

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF KANSAS
(Kansas City Division)**

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| In Re: |) | In Proceedings Under Chapter 11 |
| |) | |
| CRESCENT OIL COMPANY, INC., |) | Case No. 09-20258-RDB |
| <i>et al.,</i> |) | |
| Debtors. |) | Jointly Administered |

**EMERGENCY MOTION FOR APPROVAL
OF VALERO INTERIM SUPPLY AGREEMENT**

Debtors Crescent Fuels, Inc.; Crescent Realty, Inc.; Crescent Oil Company, Inc.; Crescent Stores Corporation; and Crescent Business Development Corp. (collectively, “Debtors”), for their Emergency Motion for Approval of Valero Interim Supply Agreement (the “Motion”), state as follows:

1. Debtor Crescent Oil Company, Inc. (“Crescent Oil”) filed its voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code (the “Code”) on February 7, 2009.
2. The remaining Debtors commenced the captioned cases by filing separate voluntary petitions for relief under Chapter 11 of the (“Code”) on February 8, 2009 (the “Filing Date”).
3. Debtors continue to manage their property as debtors-in-possession pursuant to Code §§ 1107 and 1108.
4. Crescent Oil and Valero Marketing and Supply Company (“VMSC”) entered that certain Branded Distributor Marketing Agreement (“VMSC DMA”) effective April 1, 2007, governing the sale and distribution of VMSC-branded petroleum products (“VMSC-branded Products”) by Crescent Oil at branded fuel dispensing stations.

5. Crescent Oil is a party to certain dealer agreements for the wholesale distribution of VMSC-branded Products (collectively, the “Dealer Agreements” and individually, a “Dealer Agreement”) to branded fuel dispensing stations (collectively, the “Dealers” and individually, each a “Dealer”).

6. Crescent Oil currently provides fuel to 44 Valero-branded stations (the “Valero Stations”).

7. On February 11, 2009, the Court entered the Stipulation and Interim Order (I) Authorized Secured Post-Petition Financing on a Superpriority Basis Pursuant to 11 U.S.C. § 364, (II) Authorizing Use of Cash Collateral Pursuant to 11 U.S.C. §§ 363 and 364, (III) Granting Adequate Protection Pursuant to 11 U.S.C. §§ 363 and 364 and (IV) Scheduling a Final Hearing Pursuant to Bankruptcy Rule 4001(c) (“DIP Order”), pursuant to which Crescent Oil will continue to supply fuel to 25 of the Valero Stations.

8. With respect to the remaining 19 Valero Stations (the “Interim Supplier Stations”), Crescent has, subject to Court approval, entered into a Valero Interim Supply Agreement with Carter Energy Corporation (the “Carter Agreement”), a copy of which is attached as **Exhibit A** and incorporated by reference. Pursuant to the Carter Agreement, Carter Energy Corporation shall supply the Valero-branded Products on an interim basis to certain of the Dealers (collectively, the “Managed Dealers” and individually, a “Managed Dealer”) under the terms and conditions of a temporary wholesale supply agreement (“TWSA”) entered into or to be entered into between Interim Supplier and each Managed Dealer.

9. By the Motion, Debtors are seeking this Court’s authority for Crescent Oil to enter into the Carter Agreement.

10. As the Court heard in testimony and statements of counsel on February 11, 2009, to the extent that the Valero Stations are not already dry, they will be quickly. Every day that

there is no fuel at the Valero Stations has a devastating impact on Debtors, further diminishing the value of their collateral and negatively impacting their ability to reorganize, either through a sale or otherwise.

11. Debtors request that the Court immediately approve the Motion so that fuel may be supplied to the Interim Supplier Stations pursuant to the terms and conditions of the Carter Agreement.

WHEREFORE, Debtors respectfully request that the Court grant the Motion; authorize Crescent Oil to enter into the Carter Agreement; and grant such other and further relief as is just and proper.

Date: February 12, 2009

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ATTORNEYS FOR DEBTORS AND
DEBTORS-IN-POSSESSION

CERTIFICATE OF SERVICE

I hereby certify that on February 12, 2009, a true and correct copy of the foregoing was served electronically on all parties receiving electronic notice through this Court's CM/ECF system and via first class mail, postage prepaid, to all parties not receiving electronic notice pursuant to Standing Order No. 1.

/s/ Lisa A. Epps
An Attorney for Debtors