



The relief described hereinbelow is SO ORDERED.

Signed February 11, 2009.

ROBERT D. BERGER
United States Bankruptcy Judge

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

In Re:) **In Proceedings Under Chapter 11**
)
CRESCENT OIL COMPANY, INC.,) **Case No. 09-20258**
et al.,)
Debtors.)

**STANDING ORDER NO. 2 ESTABLISHING PROCEDURES FOR INTERIM
COMPENSATION AND ESTABLISHING FEE AND EXPENSE GUIDELINES**

Now on this 10th day of February, 2009, this matter comes before the Court on Debtors' Motion to Approve Standing Order No. 2 Establishing Procedures for Interim Compensation and Establishing Fee and Expense Guidelines, and the Court having reviewed and considered the request and arguments of counsel in support thereof and the statements of all other parties appearing before the Court in connection therewith; the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; the Court finding that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); the Court finding that due and adequate notice of the request and the hearing thereon having been given; and for good cause shown; it is hereby **ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:**

- (a) No earlier than the 15th day of each calendar month, each Professional seeking interim compensation shall file an application (the “Monthly Fee Notice”) with the Court pursuant to 11 U.S.C. § 331 for interim approval and allowance of compensation for services rendered and reimbursement of expenses incurred during the immediately preceding month (the “Compensation Period”).
- (b) Each Monthly Fee Notice shall comply with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), applicable Tenth Circuit law and the Local Rules of this Court, and shall be served upon all parties set forth on the service list attached hereto as **Exhibit A** (the “Notice Parties”).
- (c) Each Notice Party shall have 20 days after service of a Monthly Fee Notice to object (the “Objection Deadline”). Upon the expiration of the Objection Deadline, each Professional may file a certificate of no objection or a certificate of partial objection with the Court, whichever is applicable, after which Debtors are authorized to pay each Professional an amount (the “Actual Interim Payment”) equal to the lesser of (i) 80 percent of the fees and 100 percent of the expenses requested in the Monthly Fee Notice (the “Maximum Payment”) or (ii) 80 percent of the fees and 100 percent of the expenses not subject to an objection.
- (d) If any Notice Party objects to a Professional’s Monthly Fee Notice, it must file a written objection with the Court and serve it on the Professional and each of the Notice Parties so that it is received on or before the Objection Deadline. Thereafter, the objecting party and the Professional may attempt to resolve the objection on a consensual basis. If the parties are unable to reach a resolution of the objection within 20 days after service of the objection, then the Professional may either (i) file a response to the objection with the Court, together with a

request for payment of the difference, if any, between the Maximum Payment and the Actual Interim Payment made to the affected Professional (the “Incremental Amount”); or (ii) forego payment of the Incremental Amount until the next interim or final fee application hearing, at which time the Court will consider and dispose of the objection, if requested by the parties.

- (e) Allowance of monthly fees and expenses shall not constitute an interim or final approval of the Professionals fees and expenses.
- (f) Beginning with the period ending on May 31, 2009, and at three month intervals or such other intervals convenient to the Court (“Interim Period”), each Professional shall file with the Court and serve upon the Notice Parties an interim application for allowance of compensation and reimbursement of expenses, pursuant to 11 U.S.C. § 331, of the amounts sought in the Monthly Fee Notices filed during such period (the “Interim Fee Application”). The Interim Fee Application must include a summary of the Monthly Fee Notices that are the subject of the request and any other information requested by the Court or required by the Local Rules. An Interim Fee Application must be filed and served within 45 days of the conclusion of the Interim Period. The first Interim Fee Application should cover the time between the commencement of the cases, through and including March 31, 2009. Any Professional who fails to file an Interim Fee Application when due will be ineligible to receive further interim payments of fees or expenses under the compensation procedures until such time as the Interim Fee Application is submitted.
- (g) The Applicant shall file its notice of the Interim Fee Application (“Hearing Notice”) as provided by the Local Rules of the United States Bankruptcy Court

for the District of Kansas and the noticing guidelines applicable to the judge to whom the cases are assigned.

- (h) The pendency of an objection to payment of compensation or reimbursement of expenses will not disqualify a Professional from future payment of compensation or reimbursement of expenses, unless the Court orders otherwise.
- (i) Neither the payment of or the failure to pay, in whole or in part, monthly interim compensation and reimbursement of expenses, nor the filing of or failure to file an objection will bind any party in interest or the Court with respect to the allowance of interim or final applications for compensation and reimbursement of expenses of Professionals.
- (j) All fees and expenses paid to Professionals are subject to disgorgement until final allowance by the Court.
- (k) Debtors further request that the Court limit the Hearing Notices to consider Interim Fee Application Requests and final fee applications (collectively, the “Applications”) to the Notice Parties and all parties who have filed a notice of appearance with the Clerk of this Court and have requested such notice. Such notice of the Applications and Hearing Notices in this manner will reach the parties most active in the case and will save the expense of undue duplication and mailing.
- (l) Debtors further request that each member of the Committee be permitted to submit statements of expenses and supporting vouchers (excluding the member’s professional fees) to counsel for the Committee, who will collect and submit such requests for reimbursement in accordance with the foregoing Compensation Procedures.

- (m) Debtors will include all payments made to Professionals in accordance with the Compensation Procedures in their monthly operating reports identifying the amount paid to each of the Professionals.

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Submitted by:

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EXHIBIT A- NOTICE PARTIES

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All parties requesting notice