

ENTERED

September 27, 2024

Nathan Ochsner, Clerk

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

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In re:	§	Chapter 11
	§	
Barrow Shaver Resources Company, LLC ¹	§	Case No. 24-33353
	§	
	§	
Debtor.	§	

**ORDER (I) AUTHORIZING THE
DEBTOR TO PAY CERTAIN PREPETITION CLAIMS OF
CRITICAL VENDORS, AND (II) GRANTING RELATED RELIEF**

Upon the emergency motion (the “**Motion**”)² of the Debtor for entry of an order (i) authorizing the payment of prepetition claims of certain Critical Vendors in the ordinary course of business, and (ii) granting related relief; and the Court having determined that the relief requested in the Motion is in the best interests of the Debtor, its estate, its creditors, and other parties in interest; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. § 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that this Court may enter a final order consistent with Article III of the United States Constitution; 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 Debtor provided appropriate notice of the Motion and the opportunity for a hearing on the Motion under the circumstances and that no other or further notice is necessary; and the Court having reviewed the Motion and having heard the statements in support of the relief requested therein at the hearing, if any, before this Court (the

¹ The last four digits of the Debtor’s federal tax identification number are 0510. The Debtor’s corporate headquarters is located at 977 Pruitt Place, Tyler, TX 75703. All pleadings, as well as additional information related to the administration of the above-captioned bankruptcy case, are accessible free of charge on the case website at the following link: <https://cases.ra.kroll.com/BSR/>.

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

“Hearing”); and the Court having determined that the legal and factual bases set forth in the Motion and the hearing with respect to the Motion establish just cause for the relief granted herein; and after due deliberation thereon; and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Debtor is authorized, but not directed, pursuant to sections 105(a), and 363(b) of the Bankruptcy Code, to pay and satisfy the Critical Vendor Claims, in the ordinary course of business, whether relating to the period before or after the Voluntary Petition Date, in a final amount not to exceed \$317,870.00.

2. As a condition to receiving payment on account of the Critical Vendor Claims, the Debtor, may require, by written agreement, that the Critical Vendors agree to maintain or reinstate trade terms during the pendency of the Bankruptcy Case that are (a) at least as favorable as those existing as of the Voluntary Petition Date or (b) on terms satisfactory to the Debtor in its business judgment (**“Customary Terms”**).

3. If any Critical Vendor accepts payment pursuant to this Order on account of a Critical Vendor Claim premised on compliance with paragraph 2 hereof, and thereafter fails to comply with the Customary Terms, or such other terms agreed to by the Debtor (including, for the avoidance of doubt, any prepetition arrangement or contract), then the Debtor may (a) deem such payment to be applied to postpetition amounts payable to such Critical Vendor Claim or (b) deem such payment an avoidable postpetition transfer under section 549 of the Bankruptcy Code, and the Critical Vendor shall be required to immediately repay to the Debtor any payment made to it on account of its asserted claim to the extent the aggregate amount of such payments exceeds the postpetition obligations then outstanding, without the right of any setoffs, claims, provision for payment of reclamation or trust fund claims or otherwise. Upon recovery by the Debtor, the Critical Vendor shall be reinstated as a prepetition claim in the amount so recovered. The Debtor

shall provide a copy of this Order to the applicable party prior to such party's acceptance of any payment hereunder.

4. Notwithstanding anything to the contrary herein, prior to making any payment pursuant to this Order, the Debtor shall provide such creditor a copy of this Order (unless previously provided) *or* include with the payment the following communication: By accepting this payment, the payee agrees to the terms of the Order of the United States Bankruptcy Court for the Southern District of Texas, dated September 27, 2024 in the chapter 11 case of *Barrow Shaver Resources Company LLC* (Case No. 24-33353), entitled "*Order (I) Authorizing the Debtor to Pay Certain Prepetition Claims of Critical Vendors, and (II) Granting Related Relief*" and submits to the jurisdiction of that Court for enforcement thereof. Thereafter, any party that accepts payment from the Debtor on account of a Critical Vendor Claim shall be deemed to have agreed to the terms and provisions of this Order.

5. The Debtor retains the business judgment to make or not make payments authorized by this Order. All payments are subject to the condition that funds are available to make such payment and in no event shall any person (Debtor, officer, director or otherwise) be personally liable for any amounts authorized for payment herein but not paid.

6. Notwithstanding the relief granted in this Order and any actions taken pursuant to such relief, nothing in this Order shall be deemed: (a) an admission as to the validity of any claim against the Debtor, the existence of any lien against the Debtor's properties, or the existence of any obligation on the part of the Debtor; (b) a waiver of the Debtor's rights to dispute any claim, lien, or obligation on any grounds; (c) a promise or requirement to pay any prepetition claim; (d) an implication or admission that any particular claim is of a type specified or defined in the Motion, this Order, or any order granting the relief requested by the Motion; (e) a request or authorization to assume any prepetition agreement, contract, or lease pursuant to section 365 of

the Bankruptcy Code; or (f) a waiver of the Debtor's or any other party in interest's rights under the Bankruptcy Code or any other applicable law.

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

8. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Rules and the Complex Procedures are satisfied by such notice.

9. Notwithstanding any Bankruptcy Rule to the contrary, this Order shall take effect immediately upon its entry.

10. The Debtor is authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

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

Signed: September 27, 2024


Alfredo R Pérez
United States Bankruptcy Judge