

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

In re:)	
	)	Chapter 11
SAMSON RESOURCES CORPORATION, <i>et al.</i> , ¹	)	Case No. 15-11934 (CSS)
)	
Debtors.	)	(Jointly Administered)
)	

**DEBTORS’ MOTION FOR ENTRY OF AN ORDER AUTHORIZING
REJECTION OF LEASES EFFECTIVE *NUNC PRO TUNC* TO AUGUST 31, 2016**

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

Relief Requested

1. The Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Order”), authorizing Debtor Samson Investment Company (“Samson”) to reject certain equipment leases (the “Leases,” as set forth on **Exhibit 1** to the Order) between Samson and (a) Wells Fargo Vendor Financial Services (“Wells Fargo”) and (b) Konica Minolta Business Solutions U.S.A., Inc. (“Konica Minolta”), effective *nunc pro tunc* to August 31, 2016. In further support of this motion, the Debtors respectfully state as follows.

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*

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

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 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 Bankruptcy 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 bases for the relief requested in this motion are section 365(a) of title 11 of the United States Code (the “Bankruptcy Code”) and rules 6004, 6006 and 6007 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

Background

5. On September 16, 2015 (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. 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. On September 18, 2015, the Court entered an order [Docket No. 70] authorizing joint administration and procedural consolidation of these chapter 11 cases pursuant to Bankruptcy Rule 1015(b). On September 30, 2015, the United States Trustee for the District of Delaware (the “U.S. Trustee”) appointed an official committee of unsecured creditors pursuant to section 1102 of the Bankruptcy Code [Docket No. 129].

6. A description of the Debtors' businesses and the reasons for commencing the chapter 11 cases are set forth in the *Declaration of Philip Cook in Support of Chapter 11 Petitions and First Day Motions* [Docket No. 2].

Equipment Leases to Be Rejected

7. In connection with their restructuring efforts, the Debtors have been evaluating their executory contracts, including the ongoing cost of the contracts and the effect on their businesses of rejecting such contracts. The Debtors have determined that the Leases provide no economic benefit to the Debtors' estates and should be rejected as soon as possible.

8. Under each of the Leases, Samson leased printers and similar office equipment for the Debtors' Tulsa facility. Each of the Leases is dated May 30, 2013, and expires May 30, 2018. The Debtors no longer have use for the equipment leased under any of the Leases as a result of vacating certain floors at their Tulsa location.

Basis for Relief

9. Section 365(a) of the Bankruptcy Code provides that a debtor in possession, "subject to the court's approval, may . . . reject any executory contract or unexpired lease of the debtor." 11 U.S.C. § 365(a); *see also Univ. Med. Cent. v. Sullivan (In re Univ. Med. Ctr.)*, 973 F.2d 1065, 1075 (3d Cir. 1992) (stating same). For the benefit of the estate, a debtor may, under section 365 of the Bankruptcy Code, relieve itself of burdensome agreements where performance still remains. *See In re Rickel Home Ctrs., Inc.*, 209 F.3d 291, 298 (3d Cir. 2000) (holding section 365 of the Bankruptcy Code "allows a trustee to relieve the bankruptcy estate of burdensome agreements which have not been completely performed" (citation omitted)); *see also Sharon Steel Corp. v. Nat'l Fuel Gas Distrib. Corp. (In re Sharon Steel Corp.)*, 872 F.2d 36, 39–40 (3d Cir. 1989) (discussing rejection of executory contracts).

10. The decision to assume or reject an unexpired lease is a matter within the debtor's "business judgment." See *Nat'l Labor Relations Bd. v. Bildisco & Bildisco (In re Bildisco)*, 682 F.2d 72, 79 (3d Cir. 1982) ("The usual test for rejection of an executory contract is simply whether rejection would benefit the estate, the 'business judgment' test." (citation omitted)); see also *In re Fed. Mogul Global, Inc.*, 293 B.R. 124, 126 (D. Del. 2003) ("In general, motions to reject executory contracts are evaluated under the business judgment test."); *In re HQ Global Holdings, Inc.*, 290 B.R. 507, 511 (Bankr. D. Del. 2003) ("A debtor's decision to reject an executory contract under section 365 is governed by the business judgment standard." (citation omitted)). The business judgment standard mandates that a court approve a debtor's business decision unless the decision is the product of bad faith, whim, or caprice. See *In re Trans World Airlines, Inc.*, 261 B.R. 103, 121 (Bankr. D. Del. 2001); see also *In re Fed. Mogul Global*, 293 B.R. at 126 (rejecting counterparty's argument that a finding of hardship is a prerequisite to application of the business judgment test); *Summit Land Co. v. Allen (In re Summit Land Co.)*, 13 B.R. 310, 315 (Bankr. D. Utah 1981) (noting that, absent extraordinary circumstances, court approval of a debtor's decision to assume or reject an executory contract "should be granted as a matter of course"). "Accordingly, the court should not interfere with or second-guess the debtor's sound business judgment unless and until evidence is presented that establishes that the debtor's decision was one taken in bad faith or in gross abuse of its retained business discretion." *In re Wheeling-Pittsburgh Steel Corp.*, 72 B.R. 845, 849 (Bankr. W.D. Pa. 1987).

11. The Debtors have determined that the Leases neither satisfy any of their business needs nor offer a source of potential value. Absent rejection, the Leases impose ongoing obligations on the Debtors and their estates that are an unnecessary drain on the Debtors' resources with no concomitant benefit, due to the Debtors' vacating certain floors at the Tulsa

facility. Accordingly, to avoid incurring additional unnecessary expenses associated with the Leases, the Debtors seek to reject the Leases effective as of August 31, 2016. Rejection of the Leases is appropriate under the circumstances and reflects the Debtors' sound business judgment.

12. Courts in this jurisdiction have approved relief similar to that requested herein. See *In re Quicksilver Res. Inc.*, No. 15-10585 (LSS) (Bankr. D. Del. Apr. 15, 2015) (authorizing rejection of executory contracts effective as of specified dates); *In re QCE Fin. LLC*, No. 14-10543 (PJW) (Bankr. D. Del. Apr. 9, 2014) (authorizing rejection of unexpired leases *nunc pro tunc* to the petition date); *In re Longview Power, LLC*, No. 13-12211 (BLS) (Bankr. D. Del. Feb. 26, 2014) (authorizing rejection of unexpired leases *nunc pro tunc* to prior notice date); *In re Prommis Holdings, LLC*, No. 13-10551 (BLS) (Bankr. D. Del. June 14, 2013) (same).² The Debtors submit that similar relief is warranted in these chapter 11 cases.

Notice

13. The Debtors shall 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

² Because of the voluminous nature of the orders cited herein, such orders are not attached to this motion. Copies of these orders are available upon request of the Debtors' counsel.

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; (p) co-counsel to the official committee of unsecured creditors; (q) Wells Fargo; (r) Konica Minolta; and (s) those parties requesting notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

No Prior Request

14. No prior request for the relief requested herein has been made to this or any other court.

[Remainder of page intentionally left blank.]

WHEREFORE, the Debtors respectfully request that the Court enter the Order attached hereto as **Exhibit A**.

Dated: August 17, 2016
Wilmington, Delaware

/s/ Domenic E. Pacitti

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Co-Counsel for the Debtors and Debtors in Possession

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

In re:	)	Chapter 11
)	
SAMSON RESOURCES CORPORATION, <i>et al.</i> , ¹	)	Case No. 15-11934 (CSS)
)	
Debtors.	)	(Jointly Administered)
)	
	)	Objection Deadline: August 31, 2016 at 4:00 p.m.
	)	Hearing Date: September 7, 2016 at 10:00 a.m.

**NOTICE OF DEBTORS’ MOTION FOR ENTRY OF AN ORDER AUTHORIZING
REJECTION OF LEASES EFFECTIVE *NUNC PRO TUNC* TO AUGUST 31, 2016**

PLEASE TAKE NOTICE THAT on August 17, 2016, the above-captioned debtors and debtors-in-possession (the “Debtors”), filed the *Debtors’ Motion for Entry of an Order Authorizing Rejection of Leases Effective Nunc Pro Tunc to August 31, 2016* (the “Motion”) with the United States Bankruptcy Court for the District of Delaware (“Bankruptcy Court”).

PLEASE TAKE FURTHER NOTICE that any responses to the Motion must be in writing and filed with the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 Market Street, Third Floor, Wilmington, Delaware 19801, and served upon the undersigned, so as to be received on or **before 4:00 p.m. on August 31, 2016.**

PLEASE TAKE FURTHER NOTICE THAT, IF AN OBJECTION IS PROPERLY FILED AND SERVED IN ACCORDANCE WITH THE ABOVE PROCEDURES, A HEARING WILL BE HELD ON SEPTEMBER 7, 2016 AT 10:00 A.M. BEFORE THE HONORABLE CHRISTOPHER S. SONTCHI, UNITED STATES BANKRUPTCY JUDGE FOR THE DISTRICT OF DELAWARE, 824 MARKET STREET, COURT ROOM #6, 5TH FLOOR, WILMINGTON, DELAWARE 19801. ONLY OBJECTIONS MADE IN WRITING AND TIMELY FILED WILL BE CONSIDERED BY THE BANKRUPTCY COURT AT SUCH HEARING.

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

IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF DEMANDED BY THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

Dated: August 17, 2016
Wilmington, Delaware

/s/ Domenic E. Pacitti

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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> , ¹	)	Case No. 15-11934 (CSS)
)	
Debtors.	)	(Jointly Administered)
)	
	)	Re: Docket No. []

**ORDER AUTHORIZING REJECTION
OF LEASES EFFECTIVE *NUNC PRO TUNC* TO AUGUST 31, 2016**

Upon the motion (the "Motion")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors"), for entry of an order (this "Order") authorizing Samson to reject the Leases, effective August 31, 2016, all as more fully set forth in the Motion; and the Court having found that it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and the Court having found that the Debtors provided appropriate notice of the Motion and the opportunity for a hearing on the Motion under the circumstances; and the Court having reviewed the Motion and having heard the statements in support of the relief

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

requested therein at a hearing, if any, before the Court (the “Hearing”); and the 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 the 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. Pursuant to section 365(a) of the Bankruptcy Code and Bankruptcy Rule 6006, the Leases are deemed rejected, effective as of August 31, 2016.
3. Wells Fargo and Konica Minolta must file any proof of claim relating to the rejection of the Contracts within forty-five (45) days of August 31, 2016.
4. Notice of the Motion as provided therein shall be deemed good and sufficient and the requirements of the Local Bankruptcy Rules are satisfied by such notice.
5. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.
6. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).
7. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.
8. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Wilmington, Delaware
Dated: _____, 2016

THE HONORABLE CHRISTOPHER S. SONTCHI
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 1

Contracts to Be Rejected

Rejection Noticing Schedule

Ref. #	Details of Contract(s) to be Rejected			Rejection Counterparty Information		Rejection Date	Details of Personal Property to be abandoned (if any)
	Debtor	Contract Description	Contact Expiration Date	Contract Counterparty	Address		
1	Samson Investment Company	EQUIPMENT LEASE - SCHEDULE 002 - DATED: 6/28/2013	6/27/2018	Wells Fargo Vendor Financial Services	1010 Thomas Edison Blvd SW Attn: Courtney Timmerman Cedar Rapids, IA 52404	Upon entry of the Rejection Order	N/A
2	Samson Investment Company	EQUIPMENT LEASE - SCHEDULE 008 - DATED: 6/18/2014	6/17/2019	Wells Fargo Vendor Financial Services	1010 Thomas Edison Blvd SW Attn: Courtney Timmerman Cedar Rapids, IA 52404	Upon entry of the Rejection Order	N/A
3	Samson Investment Company	EQUIPMENT LEASE - SCHEDULE 009 - DATED: 7/7/2014	7/6/2019	Wells Fargo Vendor Financial Services	1010 Thomas Edison Blvd SW Attn: Courtney Timmerman Cedar Rapids, IA 52404	Upon entry of the Rejection Order	N/A
4	Samson Investment Company	EQUIPMENT LEASE - SCHEDULE 0010 - DATED: 7/14/2014	7/13/2019	Wells Fargo Vendor Financial Services	1010 Thomas Edison Blvd SW Attn: Courtney Timmerman Cedar Rapids, IA 52404	Upon entry of the Rejection Order	N/A
5	Samson Investment Company	EQUIPMENT LEASE - SCHEDULE 011 - DATED: 7/2/2014	7/1/2019	Wells Fargo Vendor Financial Services	1010 Thomas Edison Blvd SW Attn: Courtney Timmerman Cedar Rapids, IA 52404	Upon entry of the Rejection Order	N/A
6	Samson Investment Company	EQUIPMENT LEASE - SCHEDULE 012 - DATED: 11/24/2014	11/23/2014	Wells Fargo Vendor Financial Services	1010 Thomas Edison Blvd SW Attn: Courtney Timmerman Cedar Rapids, IA 52404	Upon entry of the Rejection Order	N/A
7	Samson Investment Company	EQUIPMENT LEASE - SCHEDULE 002 - DATED: 6/28/2013	6/27/2018	Konica Minolta	100 Williams Drive Attn: Dane Rogers Ramsey, NJ 07446	Upon entry of the Rejection Order	N/A
8	Samson Investment Company	EQUIPMENT LEASE - SCHEDULE 008 - DATED: 6/18/2014	6/17/2019	Konica Minolta	100 Williams Drive Attn: Dane Rogers Ramsey, NJ 07446	Upon entry of the Rejection Order	N/A
9	Samson Investment Company	EQUIPMENT LEASE - SCHEDULE 009 - DATED: 7/7/2014	7/6/2019	Konica Minolta	100 Williams Drive Attn: Dane Rogers Ramsey, NJ 07446	Upon entry of the Rejection Order	N/A
10	Samson Investment Company	EQUIPMENT LEASE - SCHEDULE 0010 - DATED: 7/14/2014	7/13/2019	Konica Minolta	100 Williams Drive Attn: Dane Rogers Ramsey, NJ 07446	Upon entry of the Rejection Order	N/A
11	Samson Investment Company	EQUIPMENT LEASE - SCHEDULE 011 - DATED: 7/2/2014	7/1/2019	Konica Minolta	100 Williams Drive Attn: Dane Rogers Ramsey, NJ 07446	Upon entry of the Rejection Order	N/A
12	Samson Investment Company	EQUIPMENT LEASE - SCHEDULE 012 - DATED: 11/24/2014	11/23/2014	Konica Minolta	100 Williams Drive Attn: Dane Rogers Ramsey, NJ 07446	Upon entry of the Rejection Order	N/A