC [0057]; QPP Parent LLC [8748]; Quicksilver Production Partners GP LLC [2701]; Quicksilver Production Partners LP [9129]; and Silver Stream Pipeline Company LLC [9384].

² All capitalized terms not otherwise defined herein are to be given the meanings ascribed to them in the objection.

3. All statements in this Declaration are based upon my personal knowledge, my review (or the review of the advisors or consultants under my supervision) of (a) business records kept by the Debtors in the ordinary course of business, (b) the relevant proofs of claim, (c) the Schedules and Statements, or (d) the official register of claims filed in the Debtors' cases.

4. The proofs of claim subject to the objection were carefully reviewed and analyzed in good faith using due diligence by myself and appropriate personnel of the Debtors, Deloitte Transactions and Business Analytics LLP, Akin Gump Strauss Hauer & Feld LLP, and GCG. These efforts resulted in the identification of the No Liability Claims identified on **Exhibit A** and the Reclassified Claim identified on **Exhibit B**.

A. No Liability Claims

5. The No Liability Claims that are listed on **Exhibit A** consist of certain wholly unliquidated and contingent claims and certain claims in a liquidated amount for which I believe that the Debtors have no liability. These claims generally fall into one of the following categories: (1) Contingent D&O Indemnity Claims; (2) Property Tax Claims; (3) Contingent and Unliquidated Claims; and (4) Liquidated Administrative Claim. For the reasons described below, I believe that each of the No Liability Claims should be disallowed and expunged.

(1) **Contingent D&O Indemnity Claims**

6. The No Liability Claims that are identified on **Schedule 1** of **Exhibit A** consist of contingent and unliquidated claims filed by the Debtors' former directors and officers for alleged indemnification obligations (the "**Contingent D&O Indemnity Claims**"). I have reviewed the Contingent D&O Indemnity Claims and I believe that the Debtors have no liability on account of such claims. I also believe that each of the Contingent D&O Liability Claims was filed as a protective measure rather than as an attempt to assert an actual claim for indemnification obligations.

7. I am not aware of any actual claim for indemnification asserted by any of the former directors and officers. In addition, pursuant to the Plan, the Debtors' indemnification obligations for current and former directors and officers were assumed and assigned to the Liquidation Trust. See Plan at ¶ 5.11. The assumption of such obligations was in addition to the "tail insurance" that was purchased prepetition by the Debtors in favor of their directors and officers. Therefore, I believe that the former directors and officers are adequately protected in the event that any claims were to arise in the future.

8. I am also advised by counsel that the Contingent D&O Indemnity Claims should be disallowed pursuant to Section 502(e)(1)(B) of the Bankruptcy Code. For the foregoing reasons, I believe that the Debtors have no liability for the Contingent D&O Indemnity Claims.

(2) Property Tax Claims

9. The No Liability Claims that are identified on Schedule 2 of **Exhibit A** consist of the following administrative priority claims for estimated 2016 property taxes (the "Property Tax Claims"):

- (i) **Hill County Appraisal District (Claim No. 626) and The County of Hill, Texas (Claim No. 628)**: Hill County filed duplicative administrative priority claims in the amount of \$141,985.02 for estimated 2016 property taxes for a property in Hill County.
- (ii) **County of Denton, Texas (Claim No. 629)**: The County of Denton filed a proof of claim asserting an administrative priority claim in the amount of \$158,070.75 for the estimated 2016 property taxes for a property in Denton County.

10. Pursuant to the Sale, Bluestone assumed responsibility for the actual payment of any taxes relating to a tax year ending after the closing date (including 2016 property taxes).³ As part of the final settlement statement, the Debtors paid approximately \$1.7 million to Bluestone for its share of property tax obligations arising prior to the closing of the Sale. Therefore, the

³ See Section 8.1 of the Asset Purchase Agreement approved pursuant to the Sale Order [D.I. 1095].

Debtors do not have any liability associated with the Property Tax Claims and I believe that such claims should be disallowed and expunged.

(3) Contingent and Unliquidated Claims

11. The No Liability Claims that are identified on Schedule 3 of Exhibit A consist of following claims that were filed as contingent claims or wholly unliquidated claims.

- (i) **ACE American Insurance Company (Claim No. 76); Arch Insurance Company (Claim No. 530); and Illinois National Insurance Company (Claim No. 181)** (collectively, the “Insurance Claims”): Each of the Insurance Claims was filed in a unliquidated amount relating to prepetition insurance policies that were held by the Debtors. The Debtors satisfied all of their obligations to their insurers during the pendency of the chapter 11 cases and none of the claimants have asserted a further claim for any unpaid liabilities. Based on a review of the Debtors’ books and records, I believe that the Debtors do not have any liability related to the Insurance Claims.
- (ii) **Brazos Electric Power Cooperative Inc. (Claim No. 531)**: The claim was filed in an unliquidated amount relating to the Debtors’ obligations under a certain Electric Agreement and a substation built by Claimant for the Debtors’ use. I have reviewed the Debtors’ books and records and did not identify any amounts owed to the claimant. Further, the claimant’s prepetition agreements with the Debtors were assumed and assigned to Bluestone in connection with the Sale.
- (iii) **Chevron USA Inc. (Claim No. 461)**: The claim was filed in an unliquidated amount relating to various prepetition agreements that the claimant had with the Debtors. In the proof of claim, the claimant acknowledged that the Debtors were current on their obligations under each of the agreements and my review of the Debtors’ books and records confirmed that the Debtors satisfied all obligations under the respective agreements. The claimant has not asserted a further claim for any unpaid liabilities and I believe that the Debtors have no liability associated with the claim.
- (iv) **Eades, Jack D. Jr. (Claim No. 220)**: The claim was filed in an unliquidated amount related to one of the Debtors’ oil, gas, and mineral leases. I have reviewed the Debtors’ books and records and confirmed that the claimant was paid all royalties that were owed and the claimant received the last payment from the Debtors in the amount of \$452.85 on May 16, 2016. There are no outstanding liabilities associated with this claim.
- (v) **Level 3 Communications, LLC (Claim No. 668)**: The claim was filed in an unliquidated amount and allegedly relates to “contract rejection” with no additional description of the claim. I have reviewed the Debtors’ books and records and did not identify any contract rejection damages that would be owed to the claimant. In fact, the claimant’s prepetition

agreements with the Debtors were assumed and assigned to Bluestone in connection with the Sale.

- (vi) **Upstream Tax Consulting, LLC (Claim No. 348):** The claim was filed in an unliquidated amount relating to a certain Consulting Agreement in the event that the Debtors did not follow through on their contractual obligations. The claimant was designated an ordinary course professional and received payment during the chapter 11 cases in accordance with such procedures. I have reviewed the Debtors' books and record and determined that the Debtors have no outstanding amounts owed to the Claimant. Indeed, the proof of claim states that the claim filed as a protective measure and the claimant has not asserted a further claim for any unpaid liabilities.
- (vii) **XTO Energy, Inc. (Claim No. 534):** The claim was filed in an unliquidated amount relating to various prepetition joint operating agreements that the claimant had with the Debtors. In the proof of claim, the claimant acknowledged that it was not aware of an amounts due to the claimant and the claimant has not asserted a further claim in a liquidated amount. In fact, the claimant's prepetition agreements with the Debtors were assumed and assigned to Bluestone in connection with the Sale and my review of the Debtors' books and records confirmed that the Debtors satisfied all obligations under the respective agreements.

12. For the reasons stated above, I believe that the Debtors have no liability associated with any of the Contingent and Unliquidated Claims and such claims should be disallowed and expunged.

(4) Liquidated Administrative Claim

13. The No Liability Claim that is identified on Schedule 4 of **Exhibit A** is described below:

- (i) **Brooks, Curtis and Marie L. (Claim No. 395):** The claimant filed a proof of claim asserting an administrative priority claim pursuant to Section 503(b)(9) of the Bankruptcy Code in the amount of \$35,000 related to alleged royalties owed by the Debtors pursuant to certain oil, gas, and mineral leases (the "Brooks Leases"). The claim appears to aver that the Debtors undercompensated Claimant for their royalty interests due under the Brooks Leases. I reviewed the Debtors' books and records, and the Debtors' electronic database of mineral lease production, and determined that the claimant has received all royalties that were owed. The claim sought explanation regarding the decline in production and corresponding decline in royalty payments. Such decline can be explained by a number of factors. First, gas wells typically start with their best production when initially drilled and very often have steep decline curves. Second, the claimant initially had an interest in three active wells, but two of the three wells were subsequently shut-in, leading to a decline in royalties. Third, during the relevant time period, the market price for

natural gas declined. I also note that the Debtors maintained a landowner relations site that produced detailed production records that were available for review by all landowners. The proof of claim does not provide a basis for the amount asserted and nothing in the claim purports to give a reason for administrative priority. In addition, the Brooks Leases were assigned to Bluestone in connection with the Sale and any royalty payments after the effective date of the Sale would be an obligation of Bluestone. As noted above, I have determined that all royalties owed by the Debtors have been paid and there are no outstanding liabilities owed to the claimant.

14. For the reasons stated above, I believe that the Debtors have no liability associated with any of the Liquidated Administrative Claim and such claim should be disallowed and expunged

B. Reclassified Claim

15. The Reclassified Claim identified on **Exhibit B** is described below.

- (i) **Steiner Valley Limited Partnership (Claim No. 430)**: The claim asserts unliquidated claims, including administrative priority claims, that may arise pursuant to (a) a certain Oil, Gas and Mineral Lease dated June 11, 2004, (b) a certain Letter Agreement, dated June 9, 2009, and (c) a certain Water Pond Agreement dated June 7, 2010. I reviewed the Debtors books and records and determined that any claims associated with the foregoing agreements would have arisen prepetition and would be general unsecured claims. Moreover, the claimant does not provide a basis for entitlement to administrative priority status and the claimant did not file a request for payment of administrative expenses prior to the Administrative Bar Date.

16. For the reasons stated above, I believe that any liabilities associated with the Reclassified Claim would be a general unsecured claim and subject to further review to determine whether any amounts are owed by the Debtors to the claimant.

CONCLUSION

17. The information contained in the objection and accompanying exhibits is true and correct to the best of my knowledge and belief.

18. For the reasons set forth above, I respectfully submit that the No Liability Claims listed on **Exhibit A** should be disallowed in their entirety and the Reclassified Claim listed on **Exhibit B** should be reclassified as a general unsecured claim.

[remainder of page intentionally left blank]

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Executed this 17th day of January, 2017.

A handwritten signature in blue ink, appearing to read 'E. Davis', written over a horizontal line.

Eugene I. Davis, solely in my capacity as
the Liquidation Trustee of the KWK
Liquidation Trust.