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ATTORNEYS FOR PROSPERITY BANK

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

IN RE:	§	CHAPTER 11
	§	
SCANROCK OIL & GAS, INC., et al.,¹	§	CASE NO. 25-90001-MXM
	§	
DEBTORS.	§	JOINTLY ADMINISTERED

**PROSPERITY BANK, SUCCESSOR-IN-INTEREST TO LONE STAR STATE BANK OF
WEST TEXAS' MOTION TO CONVERT CHAPTER 11 CASES PURSUANT TO
11 U.S.C. § 1112(b) OF THE BANKRUPTCY CODE**

TO THE HONORABLE MARK X. MULLIN, U.S. BANKRUPTCY JUDGE:

Prosperity Bank, successor-in-interest to Lone Star State Bank of West Texas ("Lender"),²
lender and holder of claims in the above-captioned and styled bankruptcy cases (the "Bankruptcy
Cases") of the Debtors, hereby files this *Motion to Convert Chapter 11 Cases Pursuant to*

¹ The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, if any, are: Scanrock Oil & Gas, Inc. (0380) ("Scanrock"); O'Ryan Family Limited Partnership (1913) ("FLP"); O'Ryan Production & Exploration, Ltd. (9950) ("P&E"); Ryan C. Hoerauf, Inc. (0493) ("RCH"); Smackover Oil Treaters, Ltd. (9529) ("Smackover"); O'Ryan Ponderosa, LLC (1476) ("Ponderosa"); EON Production, LLC (0136) ("EON"); O'Ryan Ranches, Ltd. (7184) ("Llano Ranch"); O'Ryan Oregon Ranches, LLC ("Oregon Ranch I"); and O'Ryan Ranches, LLC (6467) ("Oregon Ranch II"), and collectively, the Debtors". The location of the Debtors' service address is 8180 Lakeview Center, Suite 300, Odessa, TX 79765.

² On April 1, 2024, Lone Star Bank of West Texas merged into and became a part of Prosperity Bank.

11 U.S.C. § 1112(b) of the Bankruptcy Code (the "Motion"), and in support thereof would respectfully demonstrate to this Court as follows:

I. SUMMARY OF REQUESTED RELIEF³

1. This Court should convert the Debtors' Bankruptcy Cases to liquidation proceedings under Chapter 7 of the Bankruptcy Code. No later than August 29, 2025, the Debtors' authority to use Cash Collateral terminates by the express terms of the Final Order. Further, the Debtors have failed to comply with the terms of the Final Order. Therefore, this Court has cause to convert these Bankruptcy Cases and should do so.

II. JURISDICTION AND VENUE

2. This Court has jurisdiction to consider the matter pursuant to 28 U.S.C. § 1334 and the standing order of reference from the Northern District of Texas District Court. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicate for the relief sought herein are Bankruptcy Code Section 1112 and Federal Rule of Bankruptcy Procedure 1017.

III. RELEVANT FACTUAL AND PROCEDURAL BACKGROUND

3. On February 3, 2025 (the "Petition Date"), Llano Ranch and Scanrock filed voluntary petitions for relief in this Court under Chapter 11 of the Bankruptcy Code.

4. On February 9, 2025, EON, FLP, P&E, Ponderosa, Hoerauf, and Smackover filed voluntary petitions for relief in this Court under Chapter 11 of the Bankruptcy Code.

5. On February 14, 2025, this Court entered the *Interim Order Granting Debtors' Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Use Cash Collateral; (II) Granting Adequate Protection; (III) Modifying the Automatic Stay;*

³ Unless otherwise stated herein, all undefined, capitalized terms used in this section of the Motion shall have the meaning(s) ascribed to such terms in the Final Order. Additionally, certain undefined capitalized terms appearing herein are defined subsequently in the Motion. Lastly, all references herein to the "Bankruptcy Code" shall mean Title 11 of the U.S. Code.

(IV) Scheduling a Final Hearing; and (V) Granting Related Relief [Docket No. 57] (the "First Interim Order").

6. On March 4, 2025, this Court entered the *Second Interim Order Granting Debtors' Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Use Cash Collateral; (II) Granting Adequate Protection; (III) Modifying the Automatic Stay; (IV) Scheduling a Final Hearing; and (V) Granting Related Relief* [Docket No. 101] (the "Second Interim Order").

7. On April 3, 2025, this Court entered the *Third Interim Order Granting Debtors' Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Use Cash Collateral; (II) Granting Adequate Protection; (III) Modifying the Automatic Stay; (IV) Scheduling a Final Hearing; and (V) Granting Related Relief* [Docket No. 201] (the "Third Interim Order").

8. On May 14, 2025, this Court entered the *Fourth Interim Order Granting Debtors' Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Use Cash Collateral; (II) Granting Adequate Protection; (III) Modifying the Automatic Stay; (IV) Scheduling a Final Hearing; and (V) Granting Related Relief* [Docket No. 330] (the "Fourth Interim Order").

9. On May 30, 2025, this Court entered the *Final Order Granting Debtors' Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Use Cash Collateral; (II) Granting Adequate Protection; (III) Modifying the Automatic Stay; (IV) Scheduling a Final Hearing; and (V) Granting Related Relief* [Docket No. 363] (the "Final Order"). The First Interim Order, the Second Interim Order, the Third Interim Order, the Fourth Interim Order, and the Final Order are collectively referred to herein as the "Cash Collateral Orders."

10. Paragraph 10 of the Final Order provides for the following:⁴

10. **Post-Petition Expenses.** Notwithstanding anything contained in the Budget, the Debtors shall pay Lender's reasonable out-of-pocket post-petition expenses, including, without limitation, reasonable attorneys' fees and expenses of Winstead PC and reasonable fees and expenses of any financial advisor or consultant hired by Lender or Winstead PC related to these Bankruptcy Cases or the Prepetition Loan Obligations. The Debtors shall pay all such amounts monthly after submission of invoices for review by the Debtors, the U.S. Trustee, and any statutory committee appointed in these Bankruptcy Cases. The invoices shall include the number of hours billed and a summary description of services provided and the expenses incurred by the applicable professional; *provided, however*, that any such invoice (i) may be redacted to protect privileged, confidential or proprietary information, and (ii) shall not be required to contain individual time detail. None of the fees, costs, expenses or other amounts payable pursuant to this paragraph shall be subject to separate approval by this Court (but this Court shall resolve any dispute as to the reasonableness of any such fees, costs and expenses), and no recipient of any such payment shall be required to file any interim or final fee application with respect thereto; *provided, further*, that Lender or its counsel shall submit copies of Lender's professionals' invoices to the Debtors. U.S. Trustee, and the Committee, and the Debtors, the U.S. Trustee, and the Committee shall have ten (10) days following their receipt of such invoices to object to the reasonableness of the fees and expenses included in any such invoice. If any such objection is not resolved within ten (10) days after such objection is interposed, a hearing with respect thereto shall be conducted in the case, provided that the Debtors shall pay any undisputed portion of such fees, costs and expenses eleven (11) days following their receipt of such invoices.

11. As detailed on the attached **Exhibit "A,"** Lender's professionals timely submitted invoices to the Debtors, the U.S. Trustee, and the Committee on May 14, 2025 and July 17, 2025. No timely objections were received to these invoices; therefore, all amounts related thereto were due and payable on May 26, 2025 and July 29, 2025, respectively. Nonetheless, the Debtors failed to timely remit such amounts to Lender's professionals. Prior to filing this Motion, the undersigned reminded the Debtors of the obligations under Paragraph 10 of the Final Order. As of August 25, 2025, such invoices remain outstanding.

⁴ Similar language is contained in all of the Cash Collateral Orders.

12. Paragraph 19 of the Final Order provides that the Termination Date is August 29, 2025. After that point the Maturity Date occurs and the Debtors will no longer be permitted to use Cash Collateral.

13. Paragraph 17 of the Final Order provides:

17. **Termination of Use of Cash Collateral.** The Debtors' right to use Cash Collateral shall expire, and the Debtors shall immediately cease using the Cash Collateral upon the occurrence of a Termination Event (as defined below) that is not otherwise waived in writing by Lender, or the occurrence of the Maturity Date.

14. No later than August 29, 2025, the Debtors will no longer have authority to use Cash Collateral.

IV. REQUEST FOR RELIEF AND BASIS THEREOF

15. Section 1112(b)(1) of the Bankruptcy Code provides that a Court **shall** convert a Chapter 11 proceeding to a liquidation under Chapter 7 for cause shown, unless conversion is not in the best interests of creditors and the estate:

Except as provided in paragraph (2) and subsection (c), on request of a party in interest, and after notice and a hearing, absent unusual circumstances specifically identified by the court that establish that the requested conversion or dismissal is not in the best interests of the creditors and the estate, the court shall convert a case under this chapter to a case under chapter 7 or dismiss a case under this chapter, whichever is in the best interest of creditors and the estate, if the movant establishes cause.

11 U.S.C. § 1112(b)(1).

16. Determination of cause under Section 1112 is a case-specific inquiry, focusing on the circumstances of each debtor. *See United Sav. Ass'n of Tex. v. Timbers of Inwood Forest Assocs., Ltd. (In re Timbers of Inwood Forest Assocs., Ltd.)*, 808 F.2d 363, 371-72 (5th Cir. 1987) (*en banc*). However, Section 1112(b)(4) does contain a non-exhaustive list of "cause" for the purposes of Section 1112(b), including "failure to comply with an order of the court." 11 U.S.C. § 1112(b)(4)(E).

17. "Cause to convert pursuant to § 1112(b)(4)(E) exists if a debtor fails to comply with a single order; a pattern of non-compliance is not required by the statute. Nor does § 1112(b)(4)(E) require a debtor's non-compliance to be willful, in bad faith, or fraudulent." *In re M.A.R. Designs & Constr., Inc.*, 653 B.R. 843, 862 (Bankr. S.D. Tex. 2023). Here, there is no question that the Debtors have failed to comply with the Final Order. Lender's professional fees have been outstanding since May 26, 2025 and July 29, 2025. Therefore, cause exists to convert the case under Section 1112(b)(4)(E).

18. Additionally, no later than August 29, 2025, the Debtors will no longer have authority to use Cash Collateral to operate. Section 363 provides that the Debtors may not use Cash Collateral unless the Lender consents or the Court, after notice and hearing, authorizes such use. *See* 11 U.S.C. § 363(c)(2). The Lender does not consent to the use of Cash Collateral on or after the Maturity Date. The Debtors' potential future use of Cash Collateral without authorization to Lender's substantial detriment is cause for conversion of these Bankruptcy Cases. *See* 11 U.S.C. § 1112(b)(4)(D) (cause includes the "unauthorized use of cash collateral that is substantially harmful to one or more creditors"). "If a debtor uses cash collateral without consent or authority from the court, a serious risk exists of immediate and irreparable harm to the financial value and opportunity of the creditor to recover from such cash collateral." 7 *Collier on Bankruptcy* 1112.04[6][d] (16th ed. 2025) (citing *Weiss v. People Sav. Bank (In re Three Partners)*, 199 B.R. 230, 237 n. 9 (Bankr. D. Mass. 1995)). Without the ability to use Cash Collateral, the Debtors will have no way to fund operations, and therefore these Bankruptcy Cases should be converted.

19. For these reasons, Lender believes that there is cause for the Court to convert the Bankruptcy Cases and for the U.S. Trustee to move forward with the appointment of a Chapter 7 Trustee.

V. RESERVATION OF RIGHTS

20. Lender hereby reserves all rights in connection with, under, or related to the Cash Collateral Orders, Prepetition Loan Documents, the Bankruptcy Code, and other applicable law with respect to, and without limitation, the Prepetition Liens on Lender's Prepetition Loan Collateral, including the value of the same, Cash Collateral, adequate protection, and the amount, validity, or priority of any claims against the Debtors. Lender expressly reserves the right to amend or supplement this Motion prior to the conclusion of a final hearing on the same, as the evidence then available may allow. Lender reserves all rights under the Bankruptcy Code, the Bankruptcy Rules, the Prepetition Loan Documents, and other applicable law.

PRAYER

Lender respectfully requests that this Court: (i) grant the relief requested in this Motion; (ii) convert the Bankruptcy Cases to cases administered under Chapter 7 of the Bankruptcy Code; and (iii) grant to Lender such other and further relief to which it may justly and fairly be entitled, both at law and in equity.

DATED: August 18, 2025.

Respectfully submitted,

By: /s/ Annmarie Chiarello
Phillip L. Lamberson
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Annmarie Chiarello
Texas Bar No. 24097496
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ATTORNEYS FOR PROSPERITY BANK

CERTIFICATE OF CONFERENCE

I hereby certify that on August 14, 2025, the undersigned counsel for the Lender e-mailed counsel who have appeared in this matter requesting their positions on the Motion and requesting a response by noon on August 15, 2025. Counsel for O'Ryan Ranches, Ltd. advised that it **opposes** the Motion. The working interest owners, SCRAM, LLC and Bite My Pipe, LLC advised that they **oppose** the Motion. Counsel for the Ad Hoc Royalty Group and Wiley Roosth Family Partnership, Ltd./S2DST OGM, Ltd. advised that they are **supportive** of the Motion, provided it is set on regular notice. Counsel for the Gill Parties advised that they do not take a position on the Motion. No other parties responded to the undersigned with their positions on the Motion. The ad valorem taxing entities represented by McCreary Veselka Bragg & Allen PC take no position on the Motion. The U.S. Small Business Administration takes no position. The Linebarger ad valorem tax parties take no position on the Motion. The Texas Comptroller of Public Accounts takes no position on the Motion. The ad valorem taxing entities represented by Perdue Brandon take no position on the Motion. Creditor AgWest Farm Credit, FLCA takes no position on the Motion. The Texas Commission on Environmental Quality takes no position on the Motion. No other party has responded to the undersigned counsel's e-mail regarding their positions on the Motion as of the date of this filing. The Tarrant Regional Water District takes no position on the Motion. At this point, Well Castle and Arnold Oil do not take a position on the proposed Chapter 7 conversion, subject to further review, including an analysis of the express grounds set forth and upcoming case developments.

/s/ Annmarie Chiarello

One of Counsel

CERTIFICATE OF SERVICE

I hereby certify that on August 18, 2025, notice of this document will be electronically mailed to the parties that are registered or otherwise entitled to receive electronic notices in this proceeding pursuant to the Electronic Filing Procedures in this District and the parties on the attached service list.

/s/ Annmarie Chiarello

One of Counsel

Creditor Name	Attention	Address 1	Address 2	Address 3	City	State	Zip
Ad Hoc Group of Royalty Interest Owners: Robert K. Ramsey, Mary Gayle Ramsey, and Marcia R. Pool	c/o Bonds Ellis Eppich Schafer Jones LLP	Attn: Joshua N. Eppich & Eric T. Haitz	420 Throckmorton Street, Ste 1000		Fort Worth	TX	76102
AgWest Farm Credit, FLCA	c/o Sherman, Sherman, Johnnie & Hoyt, LLP	Attn: Gina Anne Johnnie	PO Box 2247		Salem	OR	97308
AIS Portfolio Services, LLC	c/o Bankruptcy Services for Ford Motor Credit Company LLC	Attn: Amitkumar Sharma	4515 N Satna Fe Ave Dept. APS		Oklahoma City	OK	73118
Amber Gill, Individually and as Co-Trustee of the Arg Trust; Shad Gill, as Co-Trustee of the Arg Trust; and Electrum Energy LLC	c/o Thompson Coburn LLP	Attn: Katharine Battaia Clark & Alexandra E. Rossetti	2100 Ross Avenue, Suite 3200		Dallas	TX	75201
AmeriCredit Financial Services, Inc. d/b/a GM Financial	c/o Wilcox Law, PLLC	Attn: Stephen G. Wilcox	PO Box 201849		Arlington	TX	76006
AmeriCredit Financial Services, Inc. dba GM Financial							
Argo Partners		12 West 37th St	Ste 900		New York	NY	10018
Arnold Oil Company Fuels, LLC	c/o Cotton, Bledsoe, Tighe, & Dawson	Attn: Aaron M. Dorfner	PO Box 2776		Midland	TX	79702
Berleth & Associates, PLLC	Attn: Robert Berleth, As Receiver	9950 Cypresswood Dr	Ste. 200		Houston	TX	77070
Big E Drilling Company		4710 Bellaire Blvd, Suite 350			Bellaire	TX	77401
Bite My Pipe LLC	c/o Vartabedian Hester & Haynes LLP	Attn: Jeff P. Prostok & Lynda L. Lankford	301 Commerce St, Ste 3635		Fort Worth	TX	76102
Condor Oil & Gas, Inc.		3 Moon Chase			Odessa	TX	79765
Condor Pipeline		216 SE Loop 338			Odessa	TX	79762
Conquest Drilling Fluids	Attn: Grant Lyle Peterson	9200 Leonidas Horton Rd			Conroe	TX	77304
Deborah A. Buchanan							
DGM Supply, Inc.	Attn: Michael McConaughy	PO Box 9933			Midland	TX	79708
Don O. Mallory		1270 VZCR 2604			Maybank	TX	75147
Eastham Drilling, Inc. d/b/a Big E. Drilling Co.	c/o Gray Reed	Attn: Micheal W. Bishop, Amber M. Carson, & Blake M. Bryan	1601 Elm St, Ste 4600		Dallas	TX	75201
Environmental Protection Agency Region 6	Attn Officer/Director or Legal Dept	1201 Elm Street, Suite 500			Dallas	TX	75270-2102
EON Production, LLC	c/o Munsch Hardt Kopf & Harr PC	Attn: Garrick C. Smith, Jonathan Petreee, & Thomas D. Berghman	500 N Akard St, Ste 4000		Dallas	TX	75201
F&D Keller Family Parthership							
Falcon Energy Services		7710 Milwaukee Ave	# 802		Lubbock	TX	79424-0600
Ford Motor Credit Company LLC	c/o AIS Portfolio Services, LLC	Attn: Amitkumar Sharma, Rohan Pardeshi	4515 N Santa Fe Ave	Dept APS	Oklahoma City	OK	73118
Francis Jones Ballard		4404 Ambassador Way #206			Balch Springs	TX	75180
GCC Permian, LLC	c/o Gordan Davis Johnson & Shane P.C.	Attn: Michael J. Shane	4695 N Mesa St, Ste 100		El Paso	TX	79912

Creditor Name	Attention	Address 1	Address 2	Address 3	City	State	Zip
Gibson & Sheen, PLLC		13914 Indiana Ave, Suite 100			Lubbock	TX	79423
Gray County Tax Office, Collingsworth County Appraisal District, Hutchinson County Tax Office, and Wheeler County Tax Office							
Hal F. Simmons							
Halliburton Energy Services, Inc.	c/o Condon Tobin Sladek Sparks Nerenberg, PLLC	Attn: Jeff Carruth	8080 Park Lane, Suite 700		Dallas	TX	75231
Halliburton Energy Services, Inc.	c/o Weycer, Kaplan, Pulaski, & Zuber, P.C.	Attn: Jeff Carruth	2608 Hibernia, Ste 105		Dallas	TX	75204-2514
Imogene Beets							
Internal Revenue Service	Insolvency Division	PO Box 7346			Philadelphia	PA	19101-7346
IPFS Corporation		PO Box 730223			Dallas	TX	75373-0223
James C. McCord							
Julie Corley		502 7th St			Terrell	TX	75160
Kaufman Co. Tax Office	Kaufman Co. Courthouse Annex	PO Box 339			Kaufman	TX	75142
Kaufman County, Navarro County, & Malakoff ISD	c/o Linebarger Goggan Blair & Sampson, LLP	Attn: John Kendrick Turner	3500 Maple Avenue, Ste 800		Dallas	TX	75219
LEGEND ENERGY SERVICES, LLC		5801 N BROADWAY EXT	STE 210		OKLAHOMA CITY	OK	73118-7491
Llano County	c/o Linebarger Goggan Blair & Sampson, LLP	Attn: Diane W. Sanders	PO Box 17428		Austin	TX	78760-7428
Mary Helen Covey, Frank Paul Covey 1993 Trust, and Don Wallace Covey 1993 Trust (collectively, the "Coveys")	c/o Naman, Howell, Smith & Lee, PLLC	Attn: Kerry L. Haliburton	400 Austin Avenue, Ste 800		Waco	TX	76701
Midland County	c/o Perdue, Brandon, Fielder, Collins and Mott, LLP	Attn: Alysia Cordova	PO Box 9132		Amarillo	TX	79105
NRG Business		PO Box 1532			Houston	TX	77251-1532
O'Ryan Family Limited Partnership	c/o Munsch Hardt Kopf & Harr PC	Attn: Garrick C. Smith, Jonathan Petreee, & Thomas D. Berghman	500 N Akard St, Ste 4000		Dallas	TX	75201
O'Ryan Oregon Ranches, LLC	c/o Munsch Hardt Kopf & Harr PC	Attn: Garrick C. Smith, Jonathan Petreee, & Thomas D. Berghman	500 N Akard St, Ste 4000		Dallas	TX	75201
O'Ryan Ponderosa, LLC	c/o Munsch Hardt Kopf & Harr PC	Attn: Garrick C. Smith, Jonathan Petreee, & Thomas D. Berghman	500 N Akard St, Ste 4000		Dallas	TX	75201
O'Ryan Production & Exploration, Ltd.	c/o Munsch Hardt Kopf & Harr PC	Attn: Garrick C. Smith, Jonathan Petreee, & Thomas D. Berghman	500 N Akard St, Ste 4000		Dallas	TX	75201
O'Ryan Ranches, LLC	c/o Munsch Hardt Kopf & Harr PC	Attn: Garrick C. Smith, Jonathan Petreee, & Thomas D. Berghman	500 N Akard St, Ste 4000		Dallas	TX	75201
O'Ryan Ranches, Ltd.	c/o Jobe Law PLLC	Attn: Hudson M. Jobe	6060 North Central Expressway	Ste 500	Dallas	TX	75206

Creditor Name	Attention	Address 1	Address 2	Address 3	City	State	Zip
Office of the Attorney General for the State of Texas							
Office of the U.S. Trustee for the Northern District of Texas	Attn: Susan B. Hersh	1100 Commerce Street, Ste 976			Dallas	TX	75242
Office of the United States Attorney for the Northern District of Texas	Leigha Simonton	1100 Commerce Street, 3rd Floor			Dallas	TX	75242
Pro-Pak Systems Ltd.		440 East Lake Rd			Airdrie	Alberta	CAN T4A
Production Services Inc.		PO Box 1885			Magnolia	AR	71754-1885
Propak Systems, LTD.	c/o Jackson Walker LLP	Attn: Michael S. Held, Vienna F. Anaya, & Aaron E. Lozano	2323 Ross Avenue, Ste 6000		Dallas	TX	75201
Proposed Counsel to the Official Committee of Unsecured Creditors	c/o Porter Hedges LLP	Attn: Eric M. English, M. Shane Johnson, Jack M. Eiband, & Sage L. Knapp	1000 Main St, 36th Floor		Houston	TX	77002
Prosperity Bank	c/o Winstead PC	Attn: Annamarie Chiarello & Phillip Lamberson	2728 N Hardwood St	Ste 500	Dallas	TX	75201
Pure Flow Tech Inc.		PO Box 88			Bay City	TX	77404-0088
Pure-Flow Technologies Inc.	c/o Murray Lobb, PLLC	Attn: Kyle L. Dickson	2200 Space Park Dr, Ste 350		Houston	TX	77058
Reagan County	c/o Linebarger Goggan Blair & Sampson, LLP	Attn: John Kendrick Turner	3500 Maple Ave, Ste 800		Dallas	TX	75219
Red Energy Services, LP		PO Box 143			Monahans	TX	79756
Rusk County	c/o Linebarger Goggan Blair & Sampson, LLP	Attn: John Kendrick Turner	3500 Maple Avenue	Ste 800	Dallas	TX	75219
Ryan C. Hoerauf, Inc.	c/o Munsch Hardt Kopf & Harr PC	Attn: Garrick C. Smith, Jonathan Petree, & Thomas D. Berghman	500 N Akard St, Ste 4000		Dallas	TX	75201
Scanrock Oil and Gas, Inc	c/o Munsch Hardt Kopf & Harr PC	Attn: Garrick C. Smith, Jonathan Petree, & Thomas D. Berghman	500 N Akard St, Ste 4000		Dallas	TX	75201
Securities and Exchange Commission (SEC)	Attn: Regional Director	100 F St, NE			Washington	DC	20549
Smackover Oil Treaters, Ltd.	c/o Munsch Hardt Kopf & Harr PC	Attn: Garrick C. Smith, Jonathan Petree, & Thomas D. Berghman	500 N Akard St, Ste 4000		Dallas	TX	75201
Small Business Administration							
Southwest Texas Electric	Dept. 1340	PO Box 2153			Birmingham	AL	35287-1340
TARRANT REGIONAL WATER DISTRICT		800 EAST NORTH SIDE DRIVE			FORT WORTH	TX	76102
Tarrant Regional Water District	c/o Pope, Hardwicke, Christie, Schell, Kelly & Taplett, L.L.P	Attn: Lee F. Christie & Matthew T. Taplett	500 West 7th St, Ste 600		Fort Worth	TX	76102

Creditor Name	Attention	Address 1	Address 2	Address 3	City	State	Zip
Tarrant Regional Water District	c/o Pope, Hardwicke, Christie, Schell, Kelly, & Taplett, L.L.P	Attn: Lee F. Christie, Matthew T. Taplett, & Aimee E. Marcotte	500 W 7th St, Ste 600		Fort Worth	TX	76102
Texas A&M Univ. System		301 Tarrow St, 6th Floor	Office Of The General Council		College Station	TX	77840-7896
Texas Commission on Environmental Quality	c/o Office of the Attorney General of Texas Bankruptcy & Collections Division	Attn: Sahrish K. Soleja & Sean T. Flynn	PO Box 12548		Austin	TX	78711-2548
Texas Comptroller of Public Accounts	c/o Revenue Accounting Division	Attn: Tommy Tran	111 East 17th Street		Austin	TX	78711
Texas Comptroller of Public Accounts, Revenue Accounting Division	c/o Texas Attorney General's Office, Bankruptcy & Collections Division	Attn: John Mark Stern, Sherri K. Simpson	PO Box 12548		Austin	TX	78711-2548
The County of Anderson Texas, Burnet Central Appraisal District, The County of Freestone Texas, Midland Central Appraisal District, Reeves County Tax District, Central Appraisal District of Taylor County	c/o McCreary, Veselka, Bragg, & Allen, P.C.	Attn: Julie Anne Parsons	PO Box 1269		Round Rock	TX	78680-1269
The County of Henderson, Texas	c/o McCreary, Veselka, Bragg & Allen, P.C.	Attn: Julie Anne Parsons	PO Box 1269		Round Rock	TX	78680-1269
The Genecov Group, Inc.	c/o Ritcheson, Lauffer & Vincent, P.C.	Attn: Charles E. Lauffer, Jr.	Two American Cetner	821 ESE Loop 323, Ste 530	Tyler	TX	75701
The Texas Comptroller of Public Accounts		PO Box 13528, Capitol Station			Austin	TX	78711-3528
Tony Ballard		14516 Asheton Creek Drive			Charlotte	NC	28273
Ward County, Ector CAD, and Pecos County	c/o LineBarger Goggan Blair & Sampson, LLP	Attn: Don Stecker	112 E Pecan Street	Suite 2200	San Antonio	TX	78205
Well Castle Limited	c/o McWhorter, Cobb & Johnson, LLP	Attn: Todd J. Johnston	PO Box 2547		Lubbock	TX	79408
Wiley Roosth Family Partnership, Ltd.; S2dst Ogm, Ltd.; and Steven C. Roosth as Trustee for the Michael B. Roosth 1999 Trust and the Robert B. Roosth 1999 Trust	C/O STROMBERG STOCK, PLLC	ATTN: MARK STROMBERG	THE GILD NORTH, CABBELL CENTRE I	8350 N CENTRAL EXPRESSWAY, STE 1225	DALLAS	TX	75206
ZJ Falcon Management, LLC a Texas limited liability company, dba, Falcon Energy Services, LLC	c/o Bigbee & Curtis, LLP	Attn: Andrew B. Curtis & Grant K. Underwood	11010 Indiana Ave	PO Box 53068	Lubbock	TX	79453

From: Chiarello, Annmarie

Sent: Wednesday, August 13, 2025 11:01 AM

To: Lamberson, Phil <plamberson@winstead.com>; Hersh, Susan (USTP) <Susan.Hersh@usdoj.gov>; Lamberson, Phil <plamberson@winstead.com>; Berghman, Thomas <tberghman@munsch.com>; Smith, Garrick <gsmith@munsch.com>; Davor Rukavina (drukavina@munsch.com) <drukavina@munsch.com>; Hudson Jobe <hjobe@jobelawpllc.com>; eenglish_porterhedges.com <eenglish@porterhedges.com>; Johnson, M. Shane <SJohnson@porterhedges.com>; Hersh, Susan (USTP) <Susan.Hersh@usdoj.gov>

Subject: Scanrock Oil & Gas, Inc., et al. (25-90001)

Counsel for the UST, UCC, and the Debtors:

On May 30, 2025, the United States Bankruptcy Court for the Norther District of Texas, Fort Worth Division entered the *Final Order Granting Debtors' Emergency Motion of Entry of Interim and Final Orders (I) Authorizing the Debtors to Use Cash Collateral; (II) Granting Adequate Protection; (III) Modifying the Automatic Stay; (IV) Scheduling a Final Hearing; and (V) Granting Related Relief* [Docket No. 364] (the "Final Cash Collateral Order") in the above-referenced bankruptcy case.

Purusant to the Final Cash Collateral Order and prior interim orders related to the same, Winstead submitted its monthly fees to this group, as required by Paragraph 10 of the attached Final Cash Collateral Order on: (1) May 14, 2025; and (2) July 17, 2025. Copies of these emails are attached.

No objections to these fees statements were received. Therefore, the Debtors were required under the Final Cash Collateral Order to pay the amounts detailed on the attached on: (1) May 26, 2025; and (2) July 29, 2025.

The Debtors have failed to comply with Paragraph 10 of the Final Cash Collateral Order.

Please let us know if you have any questions.

Annmarie Chiarello, Shareholder

Winstead PC | 500 Winstead Building | 2728 N. Harwood Street | Dallas, Texas 75201
214.745.5410 direct | 214.745.5390 fax | achiarello@winstead.com | www.winstead.com

From: Lamberson, Phil
Sent: Wednesday, May 14, 2025 1:23 PM
To: Berghman, Thomas; Smith, Garrick; Davor Rukavina (drukavina@munsch.com); Hudson Jobe; eenglish_porterhedges.com; Johnson, M. Shane; Hersh, Susan (USTP)
Cc: Chiarello, Annmarie
Subject: Scanrock Oil & Gas, Inc., et al. (25-90001): Prosperity Bank April 2025 Statement
Attachments: Invoice No. 3441123 - 05-09-25_Redacted.pdf

Counsel for the UST, UCC, and the Debtors:

On April 3, 2025, the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division entered the *Third Interim Order Granting Debtors' Emergency Motion of Entry of Interim and Final Orders (I) Authorizing the Debtors to Use Cash Collateral; (II) Granting Adequate Protection; (III) Modifying the Automatic Stay; (IV) Scheduling a Final Hearing; and (V) Granting Related Relief* [Docket No. 201] (the "Third Interim Order") in the above-referenced bankruptcy case.

Attached please find Winstead's April fees and expenses statement. Pursuant to Paragraph "T" of the Third Interim Order, parties have ten (10) days to assert any objection and the Debtors shall pay any undisputed portion of the attached eleven (11) days following their receipt of the attached.

Please let us know if you have any questions.

Thank you.

Phillip Lamberson
WINSTEAD PC
500 Winstead Building
2728 N. Harwood Street
Dallas, Texas 75201
Direct: 214.745.5180
Mobile: 214.418.5279
Email: plamberson@winstead.com





2728 N. Harwood Street
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Dallas, Texas 75201
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winstead.com

May 13, 2025

Prosperity Bank
Amanda Cone, Sr. Vice President
3811 Turtle Creek Blvd, Suite 1725
Dallas, TX 75219

Invoice #: 3441302
Client #: 57235
Matter #: 190

RE: O'RYAN RANCHES BANKRUPTCY

Billing Attorney: Phillip L. Lamberson

For Professional Services Rendered Through April 30, 2025:

PROFESSIONAL SERVICES

Date	Init	Description	Hours
4/01/25	PLL	Work on strategy issues; email correspondence with client	1.20
4/01/25	AC	Revise third interim cash collateral order and emails related to same.	.90
4/01/25	AC	Analysis of issues related to Redacted Redacted .	2.70
4/01/25	AJP	Review loan file and obtain appraisal information for each loan.	.40
4/02/25	PLL	Teleconference with client; prepare joinder to trustee motion; review pleadings filed; analyze financials	3.60
4/02/25	AC	Calls and correspondence related to finalizing cash collateral order (third).	.50
4/02/25	AC	Draft final cash collateral order.	.50
4/02/25	AC	Prepare for and call regarding Trustee motion.	1.10
4/02/25	AC	Call regarding next steps for case with UCC.	.50
4/03/25	PLL	Prepare for and attend 341 meeting; draft joinder to trustee motion; teleconference with Susan Hersh (US Trustee); email correspondence with client	4.40
4/03/25	AC	Review amended schedules and prepare for 341 meeting.	.30
4/03/25	AC	Attend 341 meeting.	1.30
4/03/25	AJP	Research Redacted Redacted .	.70
4/03/25	AJP	Review Third Interim Order Granting Debtors' Emergency Motion for Entry of Interim and Final Orders and Notice of Trustee's Hearing calendar answer, objection, and exhibit deadlines.	.70
4/04/25	JRW	Conference with Phil Lamberson and Annmarie Chiarello regarding Redacted .	.50

Matter: 190 O'RYAN RANCHES BANKRUPTCY

May 13, 2025
Invoice #: 3441302

Date	Init	Description	Hours
4/04/25	JRW	Telephone conference with Brian Morris regarding Redacted Redacted .	.30
4/04/25	PLL	Teleconference with Oregon broker; work on lake house foreclosure; work on joinder to US Trustee's trustee motion; review LOI for Oregon and research buyer's background; email correspondence with debtors' professionals; email correspondence with client; teleconference with debtors' professionals	4.60
4/04/25	BTM	Telephone conference with Dick White regarding Redacted .	.20
4/04/25	AC	Prepare for and call regarding Oregon Ranch sale.	1.10
4/04/25	AC	Prepare for and call regarding O'Ryan Ranch foreclosure.	.50
4/04/25	SAB	Analyze and organize documents.	5.00
4/06/25	AC	Draft witness and exhibit list for stay relief hearing.	.40
4/07/25	JRW	Analyze file and prior Notice Letters.	2.00
4/07/25	PLL	Teleconference with counsel for Amber Hoerauf Gill(daughter); work on litigation strategy and issues; work on witness and exhibit list for lift stay hearing; review and analyze financials; prepare for meeting with debtors and professionals	4.20
4/07/25	BTM	Conference with Annmarie Chiarello and Phil Lamberson regarding status, potential sue, foreclosure issues, timing and strategy.	.70
4/07/25	AC	Prepare for stay relief hearing and potential action against non-debtors.	1.50
4/07/25	AC	Prepare for and call with Amber Gill attorney.	.30
4/07/25	SAB	Analysis of file Redacted Redacted , preparation of documents in connection with a May 6 foreclosure sale, correspondence with ServiceLink requesting it to post for a Redacted and correspondence from ServiceLink providing information for it to Redacted	3.50
4/07/25	AJP	Prepare and file Witness and Exhibit List.	2.20
4/07/25	AJP	Receipt and review of Notice of Hearing. Calendar answer deadline and exhibit deadline.	.40
4/07/25	AJP	Review and redact attorney fee invoice.	.30
4/08/25	JRW	Analyze Redacted	2.50
4/08/25	JRW	Conference with Brian Morris and Phil Lamberson regarding same.	.40
4/08/25	JRW	Email to Bank regarding issues regarding Redacted .	.50
4/08/25	JRW	Proof and revise Redacted and Appointment of Substitute Trustee.	2.00
4/08/25	JRW	Email with Dick White and Bank group on Redacted	.50

Matter: 190 O'RYAN RANCHES BANKRUPTCY

May 13, 2025
Invoice #: 3441302

Date	Init	Description	Hours
4/08/25	JRW	Proof and revise Redacted; Affidavit of Mailing; Affidavit of Posting, etc.	1.50
4/08/25	PLL	Review objection to Llano lift stay; email correspondence with client; email correspondence with debtors' counsel; email correspondence with UCC counsel; work on production of loan and security documents to UCC	2.40
4/08/25	BTM	Telephone conference with Dick White regarding Redacted	.20
4/08/25	AC	Review of invoices for submission per Cash Collateral order.	.20
4/08/25	AC	Review document sent for hearing on April 16th.	.30
4/08/25	AC	Review request for documents from UCC and produce the same.	2.10
4/08/25	AC	Review lift stay objection.	.40
4/08/25	SAB	Analysis of file, preparation of and revisions to Redacted and correspondence with title company requesting a title update and tax certificate.	3.00
4/09/25	JRW	Work on Redacted.	1.50
4/09/25	PLL	Teleconferences with client; teleconference with S. Hersh (UST); review response to Llano lift stay; review reporting; preparation for hearing on Llano lift stay; meet with Debtors' counsel; review application to employ and listing agreement for Llano	5.50
4/09/25	AC	Call regarding D. Montgomery regarding Redacted.	.80
4/09/25	AC	Review employment application for broker for real estate.	.30
4/09/25	AC	Prepare for and meeting with Debtor's counsel regarding case issues.	2.20
4/09/25	AC	Follow up with client and Debtor's counsel regarding lift stay and case progress.	.90
4/09/25	SAB	Analysis of title file, preparation of foreclosure documents for a May 6 foreclosure, several correspondence with title company regarding status of updated title.	3.00
4/09/25	JN	Retrieve real property records from St. Charles Parish LA	.50
4/09/25	AJP	Prepare transcript requests for hearings. Communications with D. Patel regarding same.	1.00
4/10/25	JRW	Analyze email from Phil Lamberson and David Montgomery regarding Redacted	.20
4/10/25	JRW	Email to David Montgomery confirming no May foreclosure work.	.10
4/10/25	PLL	Prepare term sheet and review materials related to continuing support of oil and gas assets and real estate sales process; analyze reporting and address cash collateral issues related to same; email correspondence with client; work on motion to compel PB Materials	3.60
4/10/25	AC	Prepare for lift stay hearing, follow up in light of the same, and finalize notice of hearing.	1.20

Matter: 190 O'RYAN RANCHES BANKRUPTCY

May 13, 2025
Invoice #: 3441302

Date	Init	Description	Hours
4/10/25	AC	Correspondence related to cash collateral default.	.80
4/10/25	AC	Draft motion to compel subpoena compliance.	1.60
4/10/25	AC	Comments to proposed term sheet with debtor.	.40
4/10/25	AJP	Follow-up regarding hearing transcripts.	.20
4/10/25	AJP	File and serve Notice of Hearing. Review St. Charles Deed of Trust and Assignment and add to loan documents.	.60
4/11/25	PLL	Teleconference with Oregon broker; work on motion to compel for PB Materials; work on term sheet to debtors; email correspondence with client; email correspondence with UCC counsel; work on document requests from UCC	3.70
4/11/25	AC	Call regarding property sale update.	.50
4/11/25	AJP	Review and redact attorney's fees affidavit.	.50
4/12/25	PLL	Email correspondence with UCC counsel and review issues list	1.10
4/14/25	PLL	Email correspondence with client; work on motion to compel related to PB Materials; work on cash management issues; work on witness and exhibit list for upcoming hearings	3.20
4/15/25	JRW	Assemble Appointment of Substitute Trustee.	.20
4/15/25	PLL	Work on witness and exhibit list for upcoming hearings and review materials; work on cash collateral objection; finalize and file motion to compel PB Materials; work on setting; email correspondence with client; email correspondence with debtors' counsel	4.10
4/15/25	AC	Review amended schedules.	.50
4/15/25	AC	Prepare for 341 meeting.	.80
4/15/25	AC	Prepare for and attend 341 meeting.	1.80
4/15/25	AJP	Review and redact attorney fee statement.	.20
4/16/25	PLL	Teleconference with client regarding discovery issues; address debtors' discovery requests; email correspondence with client; email correspondence with debtors' counsel; review PB Materials production; work on motion to compel; email correspondence with PB Material's counsel; review and analyze reporting; work on committee's document requests	5.30
4/16/25	AC	Draft cash collateral objection.	1.00
4/16/25	AC	Attend hearing on Debtor professional retention.	3.20
4/16/25	AC	Call with counsel for the UCC.	.40
4/16/25	AC	Call regarding discovery and follow up regarding PB materials hearing.	1.30
4/16/25	AC	Prepare for hearing on motion to compel PB material.	.30
4/16/25	AJP	Prepare and file notice of hearing. Prepare witness and exhibit list for Motion to Compel PB Holdings production.	1.10

Matter: 190 O'RYAN RANCHES BANKRUPTCY

May 13, 2025
Invoice #: 3441302

Date	Init	Description	Hours
4/16/25	AJP	Receipt and review of PB Materials in response to subpoena.	.80
4/17/25	PLL	PB Materials analysis; email correspondence with client	1.10
4/17/25	AC	Follow up regarding RFPs from PB Materials and calls regarding same.	.80
4/17/25	AC	Analysis of PB stock issues.	.90
4/17/25	AC	Draft cash collateral objection.	1.60
4/17/25	DBG	Initial review of bankruptcy matter and client's position with respect to PB stock collateral.	.80
4/18/25	PLL	Teleconference with Oregon broker; review and comment on cash collateral objection	1.10
4/18/25	AC	Call regarding real estate sales.	.40
4/18/25	AC	Draft notice of withdrawal of motion to compel.	.20
4/18/25	AC	Finalize cash collateral objection.	.20
4/18/25	AC	Correspondence related to final cash collateral objection.	.50
4/20/25	PLL	Review and comment on proposed final cash collateral order	.80
4/21/25	PLL	Email correspondence with committee's counsel; review committee's objection to cash collateral usage and work on response; email correspondence with client; work on Hoerauf deposition	2.40
4/21/25	AC	Finalize and file cash collateral objection.	2.10
4/21/25	AC	Prepare for and hearing on motion to limit notice.	.40
4/21/25	AC	Review information related to Oregon Ranch payoff.	.70
4/21/25	AJP	Prepare Notice of Deposition for Ryan Hoerauf. Assist with service of Bank's Objection to Debtors' Emergency Motion for Entry of Interim and Final Orders.	.90
4/22/25	PLL	Teleconference with committee's counsel; email correspondence with client; revise joinder to motion to appoint trustee; review MORs and reporting; email correspondence with counsel for royalty owners; preparation for Hoerauf deposition	3.80
4/22/25	AC	Prepare for and call with the UCC regarding trustee and cash collateral.	.80
4/22/25	AC	Call and follow up with counsel for the ad hoc committee.	.30
4/23/25	PLL	Teleconference with committee's counsel; teleconference with debtors' counsel; email correspondence with client; preparation for 4/29 hearings including witness and exhibit list; preparation for Hoerauf deposition; review reporting and 13 week budget; finalize and file joinder to motion to appoint trustee; email correspondence with debtors' counsel; email correspondence with committee's counsel	6.50
4/23/25	AC	Review UCC employment apps	.50
4/23/25	AC	Call with UCC regarding CC final order.	.50

Matter: 190 O'RYAN RANCHES BANKRUPTCY

May 13, 2025
Invoice #: 3441302

Date	Init	Description	Hours
4/23/25	AC	Review loan docs and payoff.	.50
4/23/25	AC	Call regarding PB Materials with counsel for PB Materials.	.40
4/23/25	AC	Correspondence regarding payoff amount.	.50
4/23/25	AJP	Review and download Share File of loan documents received by Prosperity Bank.	1.90
4/23/25	AJP	Compile Witness and Exhibit List and exhibits for April 29, 2025 hearing.	1.20
4/24/25	PLL	Review and comment on draft plan; email correspondence with client; analyze Redacted; prepare for Hoerauf deposition; preparation for April 29 hearings, including exhibits; review pleadings	6.70
4/24/25	AC	Assist with Hoerauf depo prep.	.40
4/24/25	AC	Call with finance counsel at Porter Hedges.	.20
4/24/25	AJP	Research Oregon property tax assessor records and compile a comprehensive list of all taxes owed on Oregon property.	3.70
4/24/25	AJP	Revise and compile Witness and Exhibit List and exhibits.	2.20
4/25/25	PLL	Prepare for and attend Hoerauf deposition; teleconference with client; meet with debtors' counsel regarding plan issues; teleconference with Oregon broker	11.50
4/25/25	AC	Attend weekly broker meeting.	.30
4/25/25	AC	Review CRO Order.	.60
4/25/25	AC	Review plan.	1.30
4/25/25	AC	Prepare for hearing on Trustee motion.	.40
4/25/25	AJP	Telephone call to clerk regarding sealed exhibits. Prepare, and file Witness and Exhibit List for April 29, 2025 hearing, including service of sealed exhibits on parties.	2.60
4/26/25	PLL	Review Oregon filings; review Oregon loan documents including AgWest; strategy related to plan and trustee motion; review reporting	2.10
4/26/25	AC	Analysis of settlement issues and CRO motion.	1.40
4/26/25	AC	Review transcript of Hoerauf deposition.	.80
4/27/25	PLL	Teleconference with client; review and comment on draft plan; email correspondence with debtors' counsel	2.20
4/27/25	DBG	Review all available corporate documents in connection with purported transfer of OPE's PB stock holdings, including internal corporate governance documents and transaction documents produced; Summarize key issues with same and potential areas for further information requests.	2.00
4/28/25	JMN	Attention Redacted Telephone conference with Phil Lamberson regarding same.	.50

Matter: 190 O'RYAN RANCHES BANKRUPTCY

May 13, 2025
Invoice #: 3441302

Date	Init	Description	Hours
4/28/25	PLL	Teleconference with committee counsel; teleconference with US Trustee counsel; analyze claims related to PB Materials stock; analyze issues related Redacted; analyze issues related Redacted; email correspondence with client; preparation for April 29 hearings	4.60
4/28/25	AC	Call with UCC and follow up regarding same.	.50
4/28/25	AC	Prepare for and call with UST and UCC.	.70
4/28/25	AC	Review response to trustee motion.	.30
4/28/25	AC	Prepare for 4/29 hearing.	2.10
4/28/25	DBG	Receipt and review of additional creditor documents and stock certificate in possession; Analysis of legal issues related to same and support for client's position with respect to OPE's stock collateral.	2.60
4/28/25	SAB	Analysis of file regarding title update and invoice for same.	.50
4/29/25	PLL	Prepare for and attend hearings; meet with committee and debtors; meeting with debtors; email correspondence with client	4.40
4/29/25	AC	Prepare for omnibus hearing on 4/29 and in-person meeting with UCC and debtor regarding same.	6.40
4/29/25	AC	Correspondence related to loan documents with UCC.	1.90
4/29/25	DBG	Summarize additional support related to Delaware corporate statutes and UCC.	.70
4/29/25	AJP	Review Ryan Hoerauf deposition and organize exhibits.	.50
4/30/25	PLL	Review reporting; teleconference with committee's counsel; review lien issues raised by committee; review PB Materials production; review two week cash collateral budget; email correspondence with client; review Oregon Ranch PSA; review Hoerauf transcript	4.10
4/30/25	AC	Review CRO order.	.30
4/30/25	AC	Review loan documents related to UCC document request.	4.40
4/30/25	AJP	Receipt and review of additional correspondence regarding PB Materials. Review Brich Sale Agreement for the Oregon Ranch.	.30

TOTAL PROFESSIONAL SERVICES

\$ 164,832.00

SUMMARY OF PROFESSIONAL SERVICES

Init	Timekeeper	Hours	Rate	Total
JMN	John M. Nolan	.50	970.00	485.00
PLL	Phillip L. Lamberson	98.20	960.00	94,272.00
BTM	Brian T. Morris	1.10	860.00	946.00
JRW	J. R. White	12.20	725.00	8,845.00

Matter: 190 O'RYAN RANCHES BANKRUPTCY

May 13, 2025
Invoice #: 3441302

Init	Timekeeper	Hours	Rate	Total
AC	Annmarie Chiarello	65.90	650.00	42,835.00
DBG	Daniel Bell-Garcia	6.10	650.00	3,965.00
SAB	Sherry A. Baldwin	15.00	390.00	5,850.00
AJP	Allison Jurecko Pross	22.40	335.00	7,504.00
JN	Julie Nguyen	.50	260.00	130.00
TOTALS		221.90		\$ 164,832.00

EXPENSES

	Description	Amount
3/14/25	Advance For Filing Fees - Phillip Lamberson - Filing Fee Copies of real property records. - 03/14/2025	54.13
4/01/25	Delivery Fees, Special Delivery Invoice 743260 From SPECIAL DELIVERY PROCESS DEPT To PB MATERIALS HOLDINGS, INC. Tracking Number 091-0261	220.00
4/09/25	Advance For Miscellaneous - Terri Lawrence - Miscellaneous - Other Requester: Allison Pross C/M Number: 677-57235-190 - 04/09/2025	27.81
4/09/25	Advance For Miscellaneous - Terri Lawrence - Miscellaneous - Other Requester: Allison Pross C/M Number: 677-57235-190 - 04/09/2025	66.95
4/10/25	Advance For Filing Fees - Phillip Lamberson - Filing Fee Copy of March 19, 2025 hearing transcript. - 04/10/2025	1,825.00
4/10/25	Advance For Filing Fees - Phillip Lamberson - Filing Fee Copy of February 13, 2025 hearing transcript. - 04/10/2025	172.55
4/10/25	Advance For Title Search - Hollerbach & Associates, Inc. (Pays by Check) - Fee for title update and tax certificate	324.75
4/11/25	Advance For Copy Service - Mainstay Legal (Pays by Check) - Copies/postage	58.59
	Federal Express	208.38
	Postage/Mailing Costs	1.38
4/21/25	Advance For Copy Service - Mainstay Legal (Pays by Check) - Copies and postage	46.50
4/28/25	Advance For Deposition - Lexitas (Pays by Check) - Deposition transcript of Ryan Hoerauf.	2,059.95
4/29/25	Advance For Parking - Annmarie Chiarello - Parking Parking for Motions hearing at the courthouse in Fort Worth. - 04/29/2025	2.45
4/29/25	Advance For Parking - Phillip Lamberson - Parking Parking for hearings in the Northern District of Texas, Fort Worth courthouse. - 04/29/2025	11.23
4/29/25	Advance For Mileage - Annmarie Chiarello - Mileage Travel to/from Motions hearing at the courthouse in Fort Worth. - 04/29/2025	46.83

Matter: 190 O'RYAN RANCHES BANKRUPTCY

May 13, 2025
Invoice #: 3441302

TOTAL EXPENSES \$ 5,126.50

TOTAL THIS INVOICE \$ 169,958.50

WINSTEAD

Austin | Charlotte | Dallas | Fort Worth | Houston | Nashville | New York | San Antonio | The Woodlands

2728 N. Harwood Street
Suite 500
Dallas, Texas 75201

214.745.5400 OFFICE
214.745.5390 FAX
winstead.com

May 13, 2025

Prosperity Bank
Amanda Cone, Sr. Vice President
3811 Turtle Creek Blvd, Suite 1725
Dallas, TX 75219

Invoice #: 3441302
Client #: 57235
Matter #: 190

REMITTANCE ADVICE

RE: O'RYAN RANCHES BANKRUPTCY

Billing Attorney: Phillip L. Lamberson

BALANCE DUE THIS INVOICE

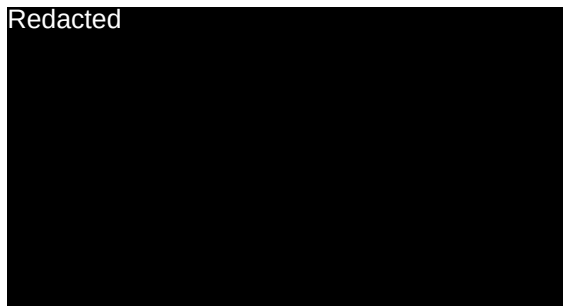
\$ 169,958.50

Please return this advice with payment to:

WINSTEAD PC | ATTORNEYS
ATTN: Accounts Receivable
2728 N. Harwood St., Suite 500
Dallas, Texas 75201-1743

Wire Transfer Instructions: Invoice Payments

Redacted



ACH TRANSFERS:

Must be sent in CTX Format with payment detail by invoice number.

Invoice payment detail may also be submitted via fax or email:

Redacted



TERMS: NET 30 DAYS

Thank you! Your Business is Greatly Appreciated.

From: Lamberson, Phil
Sent: Thursday, July 17, 2025 5:16 PM
To: tberghman@munsch.com; Smith, Garrick; Davor Rukavina (drukavina@munsch.com); Hudson Jobe; eenglish_porterhedges.com; Johnson, M. Shane; Hersh, Susan (USTP)
Cc: Chiarello, Annmarie
Subject: Scanrock Oil & Gas, Inc., et al. (25-90001): Prosperity Bank June 2025 Statement
Attachments: Scanrock June 2025 Invoice_Redacted.pdf

Counsel for the UST, UCC, and the Debtors:

On May 30, 2025, the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division entered the *Final Order Granting Debtors' Emergency Motion of Entry of Interim and Final Orders (I) Authorizing the Debtors to Use Cash Collateral; (II) Granting Adequate Protection; (III) Modifying the Automatic Stay; (IV) Scheduling a Final Hearing; and (V) Granting Related Relief* [Docket No. 363] (the "Cash Collateral Order") in the above-referenced bankruptcy case.

Attached please find Winstead's June fees and expenses statement. Pursuant to Paragraph 10 of the Cash Collateral Order, parties have ten (10) days to assert any objection and the Debtors shall pay any undisputed portion of the attached eleven (11) days following their receipt of the attached.

Please let us know if you have any questions.

Thank you.

Phillip Lamberson
WINSTEAD PC
500 Winstead Building
2728 N. Harwood Street
Dallas, Texas 75201
Direct: 214.745.5180
Mobile: 214.418.5279
Email: plamberson@winstead.com



WINSTEAD

2728 N. Harwood Street
Suite 500
Dallas, Texas 75201
Tax I.D. #75-2404691

July 17, 2025

Prosperity Bank
Amanda Cone, Sr. Vice President
3811 Turtle Creek Blvd, Suite 1725
Dallas, TX 75219

Invoice #: 4006343
Client #: 057235
Matter #: 057235.000190

Invoice Summary

RE: O'Ryan Ranches Bankruptcy

Billing Attorney: Lamberson, Phillip L.

For professional services rendered through June 30, 2025

Total Professional Services	\$ 98,714.00
Total Costs Advanced	\$ 61.35

Total Due This Invoice	\$ 98,775.35
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WINSTEAD

2728 N. Harwood Street
Suite 500
Dallas, Texas 75201
Tax I.D. #75-2404691

OUTSTANDING INVOICES:

Invoice Date	Invoice Number	Balance Due
5/13/25	3441302	169,958.50
6/20/25	4000988	103,002.93

Matter: O'Ryan Ranches Bankruptcy

July 17, 2025
Invoice #: 4006343**PROFESSIONAL SERVICES**

Date	Tkpr	Description	Hours
6/2/25	PLL	Review and analyze committee's substantive consolidation motion, and response to same; research related to response; telephone conference with G. Smith; review reporting; teleconference with J. Carruth (Haliburton)	4.60
6/2/25	AC	Draft substantive consolidation objection.	5.30
6/2/25	AC	Prepare for and call regarding subcon motion with Debtor.	1.40
6/2/25	AC	Draft objection to substantive consolidation motion.	1.40
6/2/25	AJP	Calendar dates pursuant to Reporting Requirements, PB information, Monthly Income Statements, and Budgets.	0.50
6/3/25	PLL	Email correspondence with client; email correspondence with debtors' counsel; analyze lien issues; work on plan issues	2.30
6/3/25	AC	Draft objection to substantive consolidation motion.	8.30
6/4/25	PLL	Review reporting; work on plan issues; review and comment on objection to motion for substantive consolidation; email correspondence with debtors' counsel	3.40
6/4/25	AC	Prepare for 341 meeting.	0.40
6/4/25	AC	Draft objection to substantive consolidation motion.	3.20
6/4/25	AC	Attend 341 meeting.	2.10
6/4/25	AC	Call and analysis of open plan issues.	1.60
6/4/25	AJP	Review all schedules and proofs of claim in all cases to gather information on committee.	1.50
6/5/25	PLL	Email correspondence with debtors' counsel; analyze production issues	0.90
6/5/25	AC	Revise substantive consolidation objection.	2.40
6/5/25	AJP	Review and compile all Proofs of Claim filed by Prosperity Bank. Prepare, file and serve Amended Notice of Hearing for Docket No. 166.	0.80
6/6/25	PLL	Review, comment and finalize objection to motion for substantive consolidation; teleconference with J. Polvi (Oregon broker);	2.40
6/6/25	AC	Call with Oregon Broker.	0.20
6/6/25	AC	Finalize substantive consolidation objection.	2.20
6/7/25	PLL	Teleconference with debtors' counsel; email correspondence with client; review reporting	1.10
6/9/25	PLL	Teleconference with client; work on fee issues; email correspondence with counsel; work on plan issues	1.70
6/9/25	AC	Review standing motion and draft summary of the same.	0.50
6/9/25	AC	Analysis of issues related to substantive consolidation and standing.	0.60
6/9/25	AC	Review Lain Faulkner monthly fee statements.	0.40
6/9/25	AC	Review Munsch Hardt fee statements.	2.70
6/9/25	AC	Prepare for and call regarding settlement proposal.	0.80
6/10/25	PLL	Teleconference with debtors' counsel; teleconference with committee's	2.70

Matter: O'Ryan Ranches Bankruptcy

July 17, 2025
Invoice #: 4006343

Date	Tkpr	Description	Hours
		counsel; preparation for June 13 hearing; review pleadings related to upcoming hearings; review reporting; email correspondence with counsel	
6/10/25	AC	Call with Debtors' counsel regarding fee objections.	0.40
6/10/25	AC	Prepare witness and exhibit list for 6/13 hearing.	1.40
6/10/25	AC	Call with Committee's counsel regarding plan.	0.40
6/10/25	AC	Prepare for substantive consolidation hearing, including drafting demonstratives.	1.40
6/11/25	PLL	Review reporting; preparation for June 13 hearing, including witness and exhibit list; Llano ranch broker call; email correspondence with client; email correspondence with counsel	2.70
6/11/25	AC	Prepare for substantive consolidation hearing.	1.40
6/11/25	AC	Call regarding Llano Broker.	0.50
6/11/25	AC	Call with counsel for creditor regarding case.	0.30
6/11/25	AC	Review plan.	1.00
6/11/25	AC	Prepare for substantive consolidation hearing.	2.20
6/11/25	AC	Revise plan.	2.20
6/11/25	AJP	Prepare exhibits, file, and serve Witness and Exhibit List by Property Bank for the June 13, 2025 hearing. Prepare hearing notebooks.	5.30
6/12/25	PLL	Preparation for 6/13 hearings; work on continuance related to same; review and comment on amended plan; review production information	2.70
6/12/25	AC	Revise Amended Plan.	0.60
6/12/25	AC	Prepare for substantive consolidation hearing.	2.90
6/13/25	PLL	Teleconference with J. Polvi (OR broker); prepare for and attend hearing	1.00
6/13/25	AC	Prepare for and attend substantive consolidation motion.	0.50
6/13/25	AC	Call with the Oregon Broker.	0.20
6/13/25	AJP	Prepare Master Exhibit List and mark exhibits.	0.80
6/16/25	PLL	Review reporting	0.40
6/16/25	AC	Correspondence related to plan.	0.40
6/16/25	AC	Prepare for trustee hearing June 23, 2025.	0.10
6/16/25	AC	Call with G. Smith regarding Plan filing and sale milestones.	0.20
6/17/25	PLL	Email correspondence with client; email correspondence with debtor's professionals; analyze [REDACTED]	0.90
6/17/25	AC	Review and correspondence related to the exclusivity order and extended lease deadline.	0.20
6/17/25	AC	Review weekly reporting.	0.30
6/18/25	PLL	Review and comment on amended plan; address issues related to [REDACTED]; email correspondence with client	3.30
6/18/25	AC	Attention to issues related to continued trustee hearing.	0.30
6/18/25	AC	Review amended plan.	0.50

Matter: O'Ryan Ranches Bankruptcy

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Date	Tkpr	Description	Hours
6/19/25	PLL	Review plan comments from debtor	0.80
6/19/25	AC	Call with Debtors counsel regarding amended plan follow up with client team regarding same.	0.70
6/19/25	AC	Call and follow up regarding interim fees.	0.80
6/20/25	PLL	Teleconference with Oregon broker; teleconference with committee's counsel; teleconference with client; teleconference with debtor's counsel; work on plan issues	3.90
6/20/25	AC	Analysis of upcoming hearing issues and amended plan.	0.80
6/20/25	AC	Weekly broker call for Oregon.	0.40
6/20/25	AC	Call with Debtor's counsel regarding plan.	0.50
6/20/25	AC	Call with client team regarding Trustee hearing.	0.50
6/20/25	AC	Call and follow up regarding interim fees.	0.40
6/20/25	AC	Call with the Committee of Unsecured Creditors regarding plan.	0.50
6/22/25	AC	Prepare witness and exhibit list and direct testimony for 6/25 hearing.	1.50
6/23/25	PLL	Email correspondence with client; work on witness and exhibit list for 6/25 hearings; teleconference with counsel; teleconference with client; review reporting; review and comment on revised plan; email correspondence with counsel	3.60
6/23/25	AC	Call regarding plan settlement and review of the same.	0.50
6/23/25	AC	Finalize 6/25 Witness and Exhibit List.	0.30
6/23/25	AC	Revise plan.	1.60
6/23/25	AC	Revise plan.	0.80
6/23/25	AC	Follow up regarding fee escrow.	0.30
6/24/25	PLL	Review plan comments; email correspondence with client; email correspondence with counsel; work on hearing issues; email correspondence with potential plan agent candidates; redact invoices	2.90
6/24/25	AC	Calls and correspondence related to interim compensation and hearing on 6/25.	0.70
6/24/25	AC	Correspondence regarding interim compensation procedures.	0.50
6/24/25	AC	Correspondence related to continued hearing.	0.40
6/24/25	AC	Correspondence related to Plan and review Llano loan documents related to same.	0.50
6/24/25	AC	Revise plan.	0.70
6/24/25	AC	Review UCC FA fee statements.	1.70
6/24/25	AJP	Review and redact attorney fee statement.	0.50
6/25/25	PLL	Review and analyze committee plan comments; teleconference with plan agent candidates; teleconference with Llano broker; review reporting	2.70
6/25/25	AC	Call with Harney Partners regarding Plan agent role.	0.50
6/25/25	AC	Review reporting and changes to plan.	1.50
6/25/25	AC	Review fees and expense of Riveron.	1.30

Matter: O'Ryan Ranches Bankruptcy

July 17, 2025
Invoice #: 4006343

Date	Tkpr	Description	Hours
6/25/25	AC	Revise Plan.	0.50
6/25/25	AC	Call regarding Llano ranch.	0.20
6/25/25	AC	Call regarding Oregon offer.	0.50
6/25/25	AC	Revise Plan.	2.80
6/26/25	PLL	Review revised plan related to committee and debtor comments; teleconference with client; teleconference with debtors' counsel	1.60
6/26/25	PLL	Email correspondence with counsel; email correspondence with plan agent candidates	0.40
6/26/25	AC	Call with client team regarding O'Ryan plan,	0.50
6/26/25	AC	Revise Plan.	0.80
6/26/25	AC	Correspondence regarding Committee issues and draft notice regarding the same.	0.90
6/26/25	AC	Call with Debtor's counsel and P. Lamberson regarding plan issues and next steps.	0.80
6/27/25	PLL	Teleconference with Jake Polvi (Oregon broker)	0.50
6/27/25	AC	Oregon/Ochoco Ranch Status Update call.	0.50
6/27/25	AC	Revise plan related to professional fee claims	0.60
6/27/25	AJP	Review and redact sealed exhibits.	3.00
6/30/25	AC	Finalize exhibits for Gill.	0.40

TOTAL PROFESSIONAL SERVICES

\$ 98,714.00

SUMMARY OF PROFESSIONAL SERVICES

Init	Timekeeper	Hours	Rate	Amount
PLL	Lamberson, Phillip L.	46.50	960.00	44,640.00
AC	Chiarello, Annmarie	76.80	650.00	49,920.00
AJP	Pross, Allison Jurecko	12.40	335.00	4,154.00
TOTALS		135.70		\$ 98,714.00

EXPENSES

Date	Description	Amount
6/4/25	Mainstay Legal - Advance For Advance for Copy Service Mainstay Legal Copies and postage for mailout.	61.35

TOTAL EXPENSES

\$ 61.35

Matter: O'Ryan Ranches Bankruptcy

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TOTAL THIS INVOICE

\$ 98,775.35

WINSTEAD

2728 N. Harwood Street
Suite 500
Dallas, Texas 75201
Tax I.D. #75-2404691

July 17, 2025

Prosperity Bank
Amanda Cone, Sr. Vice President
3811 Turtle Creek Blvd, Suite 1725
Dallas, TX 75219

Invoice #: 4006343
Client #: 057235
Matter #: 057235.000190

Remittance Advice

RE: O'Ryan Ranches Bankruptcy

Billing Attorney: Lamberson, Phillip L.

Total Due This Invoice

\$ 98,775.35

Please return this advice with payment to:

Winstead PC | Attorneys
Attn: Accounts Receivable
2728 N. Harwood St., Suite 500
Dallas, Texas 75201-1743

Wire Transfer Instructions:

Redacted

ACH Transfers:

Must be sent in CTX Format with payment detail
by invoice number.

Invoice payment detail may also be submitted via
fax or email:

Redacted

TERMS: DUE ON RECEIPT

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

IN RE:	§	CHAPTER 11
	§	
SCANROCK OIL & GAS, INC., <i>et al.</i>,¹	§	CASE NO. 25-90001-MXM
	§	
DEBTORS.	§	JOINTLY ADMINISTERED

**ORDER GRANTING PROSPERITY BANK, SUCCESSOR-IN-INTEREST TO LONE
STAR STATE BANK OF WEST TEXAS' MOTION TO CONVERT CHAPTER 11
CASES PURSUANT TO 11 U.S.C. § 1112(B)**

This matter comes before the Court on the *Motion to Convert Chapter 11 Case Pursuant to 11 U.S.C. § 1112(b) of the Bankruptcy Code* [Docket No. ____] (the "Motion") filed by Prosperity Bank, successor-in-interest to Lone Star State Bank of West Texas ("Lender"). This Court, having reviewed the Motion, and having considered the statements of counsel at a hearing before the Court (the "Hearing"), if any, finds that: (a) the Court has jurisdiction over this matter

¹ The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, if any, are: Scanrock Oil & Gas, Inc. (0380); O'Ryan Family Limited Partnership (1913); O'Ryan Production & Exploration, Ltd. (9950); Ryan C. Hoerauf, Inc. (0493); Smackover Oil Treaters, Ltd. (9529); O'Ryan Ponderosa, LLC (1476); EON Production, LLC (0136); and O'Ryan Ranches, Ltd. (7184) (the "Debtors"). The location of the Debtors' service address is 8180 Lakeview Center, Suite 300, Odessa, TX 79765.

pursuant to 28 U.S.C. § 1334; (b) this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and (c) notice of the Motion and the Hearing were sufficient under the circumstances. Having considered the evidence, arguments of counsel and responses, if any, the Court is of the opinion that the Motion is meritorious and should be approved.

ACCORDINGLY, IT IS HEREBY ORDERED THAT:

1. The Motion is **GRANTED**.
2. The above-captioned Chapter 11 cases are hereby converted to cases under Chapter 7 of the Bankruptcy Code.
3. The U.S. Trustee shall appoint a Chapter 7 trustee in each of the above-captioned Chapter 11 cases.
4. This Court shall retain jurisdiction over this Order.
5. This Order is a final order within the meaning of 28 U.S.C. § 158(a)(1) and is effective immediately upon entry.

END OF ORDER

Order submitted by:

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Annmarie Chiarello
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ATTORNEYS FOR PROSPERITY BANK