

**UNITED STATES BANKRUPTCY COURT**  
**FOR THE DISTRICT OF Southern Indiana**  
**Minute Entry/Order**

**Hearing Information:**

**Debtor:** EASTERN LIVESTOCK CO., LLC  
**Case Number:** 10-93904-BHL-11                      **Chapter:** 11  
**Date / Time / Room:** WEDNESDAY, DECEMBER 14, 2011 10:00 AM NA 103  
**Bankruptcy Judge:** BASIL H. LORCH  
**Courtroom Clerk:** KRISTIN GOSS  
**Reporter / ECR:** AMY BRUCKERT

**Matters:**

- 1) Continued Final Hearing Re: Motion to Abandon, Corrected Motion for Relief from Stay filed by Lisa Koch Bryant on behalf of Creditor Peoples Bank & trust Co. of Pickett County [317] with a Supplemental Objection to Corrected Motion to Abandon, Corrected Motion for Relief from Stay filed by Dustin R. DeNeal on behalf of Trustee James A. Knauer [867]  
**R / M #:** 0 / 0  
**VACATED: Per TC on 12/13/11 with regard to Motion in Limine. This matter has been set for an evidentiary hearing on 2/1/12 @ 9:30 a.m. - Court to issue notice.**
- 2) Hearing Re: Application for Compensation and/or Reimbursement of Expenses Pursuant to Sec. 330 for James A. Knauer as Trustee Chapter 9/11 (Fee: \$48328.50, Expense: \$8420.15) filed by James A. Knauer on behalf of Trustee James A. Knauer [816] with Objections by Daniel J. Donnellon on behalf of Creditor First Bank and Trust Company, The [901] ; by Laura Day DelCotto on behalf of Creditors Alton Darnell dba Darnell Alton Barn, Blue Grass Maysville Stockyards, LLC, Blue Grass South Livestock Market, LLC, Blue Grass Stockyards East, LLC, Blue Grass Stockyards of Campbellsville, LLC, Blue Grass Stockyards of Richmond, LLC, Blue Grass Stockyards, LLC, East Tennessee Livestock Center, Inc., Piedmont Livestock, Inc., Petitioning Creditors Moseley Cattle Auction, LLC, Southeast Livestock Exchange LLC [894] and John M. Rogers on behalf of Petitioning Creditor Superior Livestock Auction, Inc. [905]  
**R / M #:** 0 / 0
- 3) Hearing Re: First Interim Application of Hoover Hull LLP For Compensation in the amount of \$56,757.50 and Reimbursement of Expenses in the amount of \$845.64 as Special Counsel for James A. Knauer, Chapter 11 Trustee [819] with Objections filed by John M. Rogers on behalf of Petitioning Creditor Superior Livestock Auction, Inc. [857]; by Daniel J. Donnellon on behalf of Creditor First Bank and Trust Company, The [902] and by Laura Day DelCotto on behalf of Creditors Alton Darnell dba Darnell Alton Barn, Blue Grass Maysville Stockyards, LLC, Blue Grass South Livestock Market, LLC, Blue Grass Stockyards East, LLC, Blue Grass Stockyards of Campbellsville, LLC, Blue Grass Stockyards of Richmond, LLC, Blue Grass Stockyards, LLC, East Tennessee Livestock Center, Inc., Piedmont Livestock, Inc., Southeast Livestock Exchange, LLC, Petitioning Creditor Moseley Cattle Auction, LLC [895]  
**R / M #:** 0 / 0
- 4) Hearing Re: Application for Compensation and/or Reimbursement of Expenses Pursuant to Sec. 330 for James M. Carr as Trustee's Attorney (Fee: \$599,975.00, Expense: \$21,383.32) filed by James M. Carr on behalf of Trustee James A. Knauer [820] with Objections by Daniel J. Donnellon on behalf of Creditor First Bank and Trust Company, The [903] ; Laura Day DelCotto on behalf of Creditors Alton Darnell dba Darnell Alton Barn, Blue Grass Maysville Stockyards, LLC, Blue Grass South Livestock Market, LLC, Blue Grass Stockyards East, LLC, Blue Grass Stockyards of Campbellsville, LLC, Blue Grass Stockyards of Richmond, LLC, Blue Grass Stockyards, LLC, East Tennessee Livestock Center, Inc., Piedmont Livestock, Inc., Southeast Livestock Exchange, LLC, Petitioning Creditor Moseley Cattle Auction, LLC [896] and John M. Rogers on behalf of Petitioning Creditor Superior Livestock Auction, Inc. [904]  
**R / M #:** 0 / 0
- 5) Hearing Re: Application for Compensation and/or Reimbursement of Expenses Pursuant to Sec. 330 for Development Specialists, Inc. as Consultant (Fee: \$468,708.75, Expense: \$54,610.91) filed by Trustee James A. Knauer, Consultant Development Specialists, Inc. [821]  
**R / M #:** 0 / 0

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(continue)... 10-93904-BHL-11

WEDNESDAY, DECEMBER 14, 2011 10:00 AM

- 6) Hearing Re: Motion To Approve an Informal Ad Hoc Committee filed by Laura Day DelCotto, Elliott D. Levin, Walter Scott Newbern III, John W Ames on behalf of Creditors Daniel M. Byrd, Eagle Bay, Inc., Oak Lake Cattle Co., Ron Sizemore Trucking, Inc., Madison County Livestock Market, Inc. d/b/a Townse, Sumter County Farmers Market, Inc., Okeechobee Livestock Market, Inc., Ocala Livestock Market, Inc., North Florida Livestock Market, Inc., Hardee Livestock Market, Inc., Columbia Livestock Market, Inc., Cattlemen's Livestock Market, Inc., Arcadia Stockyard, Blue Grass Maysville Stockyards, LLC, Blue Grass South Livestock Market, LLC, Blue Grass Stockyards East, LLC, Blue Grass Stockyards of Campbellsville, LLC, Blue Grass Stockyards of Richmond, LLC, Blue Grass Stockyards, LLC, East Tennessee Livestock Center, Inc., First Bank and Trust Company, The, Piedmont Livestock, Inc., Southeast Livestock Exchange, LLC, Petitioning Creditors Moseley Cattle Auction, LLC, Superior Livestock Auction, Inc [828] with an Objection filed by UST [879]  
R / M #: 0 / 0
- 7) Hearing Re: Motion for Joint Administration of Cases 4:10-bk-93904 and 4:11-bk-93144 filed by Dustin R. DeNeal on behalf of Trustee James A. Knauer [871]  
R / M #: 0 / 0
- 8) Hearing Re: Motion to Compromise & Settle under Fed.R.Bankr.P. 9019 Motion To Approve Sale Agreement And Compromise Of Claims Concerning Cattlemen's Feedlot, Ltd. filed by Dustin R. DeNeal on behalf of Trustee James A. Knauer [865]  
R / M #: 0 / 0
- 9) Hearing Re: Motion in Limine with Respect to Proposed Testimony of Patrick O'Malley filed by Anthony G. Raluy on behalf of Creditor Peoples Bank & trust Co. of Pickett County [887] with a Response in Opposition to Motion in Limine filed by Kevin M. Toner on behalf of Trustee James A. Knauer [893].  
R / M #: 0 / 0
- 10) Continued Oral Argument Re: Trustee's Purchase Money Claims Report / Dispositive Motion (Constructive Trust)  
R / M #: 0 / 0
- 11) Continued Oral Argument Re: Trustee's Purchase Money Claims Report/ Kremlin Issue  
R / M #: 0 / 0

**Appearances:**

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(continue)... 10-93904-BHL-11

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In Court Appearances:

JAMES M. CARR, ATTORNEY FOR JAMES A. KNAUER  
TERRY E. HALL, ATTORNEY FOR JAMES A. KNAUER  
SEAN T. WHITE, ATTORNEY FOR JAMES A. KNAUER  
JAMES A. KNAUER, ATTORNEY FOR JAMES A. KNAUER  
HARMONY A MAPPE, ATTORNEY FOR JAMES A. KNAUER  
KEVIN M. TONER, ATTORNEY FOR JAMES A. KNAUER  
CHARLES R. WHARTON, ATTORNEY FOR U.S. TRUSTEE  
RANDALL D. LATOUR, ATTORNEY FOR FIFTH THIRD BANK  
LISA KOCH BRYANT, ATTORNEY FOR PEOPLES BANK & TRUST CO. OF PICKETT COUN  
C. R. BOWLES, ATTORNEY FOR GLEN FRANKLIN, JOPLIN REGIONAL STOCKYARDS, NORTHWEST ALABAMA LIVESTOCK YARD, PHILLIP  
TAYLOR REED, RON P. REED, B&B FARMS, BILLY NEAT, BREEDING BROTHERS, BRENT KEITH, DAVID L. RINGS, DENNIS NEAT, GARY S.  
BELL, JEREMY COFFEY, JIMMY BRUMMETT, MIKE LOY, MOSELEY CATTLE AUCTION, LLC, SOUTHEAST LIVESTOCK EXCHANGE LLC,  
SOUTHLAND HAULERS, LLC, SUPERIOR LIVESTOCK AUCTION, INC.  
EDWARD M KING, ATTORNEY FOR FIFTH THIRD BANK  
JOHN W AMES, ATTORNEY FOR PHILLIP TAYLOR REED, RON P. REED, DAVID L. RINGS, MOSELEY CATTLE AUCTION, LLC, SOUTHEAST  
LIVESTOCK EXCHANGE LLC, SUPERIOR LIVESTOCK AUCTION, INC.  
ANTHONY G. RALUY/JERRY BURNS, ATTORNEYS FOR PEOPLES BANK & TRUST CO. OF PICKETT COUN  
LAURA DAY DELCOTTO, ATTORNEY FOR ALTON DARNELL DBA DARNELL ALTON BARN, BLUE GRASS MAYSVILLE STOCKYARDS, LLC, BLUE  
GRASS SOUTH LIVESTOCK MARKET, LLC, BLUE GRASS STOCKYARDS EAST, LLC, BLUE GRASS STOCKYARDS OF CAMPBELLSVILLE,, BLUE  
GRASS STOCKYARDS OF RICHMOND, LLC, BLUE GRASS STOCKYARDS, LLC, EAST TENNESSEE LIVESTOCK CENTER, INC., PIEDMONT  
LIVESTOCK, INC., SOUTHEAST LIVESTOCK EXCHANGE, LLC, MOSELEY CATTLE AUCTION, LLC, SOUTHEAST LIVESTOCK EXCHANGE LLC  
JOHN M. ROGERS, ATTORNEY FOR JOPLIN REGIONAL STOCKYARDS, SUPERIOR LIVESTOCK AUCTION, INC.  
MICHAEL WAYNE OYLER, ATTORNEY FOR YOUR COMMUNITY BANK  
JOHN FREDERICK MASSOUH, ATTORNEY FOR FRIONA INDUSTRIES, LP  
DANIEL J. DONNELLON, ATTORNEY FOR FIRST BANK AND TRUST COMPANY, THE  
DAVID L. LEBAS, ATTORNEY FOR J&F OKLAHOMA HOLDINGS, INC.  
ROSS A. PLOURDE, ATTORNEY FOR BRENT KUEHNY, CRUMPLER BROS., STOCKMAN OKLAHOMA LIVESTOCK MARKETING, I, THE BANK OF  
KREMLIN  
WALTER SCOTT NEWBERN, ATTORNEY FOR ARCADIA STOCKYARD, CATTLEMEN'S LIVESTOCK MARKET, INC., COLUMBIA LIVESTOCK  
MARKET, INC., DANIEL M. BYRD, EAGLE BAY, INC., FLORIDA ASSOCIATION LIVESTOCK MARKETS, HARDEE LIVESTOCK MARKET, INC.,  
MADISON COUNTY LIVESTOCK MARKET, INC. D/, NORTH FLORIDA LIVESTOCK MARKET, INC., OAK LAKE CATTLE CO., OCALA LIVESTOCK  
MARKET, INC., OKEECHOBEE LIVESTOCK MARKET, INC., RON SIZEMORE TRUCKING, INC., SUMTER COUNTY FARMERS MARKET, INC.  
ELLIOTT D. LEVIN, ATTORNEY FOR SUPERIOR LIVESTOCK AUCTION, INC.  
CHRISTIE A. MOORE, ATTORNEY FOR SUPERIOR LIVESTOCK AUCTION, INC.  
ELIZABETH LALLY - ATTORNEY FOR TRUSTEE WALRO IN EAST-WEST TRUCKING 10-93799

Phone Appearances:

DUSTIN R. DENEAL, ATTORNEY FOR JAMES A. KNAUER  
TOMMY BYNUM, CREDITOR  
JOHN R. CARR, ATTORNEY FOR FIRST BANK AND TRUST COMPANY, THE  
JASON W. COTTRELL, ATTORNEY FOR REX ELMORE  
JOHN HUNT LOVELL, ATTORNEY FOR CACTUS GROWERS, INC.  
STEPHEN A. WEIGAND, ATTORNEY FOR FIRST BANK AND TRUST COMPANY, THE  
JAMES BRYAN JOHNSTON, ATTORNEY FOR BILL DAVIS, BOBBY BYNUM, BYNUM RANCH CO., DAVIS QUARTER HORSE, EDDIE EICKE, FRANK  
POWELL, JOHNNY MAYO, TOM SVOBODA  
JOHN HUFFAKER, ATTORNEY FOR FRIONA INDUSTRIES, LP  
JESSICA E. YATES, ATTORNEY FOR CPC LIVESTOCK, LLC  
DAVID A. LAIRD, ATTORNEY FOR PEOPLES BANK OF COLDWATER KANSAS  
AMELIA MARTIN ADAMS, ATTORNEY FOR ALTON DARNELL DBA DARNELL ALTON BARN, BLUE GRASS MAYSVILLE STOCKYARDS, LLC, BLUE  
GRASS SOUTH LIVESTOCK MARKET, LLC, BLUE GRASS STOCKYARDS EAST, LLC, BLUE GRASS STOCKYARDS OF CAMPBELLSVILLE,, BLUE  
GRASS STOCKYARDS OF RICHMOND, LLC, BLUE GRASS STOCKYARDS, LLC, EAST TENNESSEE LIVESTOCK CENTER, INC., PIEDMONT  
LIVESTOCK, INC., SOUTHEAST LIVESTOCK EXCHANGE, LLC, MOSELEY CATTLE AUCTION, LLC

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GARY S. BELL, PETITION CREDITOR  
ERIC REDMAN - ATTORNEY FOR BANK FIRST AND EDWARD STRICKLAND  
LIZ LYNCH - DSI  
DEBBIE CARUSO - ATTORNEY FOR KATHRYN PRY - TRUSTEE IN GIBSON CASE 10-93867  
CHRIS BRUMFIELD - ATTORNEY FOR SUPERIOR  
PATRICK O'MALLEY - DSI  
JACK DAWSON - ATTORNEY FOR NICHOLS LIVESTOCK

**Proceedings:**

**\*\*AMENDED\*\*** Disposition: Hearing held.

- (1) VACATED: Per TC on 12/13/11 with regard to Motion in Limine. This matter has been set for an evidentiary hearing on 2/1/12 @ 9:30 a.m. - Court to issue notice.
- (2) Application Granted. Order to be entered.
- (3) Application Granted. Order to be entered.
- (4) Application Granted. Order to be entered.
- (5) Application Granted. Order to be entered.
- (6) Amended Motion to be filed. Matter continued to Hearing on 1/13/12 @ 10:00 a.m. (EST) in New Albany. Notice given in open court.
- (7) Motion Granted. Order to be submitted.
- (8) Objection resolved. Agreement has been reached. Carr to submit order.
- (9) Motion Denied. Court to do order.
- (10) Matter Taken under Advisement. Court to rule.
- (11) Agreement reached with Brent Kuehny and The Bank of Kremlin. Parties to file a Motion to Compromise and Settle. SOLM (Stockman Oklahoma Livestock Marketing, Inc.) and Crumpler Bros. - Matter Taken under Advisement.

Note: Court orders Hoover Hull to submit a preliminary report within 90 days as to equitable subordination and/or any other causes of action. Any party will be able to review documents on the Trustee's website.

**IF COUNSEL HAS BEEN DIRECTED BY THE COURT TO SUBMIT AN ORDER BASED ON THE COURT'S RULING OR THE PARTIES' AGREEMENT, THEN NO FURTHER NOTICE OR REMINDER WILL BE ISSUED. THE COURT WILL NOT KEEP A CASE OPEN SOLELY BECAUSE THE ORDER WAS NOT SUBMITTED WITHIN THE TIME PERIOD DIRECTED BY THE COURT. IN SUCH INSTANCE, A REOPENING FEE WILL APPLY.**