

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA**

IN RE:

The Cliffs Club & Hospitality Group, Inc., et al.,¹ d/b/a The Cliffs Golf & Country Club,

Debtors

CHAPTER 11

Case No. 12-01220

Jointly Administered

**The Cliffs Club & Hospitality Group, Inc., et al.,
d/b/a The Cliffs Golf & Country Club,**

Movant,

v.

Contested Matter

**Accurate Drilling and Blasting, Inc., - Claim
Nos. 520 and 730**

Respondent

**DEBTORS' OBJECTION TO THE ALLOWANCE OF CLAIM NOS. 520 AND 730
FILED BY ACCURATE DRILLING AND BLASTING, INC.**

COME NOW The Cliffs Club & Hospitality Group, Inc. and its affiliated debtors in the above-captioned Chapter 11 cases, as debtors and debtors-in-possession (the "Debtors") and hereby object to the allowance of claims filed by Accurate Drilling and Blasting, Inc. in the

¹ The Debtors, followed by the last four digits of their respective taxpayer identification numbers and Chapter 11 case numbers, are as follows: The Cliffs Club & Hospitality Group, Inc. (6338) (12-01220); CCHG Holdings, Inc. (1356) (12-01223); The Cliffs at Mountain Park Golf & Country Club, LLC (2842) (12-01225); The Cliffs at Keowee Vineyards Golf & Country Club, LLC (5319) (12-01226); The Cliffs at Walnut Cove Golf & Country Club, LLC (9879) (12-01227); The Cliffs at Keowee Falls Golf & Country Club, LLC (3230) (12-01229); The Cliffs at Keowee Springs Golf & Country Club, LLC (2898) (12-01230); The Cliffs at High Carolina Golf & Country Club, LLC (7576) (12-01231); The Cliffs at Glassy Golf & Country Club, LLC (6559) (12-01234); The Cliffs Valley Golf & Country Club, LLC (6486) (12-01236); and Cliffs Club & Hospitality Service Company, LLC (9665) (12-01237).

above-styled cases (the “Objection”). In support of this Objection, the Debtors show the Court as follows:

I. Relief Requested

1. By this Objection, the Debtors respectfully request the entry of an order, pursuant to Section 502 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 3007, disallowing the claims filed by Accurate Drilling and Blasting, Inc. in the above-styled cases.

II. Jurisdiction

2. This Court has jurisdiction over this Objection under 28 U.S.C. § 1334. Venue of this proceeding is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

III. Background

3. On February 28, 2012 (the “Petition Date”), the Debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code.

4. On March 12, 2012, the United States Trustee appointed the Official Committee of Unsecured Creditors (the “Committee”) in these Chapter 11 cases pursuant to that certain Fourth Amended Appointment of Committee of Unsecured Creditors [Docket Entry No. 141]. No trustee or examiner has been appointed in these Chapter 11 cases.

5. The Debtors are authorized to operate their businesses as debtors-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

6. On April 10, 2012, the Court established May 31, 2012 (the “Claims Bar Date”) as the deadline for non-governmental-entity creditors wishing to assert pre-petition claims

against the Debtors to file their proofs of claim with BMC Group, Inc., the Debtors' claims and noticing agent (the "Claims Agent") [Docket Entry No. 278].

7. On or about May 3, 2012, Accurate Drilling and Blasting, Inc. filed an unsecured non-priority claim against the Debtors in the amount of \$2,010,881.64. The claim was assigned as claim number 520 by the Claims Agent. On or about May 17, 2012, Accurate Drilling and Blasting, Inc. filed another unsecured non-priority claim against the Debtors in the amount of \$2,010,881.64. The claim was assigned as claim number 730 by the Claims Agent (together, claim number 520 and claim number 730 are hereinafter referred to as the "Accurate Drilling and Blasting, Inc. Claims").

8. The Debtors have the authority to pursue claims litigation with respect to claims filed in these bankruptcy cases. The Debtors have reviewed proofs of claim filed in these cases. This Objection is the result of the Debtors' review.

IV. Basis for Relief Requested

9. The documents and materials submitted with the Accurate Drilling and Blasting, Inc. Claims reflect that none of the Debtors is liable to the claimant with respect to the asserted claims, and that, at best, a third party non-Debtor entity may be liable to the claimant. The books and records of the Debtors do not reflect an obligation owing to the claimant. Accordingly, the claims are unenforceable against the Debtors, and should be disallowed. Unless the claims are disallowed, Accurate Drilling and Blasting, Inc. will receive a larger recovery than that to which it is entitled.

10. Moreover, claim number 730 is duplicative of claim number 520 filed by Accurate Drilling and Blasting, Inc. Accordingly, claim number 730 is unenforceable against the

Debtors, and should be disallowed. Unless claim number 730 is disallowed, Accurate Drilling and Blasting, Inc. may receive a larger recovery than that to which it is entitled.

V. Reservation of Rights

11. The Debtors reserve the right to supplement this Objection and to subsequently object to the Accurate Drilling and Blasting, Inc. Claims on any other appropriate ground, whether or not stated herein. In addition, the Debtors reserve the right to object to any and all other claims filed in the Debtors' cases, and any other claims asserted by Accurate Drilling and Blasting, Inc.

VI. Notice

12. Notice of this Objection has been provided to Accurate Drilling and Blasting, Inc. and each other party entitled to notice, as listed in the certificate of service filed in connection herewith. In light of the nature of the relief requested, the Debtors submit that no other or further notice is necessary.

WHEREFORE, the Debtors respectfully request that this Court:

1. enter the proposed order attached hereto as Exhibit "A";
2. disallow the Accurate Drilling and Blasting, Inc. Claims; and
3. grant the Debtors such other and further relief as is just and proper.

[signature follows]

This 17th day of July, 2012.

/s/ Däna Wilkinson
Däna Wilkinson
LAW OFFICE OF DÄNA WILKINSON
365-C East Blackstock Road
Spartanburg, SC 29301
Telephone: (864) 574-7944
Facsimile: (864) 574-7531
danawilkinson@danawilkinsonlaw.com

and

/s/ J. Michael Levengood
Gary W. Marsh
Georgia Bar No. 471290
J. Michael Levengood
Georgia Bar No. 447934
Bryan E. Bates
Georgia Bar No. 140856
MCKENNA LONG & ALDRIDGE LLP
303 Peachtree Street, Suite 5300
Atlanta, Georgia 30308
404-527-4000 (phone)
404-527-4198 (fax)
gmarsh@mckennalong.com
mlevengood@mckennalong.com
bbates@mckennalong.com

Counsel for the Debtors in Possession

EXHIBIT "A"

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA**

Case No. 12-01220

**ORDER APPROVING DEBTORS' OBJECTION
TO THE ALLOWANCE OF CLAIM NOS. 520 AND 730 FILED BY ACCURATE
DRILLING AND BLASTING, INC.**

The relief set forth on the following pages, for a total of 4 pages including this page, is hereby ORDERED.

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA**

IN RE:

The Cliffs Club & Hospitality Group, Inc., et al.,¹ d/b/a The Cliffs Golf & Country Club,

Debtors

CHAPTER 11

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**Accurate Drilling and Blasting, Inc., - Claim
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Respondent

**ORDER APPROVING DEBTORS' OBJECTION
TO THE ALLOWANCE OF CLAIM NOS. 520 AND 730 FILED BY ACCURATE
DRILLING AND BLASTING, INC.**

Upon the Objection (Docket Entry # _____) (the "Objection") of The Cliffs Club & Hospitality Group, Inc. and its affiliated debtors in the above-captioned Chapter 11 cases, as debtors and debtors-in-possession (the "Debtors"), requesting the entry of an order disallowing

¹ The Debtors, followed by the last four digits of their respective taxpayer identification numbers and Chapter 11 case numbers, are as follows: The Cliffs Club & Hospitality Group, Inc. (6338) (12-01220); CCHG Holdings, Inc. (1356) (12-01223); The Cliffs at Mountain Park Golf & Country Club, LLC (2842) (12-01225); The Cliffs at Keowee Vineyards Golf & Country Club, LLC (5319) (12-01226); The Cliffs at Walnut Cove Golf & Country Club, LLC (9879) (12-01227); The Cliffs at Keowee Falls Golf & Country Club, LLC (3230) (12-01229); The Cliffs at Keowee Springs Golf & Country Club, LLC (2898) (12-01230); The Cliffs at High Carolina Golf & Country Club, LLC (7576) (12-01231); The Cliffs at Glassy Golf & Country Club, LLC (6559) (12-01234); The Cliffs Valley Golf & Country Club, LLC (6486) (12-01236); and Cliffs Club & Hospitality Service Company, LLC (9665) (12-01237).

the claims filed by Accurate Drilling and Blasting, Inc. in the above-styled cases, the Court having jurisdiction to consider the Objection and the relief requested therein; a hearing having been held on _____, 2012 to consider the Objection; due notice of the Objection and hearing having been given to all parties entitled thereto, as listed in the certificate of service attached to the Objection and filed with the Court; it appearing that no other or further notice need be provided; no objections having been filed or asserted; the Court having determined that the relief sought in the Objection is in the best interests of the bankruptcy estates, their creditors, and all parties in interest; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED as follows:

1. The Objection is GRANTED.
2. Claim numbers 520 and 730 filed by Accurate Drilling and Blasting, Inc. in the above-styled cases are disallowed.
3. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

AND IT IS SO ORDERED.

PREPARED AND PRESENTED BY:

/s/ Däna Wilkinson
Däna Wilkinson
District Court I.D. No. 4663
LAW OFFICE OF DÄNA WILKINSON
365-C East Blackstock Road
Spartanburg, SC 29301
864.574.7944 (Telephone)
864.574.7531 (Facsimile)
danawilkinson@danawilkinsonlaw.com

-and-

/s/ J. Michael Levensgood
Gary W. Marsh
Georgia Bar No. 471290
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Georgia Bar No. 447934
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Georgia Bar No. 140856
MCKENNA LONG & ALDRIDGE LLP
303 Peachtree Street, Suite 5300
Atlanta, Georgia 30308
404-527-4000 (phone)
404-527-4198 (fax)
gmarsh@mckennalong.com
mlevengood@mckennalong.com
bbates@mckennalong.com

Counsel for the Debtors in Possession