

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

In re:

Barrow Shaver Resources Company LLC,¹

Debtor.

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Chapter 11

Case No. 24-33353

**DEBTOR'S EMERGENCY MOTION TO APPROVE
COMPROMISE AND SETTLEMENT BETWEEN THE DEBTOR,
SDS PETROLEUM CONSULTANTS LLC AND S ONE ROYALTY PROPERTIES, LLC,
PURSUANT TO FED. R. BANKR. P. 9019(A)**

EMERGENCY RELIEF HAS BEEN REQUESTED. RELIEF IS REQUESTED NOT LATER THAN JUNE 9, 2026, AT 9:30 A.M. (PREVAILING CENTRAL TIME). IF YOU OBJECT TO THE RELIEF REQUESTED OR YOU BELIEVE THAT EMERGENCY CONSIDERATION IS NOT WARRANTED, YOU MUST APPEAR AT THE HEARING OR FILE A WRITTEN RESPONSE PRIOR TO THE DATE THAT RELIEF IS REQUESTED. OTHERWISE, THE COURT MAY TREAT THE PLEADING AS UNOPPOSED AND GRANT THE RELIEF REQUESTED.

A HEARING WILL BE CONDUCTED ON THIS MATTER ON JUNE 9, 2026, AT 9:30 A.M. (PREVAILING CENTRAL TIME) IN COURTROOM 400, 515 RUSK, HOUSTON, TEXAS 77002. YOU MAY PARTICIPATE IN THE HEARING EITHER IN PERSON OR BY AN AUDIO AND VIDEO CONNECTION.

AUDIO COMMUNICATION WILL BE BY USE OF THE COURT'S DIAL-IN FACILITY. YOU MAY ACCESS THE FACILITY AT 832-917-1510. ONCE CONNECTED, YOU WILL BE ASKED TO ENTER THE CONFERENCE ROOM NUMBER. JUDGE PÉREZ'S CONFERENCE ROOM NUMBER IS 282694. VIDEO COMMUNICATION WILL BE BY USE OF THE GOTOMEETING PLATFORM. CONNECT VIA THE FREE GOTOMEETING APPLICATION OR CLICK THE LINK ON JUDGE PÉREZ'S HOME PAGE. THE MEETING CODE IS "JUDGEPEREZ". CLICK THE SETTINGS ICON IN THE UPPER RIGHT CORNER AND ENTER YOUR NAME UNDER THE PERSONAL INFORMATION SETTING. HEARING APPEARANCES MUST BE MADE ELECTRONICALLY IN ADVANCE

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/>.

OF BOTH ELECTRONIC AND IN-PERSON HEARINGS. TO MAKE YOUR APPEARANCE, CLICK THE “ELECTRONIC APPEARANCE” LINK ON JUDGE PÉREZ’S HOME PAGE. SELECT THE CASE NAME, COMPLETE THE REQUIRED FIELDS, AND CLICK “SUBMIT” TO COMPLETE YOUR APPEARANCE.

Barrow Shaver Resources Company LLC (the “**Debtor**”), debtor and debtor-in-possession in the above-captioned chapter 11 case (the “**Bankruptcy Case**”), hereby files this *Emergency Motion to Approve Compromise and Settlement Between the Debtor, SDS Petroleum Consultants LLC and S One Royalty Properties, LLC Pursuant to Fed. R. Bankr. P. 9019(a)* (the “**Motion**”) seeking to approve the settlement agreement (“**Settlement Agreement**”) between the Debtor, SDS Petroleum Consultants LLC (“**SDS**”) and S One Royalty Properties LLC (“**S One**”) (such parties together with the Debtor, the “**Parties**”). In support of the Motion, the Debtor respectfully states as follows:

PRELIMINARY STATEMENT²

1. Since 2024, the Debtor has been engaged in litigation with SDS over events that happened during the early morning hours of December 28, 2023, during the drilling of the Hays Glover 1H well (“**SDS Litigation**”). The SDS Litigation was filed by the Debtor pre-petition in state court and was eventually removed to this Court, and the Parties engaged in hard fought litigation including taking nearly a dozen depositions; extensive motion practice; and the engagement of experts on both sides.

2. With a June 10th trial date set, the Parties agreed to attend mediation presided over by the Honorable Marvin Isgur on June 4, 2026, and with Judge Isgur’s assistance were able to

² Capitalized terms used in the Preliminary Statement but not otherwise defined have the meaning ascribed below. Capitalized terms used in the Motion but not otherwise defined herein have the meaning ascribed to such terms in the Settlement Agreement.

reach an agreement, the terms of which are outlined in the Settlement Agreement attached hereto as **Exhibit A**.

3. Not only does the Settlement Agreement resolve the SDS Litigation, it also resolves all issues pending between the Debtor, SDS, and S One, including the more than \$1.6 million in mechanics' liens asserted by SDS for work performed for the Debtor related to the drilling of the Hays Glover field as well as allows the Debtor to obtain additional value for the working interests asserted by S One and end certain litigation related to those working interests.

4. To authorize the Debtor to enter into the Settlement Agreement, the Debtor seeks entry of an Order substantially in the form of the proposed order attached hereto as **Exhibit B** (the "**Proposed Order**").

5. Due to the June 10th trial date, the Debtor seeks relief on an emergency basis.

BACKGROUND

I. The Chapter 11 Case.

6. A comprehensive overview of the Debtor's operations and the Bankruptcy Case was provided in the *Emergency Motion for Entry of an Order (I) Approving the Sale of the Substantial Majority of the Debtor's Assets to TexOil Investments, LLC, (II) Authorizing the Debtor to Enter Into the TexOil Asset Purchase Agreements, (III) Approving the Sale of the Assets Free and Clear of Claims, Liens, Interests, and Encumbrances, (IV) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases as Set Forth in the TexOil*

Asset Purchase Agreements, and (V) Granting Related Relief [Docket No. 917] (the “**Sale Motion**”) and is incorporated herein by reference.

II. The SDS Litigation.

7. The Debtor filed the SDS Litigation on June 24, 2024 in the 7th Judicial District Court of Cass County, Texas asserting claims for breach of contract, breach of warranty, and negligence against SDS. In its lawsuit, the Debtor claimed that on December 28, 2023, a significant loss of pressure was noted while drilling the Hays-Glover well and that SDS’s nighttime consultant failed to act reasonably and failed to take necessary remedial and investigative actions to prevent catastrophic failure. Instead SDS continued drilling for roughly four hours after the initial pressure drop. The Debtor claimed that these events resulted in fishing operations and nonproductive time resulting in \$4,459,279.00 in damages.

8. On July 19, 2024, SDS filed its original answer. On July 29, 2024, after the involuntary bankruptcy filing on behalf of the Debtor, SDS filed a notice of removal, removing the SDS Litigation, and on August 23, 2024, the case was transferred to this Court.

9. On August 29, 2025, SDS filed its First Amended Answer and Counterclaim, asserting a claim for breach of contract against the Debtor seeking indemnity under the Master Services Agreement (the “**MSA**”) between the Debtor and SDS. On November 26, 2025, SDS filed its motion for summary judgment on its breach of contract claim, claiming that the Debtor was required to indemnify SDS for the claims asserted in this lawsuit based on the Parties’ MSA. The motion for summary judgment was fully briefed and argued and the Court denied the motion on February 9, 2026. However, SDS’ claims against the Debtor remained reserved for trial.

10. Discovery in the SDS Litigation was extensive. The Parties conducted a total of fourteen depositions. Unfortunately, the SDS nighttime consultant, George Smith, passed away

before his deposition could ever be taken. Both Parties also engaged several experts to opine on the causation and damages elements of the case.

11. On March 25, 2026, SDS filed its second motion for summary judgment seeking dismissal of the Debtor's claims based on the assertion that it was not vicariously liable for the actions of Mr. Smith. Again, this motion was fully briefed and argued and on June 2, 2026, was denied by the Court. Full determination of this issue, however, remained reserved for trial which is set to start on June 10, 2026, and last for several days.

III. The SDS Liens.

12. In 2024, SDS filed a series of mechanics liens related to its work done for the Debtor on the Hays Glover wells. On December 9, 2024, SDS submitted a Lien Claimant Proof of Claim in the amount of \$1,664,313.98 for those same liens. *See* Claim 87-1.

IV. The S One Working Interest.

13. S One, a related company to SDS, has asserted working interests in the Debtor's interests in the Debtor's oil and gas leases and is a plaintiff in the litigation styled *0078HT, et al. v. Barrow Shaver Resources Company, LLC*, Adv. No. 25-03618 (Bankr. S.D. Tex.), in which it asserts title to those working interests.

V. The Settlement Agreement.

14. The Settlement Agreement resolves all issues between the Debtor and SDS and S One and provides for the Debtor to receive the following benefits:

- i. Cash payment in the amount of \$754,000.00 by SDS to the Debtor within 30 days of entry of the Proposed Order;
- ii. Release of all liens asserted by SDS in exchange for a payment of \$187,000.00 by the Debtor to SDS;
- iii. Transfer of S One's working interests to the Debtor; and
- iv. Withdraw of all proofs of claim submitted by SDS and S One.

15. The Parties will also receive full and mutual releases and the Debtor will dismiss the SDS Litigation with prejudice.

BASIS FOR RELIEF

16. The Debtor requests entry of the Proposed Order, approving the Settlement Agreement. The Debtor submits that the terms of the Settlement Agreement is fair and equitable and that its approval is in the best interests of creditors and the Debtor's estate.

17. Pursuant to section 105(a) of the Bankruptcy Code and Rule 9019(a) of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), this Court may approve the compromise reached by the Parties.³ "One of the goals of Congress in fashioning the Bankruptcy Code was to encourage parties in a distress situation to work out a deal among themselves."⁴ "[C]ompromises are favored in bankruptcy" because they minimize litigation costs and further the parties' interest in expediting the administration of a bankruptcy case.⁵

18. Bankruptcy Rule 9019 governs the procedural requirements to be followed before a settlement may be approved.⁶ Bankruptcy Rule 9019(a) provides in relevant part that: "[o]n the [debtor-in-possession]'s motion and after notice and a hearing, the court may approve a compromise or settlement."⁷ Bankruptcy Rule 9019(a) empowers a bankruptcy court to approve

³ FED. R. BANKR. 9019(a); 11 U.S.C. § 105(a).

⁴ *In re Mirant Corp.*, 334 B.R. 800, 811 (Bankr. N.D. Tex. 2005).

⁵ *Myers v. Martin (In re Martin)*, 91 F.3d 389, 393 (3d Cir. 1996) (quoting 9 COLLIER ON BANKR. ¶ 9019.03[1] (15th ed. Rev. 1993)) (internal quotation marks omitted).

⁶ FED. R. BANKR. 9019.

⁷ FED. R. BANKR. P. 9019(a).

compromises and settlements if they are “fair and equitable and in the best interest of the estate.”⁸ Moreover, section 105(a) of the Bankruptcy Code provides in pertinent part that “[t]he court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.”⁹

19. Approval of a proposed compromise is left to the sound discretion of the reviewing court.¹⁰ The burden of establishing the fairness of a compromise rests on the proponent of the compromise; however, a debtor-in-possession is not required to present a full mini-trial or evidentiary hearing to adjudicate the issues being settled.¹¹ Rather, when determining whether to approve a compromise, the court “is not to decide the numerous questions of law and fact raised” by the compromise but is “to canvass the issues and see whether the settlement falls below the lowest point in the range of reasonableness.”¹²

20. In determining whether a proposed compromise is fair and equitable, a court should consider the following factors:

- a. The probability of ultimate success should the claim be litigated;
- b. An educated estimate of: (i) the complexity, expense, and likely duration of such litigation; (ii) possible difficulties of collecting on

⁸ *Official Comm. of Unsecured Creditors v. Cajun Elec. Power Coop., Inc. (In re Cajun Elec. Power Coop., Inc.)*, 119 F.3d 349, 355 (5th Cir. 1997); *Conn. Gen. Life Ins. Co v. United Cos. Fin. Corp. (In re Foster Mortg. Corp.)*, 68 F.3d 914, 917 (5th Cir. 1995).

⁹ 11 U.S.C. § 105(a).

¹⁰ *See, e.g., In re Hibbard Brown & Co., Inc.*, 217 B.R. 41 (Bankr. S.D.N.Y. 1998) (noting that courts should exercise their discretion “in light of the general public policy favoring settlements”).

¹¹ *See Spark Factor Design, Inc. v. Hjelmeset (In re Open Med. Inst.)*, 639 B.R. 169, 180 (9th B.A.P. 2022); *In re Purofied Down Prods. Corp.*, 150 B.R. 519, 522 (S.D.N.Y. 1993) (noting that the court “need not conduct a ‘mini-trial’ to determine the merits of the underlying litigation” being settled).

¹² *ARS Brook, LLC v. Jalbert (In re ServiSense.com, Inc.)*, 382 F.3d 68, 71-72 (1st Cir. 2004); *see Vaughn v. Drexel Burnham Lambert Group, Inc. (In re Drexel Burnham Lambert Group, Inc.)*, 134 B.R. 499, 505 (Bankr. S.D.N.Y. 1991).

any judgment which might be obtained; and (iii) all other factors relevant to a full and fair assessment of the wisdom of the proposed compromise; and

- c. The comparison of the terms of the settlement and compromise with the likely rewards of litigation, including: (i) uncertainties of fact and law which impact the probability of success in the litigation; and (ii) delay and inconvenience which impact the complexity or duration of the litigation.¹³

21. The Debtor submits that the terms of the proposed Settlement Agreement satisfy the requirements established by the Supreme Court in *TMT Trailer Ferry*, as expanded upon by *Jackson Brewing*. Absent settlement, the Debtor would be required to try its claims against SDS in a trial beginning on June 10, 2026, which adds additional expenses and uncertainty. As the plaintiff, the Debtor bears the burden of proof to establish that SDS's conduct on December 28, 2023, at the Hays-Glover well was unreasonable and caused the Debtor's damages. Because the SDS nighttime consultant passed away before his deposition could be taken, and because the individuals on site of the Hays-Glover on December 28, 2023, had little to no memory of that morning, the SDS Litigation is largely (maybe even solely) dependent on the testimony of the Parties' respective expert witnesses, all of which involve complicated analysis of horizontal well drilling. The outcome of the SDS Litigation depends heavily upon the Court's determination of these experts' credibility and analysis of the events that occurred on December 28, 2023. The Settlement Agreement resolves these issues efficiently and conclusively.

22. In addition, the Settlement Agreement gives the Debtor value outside of the SDS Litigation by providing for the Debtor to obtain a release of more than \$1,664,313.98 in filed and

¹³ See *Protective Comm. for Indep. Stockholders of TMT Trailer Ferry, Inc. v. Anderson (In re TMT Trailer Ferry, Inc.)*, 390 U.S. 414, 424-25 (1968); *Rivercity v. Herpel (In re Jackson Brewing Co.)*, 624 F.2d 599, 602-03 (5th Cir. 1980) (decided under the Bankruptcy Act).

recorded mineral liens asserted by SDS against the Debtor as well as to obtain the transfer of S One's purported working interests that provides value to the Debtor, and avoids additional litigation with S One.¹⁴

23. The Settlement Agreement is a fair resolution of the SDS Litigation because it provides for a payment to the Debtor by SDS for the events of December 28, 2023, when liability and damages were hotly contested and a multi-day trial requiring extensive resources (including engagement of multiple experts) was imminent. Furthermore, it was recently disclosed to the Debtor that SDS had a wasting insurance policy that was only going to continue being diminished by ongoing litigation. The Settlement Agreement is in the best interest of the estate in many ways because it (i) eliminates the litigation risk in the SDS Litigation; (ii) resolves all liens asserted by SDS at a more than 89% discount; and (iii) gives the Debtor clear title to S One's working interests, which the Debtor can then obtain further value from in accordance with the transaction approved by the Sale Order.¹⁵

24. The Settlement Agreement was negotiated at arms-length during a mediation with Judge Isgur. Considering all the circumstances, the consensual resolution of claims by and among the Parties is in the best interest of creditors and the estate. In light of these considerations, the proposed compromise falls well within the range of reasonableness and meets the standards of *TMT Trailer Ferry*, *Jackson Brewing*, and other applicable law. The foregoing particularly weighs

¹⁴ SDS and S One have also agreed to withdraw all proofs of claim filed in this case. S One filed two claims (Claims 582 and 890) and SDS filed its lien claim as Claim 647.

¹⁵ See *Order Granting Debtor's Emergency Motion for Entry of an Order (I) Approving the Sale of the Substantial Majority of the Debtor's Assets to TexOil Investments, LLC, (II) Authorizing the Debtor to Enter Into the TexOil Asset Purchase Agreements, (III) Approving the Sale of the Assets Free and Clear of Claims, Liens Interests, and Encumbrances, (IV) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases as Set Forth in the TexOil Asset Purchase Agreements, and (V) Granting Related Relief* [Docket No. 972] (the "**Sale Order**").

in favor of the approval of the compromise and settlement in light of the practical reality that “compromises are ‘a normal part of reorganization,’ . . . oftentimes desirable and wise methods of bringing to a close proceedings [that are] otherwise lengthy, complicated and costly.”¹⁶

EMERGENCY CONSIDERATION

25. Pursuant to Local Rule 9013-1(i), the Debtor respectfully requests emergency consideration of this Motion to approve this compromise prior to the June 10th trial setting. Due to the significant resources involved in preparing for trial, the Debtor would like this compromise approved prior to the current trial setting in order to preserve that setting if necessary.

WHEREFORE, based upon the foregoing, the Debtor respectfully requests that the Court enter the Proposed Order, approving the Settlement Agreement in all respects, and grant such other and further relief as the Court may deem just and proper.

[Continues on Next Page]

¹⁶*Jackson Brewing*, 624 F.2d at 602 (quoting *Case v. Los Angeles Lumber Prods. Co.*, 308 U.S. 106, 130 (1939) (citing *Florida Trailer and Equipment Co. v. Deal*, 284 F.2d 567, 571 (5th Cir. 1960))).

Dated: June 5, 2026

Respectfully Submitted,

/s/ Joseph E. Bain

Joseph E. Bain (TX Bar No. 24085187)

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Counsel to the Debtor and Debtor-in-Possession

CERTIFICATE OF SERVICE

I certify that on June 5, 2026, a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas on those parties required to receive service pursuant to the Bankruptcy Rules.

/s/ Joseph E. Bain

Joseph E. Bain

CERTIFICATE OF ACCURACY PURSUANT TO LOCAL RULE 9013-1(I)

I hereby certify that the factual statements made in the foregoing Motion are accurate to the best of my knowledge.

/s/ Joseph E. Bain

Joseph E. Bain

TABLE OF EXHIBITS

<u>Exhibit</u>	<u>Description</u>
A	SDS/S One/BSR Settlement Agreement
B	Proposed Order

EXHIBIT A

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

IN RE:

**BARROW SHAVER RESOURCES
COMPANY, LLC,**

Debtor.

**BARROW SHAVER RESOURCES
COMPANY LLC,**

Plaintiff,

VS.

SDS PETROLEUM CONSULTANTS LLC,

Defendant.

CASE NO: 24-33353

CHAPTER 11

ADVERSARY NO. 24-3178

MEDIATED SETTLEMENT AGREEMENT

This is a Mediated Settlement Agreement between Barrow Shaver Resources Company, LLC and SDS Petroleum Consultants LLC. It is subject to the approval of the United States Bankruptcy Court for the Southern District of Texas, which approval will promptly be sought. If the Bankruptcy Court does not approve this settlement, this Mediated Settlement Agreement will have no further force and effect and the parties will be returned to the status quo as of 8:00 a.m. on June 4, 2026.

1. All settlement payments and the exchange of all non-monetary assets under this Agreement will be made on or before the 30th day (or such other date as determined in the final order issued by the Bankruptcy Court) following approval by the United States Bankruptcy Court (the “Effective Date”).
2. SDS Petroleum Consultants will wire transfer \$754,000.00 to the Debtor.
3. The Debtor, in consideration of the alleged liens held by SDS, will pay \$187,000.00 to SDS.
4. On the Effective Date, SDS will release all of its liens, actual or alleged, against Barrow Shaver and its property.

5. On the Effective Date, SDS will cause its affiliates to transfer all working interests in Barrow Shaver properties (in particular, the working interest held by S One Royalty Properties LLC in the Hidden Rock Field) to Barrow Shaver or its designee.
6. On the Effective Date, SDS and S One Royalty Properties, LLC, on behalf of themselves, and each of its affiliates, subsidiaries, owners, directors, agents, shareholders, and attorneys releases Barrow Shaver, and each of its affiliates, subsidiaries, owners, directors, agents (including without limitation, James Katchadurian), shareholders and attorneys from all liabilities, claims and liens arising from the beginning of the Universe through the Effective Date. The release will include a withdrawal of all proofs of claim by any releasing party.
7. On the Effective Date, Barrow Shaver, on behalf of itself, and each of its affiliates, subsidiaries, owners, directors, agents, shareholders, and attorneys releases SDS, and each of its affiliates, subsidiaries (including without limitation S One Royalty Properties, LLC), owners, directors, insurers, agents, shareholders and attorneys from all liabilities, claims and liens arising from the beginning of the Universe through the Effective Date.
8. All parties will inform TexOil of this Settlement Agreement and stipulate that TexOil is free to purchase the working interests from Barrow Shaver with no obligation to any other party (or its affiliates) to this agreement.
9. All transfers made pursuant to this Agreement will be made without recourse on an "As Is" basis, with no representations or warranties. Provided, SDS represents that it has not sold or hypothecated its liens or working interests.

Signed on June 4, 2026.



FOR SDS and S One Royalty Properties, LLC



For Barrow Shaver

EXHIBIT B

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

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

**ORDER GRANTING DEBTOR’S EMERGENCY MOTION TO APPROVE
COMPROMISE AND SETTLEMENT BETWEEN THE DEBTOR,
SDS PETROLEUM CONSULTANTS LLC AND S ONE ROYALTY PROPERTIES, LLC,
PURSUANT TO FED. R. BANKR. P. 9019(A)**

Upon consideration of the *Emergency Motion to Approve Compromise and Settlement Between the Debtor, SDS Petroleum Consultants LLC and S One Royalty Properties, LLC Pursuant to Fed. R. Bankr. P. 9019(a)* (the “**Motion**”)², this Court having reviewed the Motion; this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; this Court having found this is a core proceeding under 28 U.S.C. § 157(b)(2); this Court having found it may enter a final order consistent with Article III of the United States Constitution; this Court having found that venue of this proceeding and the Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409; this Court having found that the Debtor’s notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; this Court having reviewed the Motion; this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; no objections to 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/>.

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

Motion having been filed or such objections are overruled following the hearing on the Motion; and after due deliberation and sufficient cause appearing therefore, it is HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.
2. The Settlement Agreement, attached as **Exhibits A** to the Motion, is approved pursuant to Bankruptcy Rule 9019 and section 105(a) of the Bankruptcy Code.
3. The Debtor is authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion and the terms of the Settlement Agreement.
4. The Debtor is authorized to direct Kroll Restructuring Administration LLC, the court-appointed claims, noticing, and solicitation agent, to modify the official claims register to reflect the terms of the Settlement Agreement and this Order, without the necessity of the SDS Petroleum Consultants LLC or S One Royalty Properties LLC filing an amended proof of claim, request for withdrawal, or any other claim-related legal proceeding arising out of or related to the Settlement Agreement, and without any further notice to, action by, order of, or approval of the Court.
5. The Settlement Agreement shall be binding upon the Debtor, SDS Petroleum Consultants LLC and S One Royalty Properties LLC along with their subsidiaries, affiliated companies, parent companies, permit transferees, heirs, administrators, representatives, executors, successors, and assigns.
6. Any applicable fourteen-day stay as provided in the Bankruptcy Rules is hereby expressly waived and shall not apply to this Order.

7. This Court retains jurisdiction over the Settlement Agreement and Motion with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Signed: _____, 2026

ALFREDO R. PÉREZ
UNITED STATES BANKRUPTCY JUDGE