

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

<b>IN RE:</b>	§	
	§	<b>CASE NO. 15-35615</b>
<b>RAAM GLOBAL ENERGY COMPANY,</b>	§	
<i>et al.</i>	§	<b>(Chapter 11)</b>
	§	
<b>DEBTORS.</b>	§	<b>JOINTLY ADMINISTERED</b>

**APPLICATION TO EMPLOY NEWCOR COMMERCIAL REAL ESTATE  
AS DEBTORS' BROKER NUNC PRO TUNC TO THE PETITION DATE**

**A HEARING WILL BE CONDUCTED ON THIS MATTER ON  
DECEMBER 7, 2015 AT 10:00 A.M. IN COURTROOM 404, 515 RUSK  
STREET, HOUSTON, TEXAS 77002.**

**IF YOU OBJECT TO THE RELIEF REQUESTED, YOU MUST  
RESPOND IN WRITING, SPECIFICALLY ANSWERING EACH  
PARAGRAPH OF THIS PLEADING. UNLESS OTHERWISE DIRECTED  
BY THE COURT, YOU MUST FILE YOUR RESPONSE WITH THE  
CLERK OF THE BANKRUPTCY COURT WITHIN TWENTY-THREE  
DAYS FROM THE DATE YOU WERE SERVED WITH THIS  
PLEADING. YOU MUST SERVE A COPY OF YOUR RESPONSE ON  
THE PERSON WHO SENT YOU THE NOTICE; OTHERWISE, THE  
COURT MAY TREAT THE PLEADING AS UNOPPOSED AND  
GRANTED THE RELIEF REQUESTED.**

**REPRESENTED PARTIES SHOULD ACT THROUGH THEIR  
ATTORNEY.**

**TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:**

The above-referenced debtors and debtors in possession (collectively, the “Debtors”)<sup>1</sup>, file this *Application to Employ Newcor Commercial Real Estate as Debtors' Broker Nunc Pro Tunc to the Petition Date* (the “Application”) seeking entry of an order authorizing the employment and retention of Newcor Commercial LLC, d/b/a Newcor Commercial Real Estate

---

<sup>1</sup> The Debtors are RAAM Global Energy Company [2973], Century Exploration New Orleans, LLC [4948], Century Exploration Houston, LLC [9624], and Century Exploration Resources, LLC [7252].

(“Newcor”) to serve as a real estate broker for the Debtors. In support of this Application, the Debtors submit (a) that certain *Exclusive Authorization to Sell* dated October 9, 2015 (the “Listing Agreement”), attached hereto as **Exhibit A**, and (b) the *Affidavit of Robert D. Banzhaf on Behalf of Newcor Commercial Real Estate and Bankruptcy Rule 2014 Disclosure* (the “Banzhaf Affidavit”), attached hereto as **Exhibit B**. In further support of this Application, the Debtors respectfully submit the following:

### **JURISDICTION AND PROCEDURAL BACKGROUND**

1. On October 26, 2015 (the “Petition Date”), the Debtors each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), thereby commencing the above-captioned bankruptcy cases (the “Cases”).
2. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334 and 157. This Motion is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A).
3. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.
4. Since the Petition Date, the Debtors have continued to operate and manage their businesses as debtors in possession pursuant to Bankruptcy Code §§ 1107(a) and 1108.
5. On November 9, 2015, an official joint committee of unsecured creditors was appointed in the Cases.

### **STATEMENT OF FACTS**

6. RAAM Global Energy Company (“RAAM”) is an independent oil and natural gas exploration and production company engaged in the exploration, development, production, exploitation, and acquisition of oil and natural gas properties. The other Debtors are wholly-owned subsidiaries of RAAM, and RAAM provides administrative, technical, financial, and strategic planning support to the subsidiaries.

7. The Debtors' producing assets are located offshore in the Gulf of Mexico and onshore in Louisiana, Texas, Oklahoma, and California, and the Debtors maintain offices in Lexington, Kentucky and New Orleans, Louisiana. Additional information concerning the Debtors can be found in the *Declaration of James R. Latimer, III in Support of First Day Pleadings* [Docket No. 20].

### **RELIEF REQUESTED**

8. The Debtors bankruptcy estates own certain real property located at 10210 Grogan's Mill Road, The Woodlands, Texas 77380 (the "Subject Property"). The Debtors, in consultation with their professional advisors, have made the decision to seek to sell the Subject Property as part of their *Motion to Authorize and Approve (a) Stalking Horse Purchase Agreement, (b) Sale of Substantially all Assets Free and Clear of Claims, Liens, Encumbrances, and Other Interests, (c) Assumption and Assignment of Executory Contracts and Unexpired Leases, (d) Bidding Procedures, (e) Procedures for Determining Cure Amounts for Executory Contracts and Unexpired Leases, and (f) Related Relief* [Docket No. 90] (the "Sale Motion").

9. In their business judgment, and after carefully considering and obtaining proposals from various leading commercial real estate brokerage firms, the Debtors have decided to retain Newcor as their real estate broker, *nunc pro tunc* to the Petition Date, in accordance with the terms of the Listing Agreement, attached hereto as **Exhibit A**, and pursuant to Bankruptcy Code §§ 327, 328, and 1107, to market and sell (subject to this Court's approval) the Subject Property.

### **BASIS FOR RELIEF**

10. Bankruptcy Code § 327(a) authorizes the employment of professional persons, such as attorneys, accountants, appraisers and auctioneers, or other professional persons to

represent or perform services for the estate, subject to the court's approval. 11 U.S.C. § 327(a). Newcor qualifies as a "professional person" pursuant to Bankruptcy Code § 327(a).

11. Bankruptcy Code § 328 authorizes the employment of professionals on reasonable terms and conditions, including on a retainer, hourly basis, or fixed, contingent, or percentage fee basis. 11 U.S.C. § 328(a).

12. Bankruptcy Rule 2014 requires that an application for retention of a professional person include:

[S]pecific facts showing the necessity for the employment, the name of the person to be employed, the reasons for the selection, the professional services to be rendered, any proposed arrangement for compensation, and, to the best of the applicant's knowledge, all of the person's connections with the debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee.

FED. R. BANKR. P. 2014(a). As required, this Application and **Exhibit B** attached hereto set forth specific facts showing the necessity for Newcor's employment, the reasons for selecting Newcor, the professional services to be rendered by Newcor, the proposed commission structure for Newcor, and Newcor's connections to parties in interest.

### **NECESSITY FOR NEWCOR'S EMPLOYMENT**

13. The Debtors are faced with liquidity constraints and need to raise capital through sales of certain assets. The sale of the Subject Property will be a valuable source of funds to the Debtors' estates, and the Debtors submit that the sale of the Subject Property by Newcor pursuant to the Sale Motion is the most efficient means of liquidating the Subject Property, which will likely result in the highest benefit to their estates and their creditors. Accordingly, the Debtors submit that the retention of Newcor is necessary and is in the best interest of their estates and creditors.

**REASONS FOR SELECTING NEWCOR**

14. The Debtors have selected Newcor to serve as their real estate broker for a number of reasons, including, *inter alia*, Newcor's: (a) expertise, in-depth market knowledge, and strong local ties in The Woodlands and North Houston; (b) knowledge of the Subject Property and comparable properties that have recently sold in the vicinity of the Subject Property; and (c) favorable commission structure contained within the Listing Agreement, which seller's commission includes all costs incurred in marketing and selling the Subject Property. In addition, Newcor has a strong reputation, and the Debtors believe Newcor will be able to utilize its experience and extensive connections in The Woodlands market to best market and sell the Subject Property.

15. While Newcor has no prior relationship with the Debtors, since its inception, Newcor has worked with many well-known Houston-area commercial real estate purchasers and sellers. Newcor has had tremendous success in selling Class A commercial real properties in the The Woodlands and surrounding areas, and Newcor is highly familiar with the commercial real estate market in The Woodlands.

**SERVICES TO BE RENDERED BY NEWCOR**

16. The services to be provided by Newcor to the Debtors include, but are not limited to: (a) widespread marketing of the Subject Property, including, *inter alia*, the use of mailings and broadcast broker e-mails, media advertising, targeted e-mails and phone calls, direct mail, open and private exhibitions, and listings in leading real estate directories; and (b) subject to the Sale Motion and Court approval, selling the Subject Property.

17. For purposes of this Application and for any further notices, the name, mailing address, and telephone number of the professional primarily responsible for the services rendered by Newcor is:

Robert D. Banzhaf  
**NEWCOR COMMERCIAL REAL ESTATE**  
10200 Grogans Mill Road, Suite 175  
The Woodlands, Texas 77380  
Tel: 281-210-0093

Other employees and assistants from Newcor will provide services to the Debtors as necessary.

18. Subject to the Court's approval of this Application, Newcor has indicated that it is willing to provide the above-mentioned services to the Debtors in the Cases.

**PROPOSED COMMISSION STRUCTURE FOR NEWCOR**

19. As set forth in the Listing Agreement, and subject to this Court's approval, the Debtors negotiated a favorable seller's commission to be paid to Newcor on the sale of the Subject Property.<sup>2</sup> Specifically, the Listing Agreement provides that, except as set forth below, Newcor is to receive a commission equal to five percent (5%) of the sales price between \$0.00 and \$6,315,790.00 and ten percent (10%) for amounts of \$6,315,790.01 and higher.<sup>3</sup> Notwithstanding the foregoing, Newcor shall not be entitled to such commission if the Subject Property is sold to: (a) any purchaser of the Subject Property who is buying both (i) the Subject Property and (ii) all or any portion of the Debtors' oil and gas assets; or (b) any creditor of the Debtors that purchases or takes title to the Subject Property pursuant to a foreclosure, credit bid, or exercise of any other creditor remedy.

---

<sup>2</sup> The Debtors shall seek this Court's approval of any proposed sale by filing a subsequent motion.

<sup>3</sup> For example, if the Subject Property sells for \$6,400,000, Newcor's commission would be \$324,111 [(\$6,315,790 x .05) + (\$84,210 x .10)]. The Listing Agreement provides that in the event there is a broker representing the purchaser of the Subject Property, the five percent (5%) commission will be shared with the purchaser's representative.

20. The Debtors request approval of the terms of the retention of Newcor subject to the standard of review provided in Bankruptcy Code § 328(a). The Debtors submit that the commission structure set forth in the Listing Agreement reflects reasonable terms and conditions of retention and that such commission structure be approved under Bankruptcy Code § 328(a). The proposed seller's commission is reasonable and competitive, and it comports with the nature of the services to be provided by Newcor. The commission structure the Debtors have negotiated with Newcor is designed to maximize the value of their estates and the Debtors believe it to be in the best interest of their estates and creditors.

21. Although Newcor's compensation is based upon results achieved through sale of the Subject Property, without regard for hours worked or services performed, unless ordered otherwise by the Court in a subsequent order, Newcor shall submit a final fee application pursuant to Bankruptcy Code § 330 requesting Court approval of Newcor's commission in accordance with the terms of the Listing Agreement and this Application.

**DISINTERESTEDNESS OF NEWCOR**

22. As set forth in the Banzhaf Affidavit, to the best of the Debtors' and Newcor's knowledge, Newcor has no prior relationship with the Debtors and does not have any connection with or any interest adverse to the Debtors, their creditors, or any other party in interest or their respective attorneys and accountants in any matter relating to the Debtors or their estates. Nor does Newcor represent any interest adverse to the Debtors or their estates in the matter for which it is proposed to be retained. Accordingly, Newcor is a "disinterested person" as defined in Bankruptcy Code § 101(14). 11 U.S.C. § 101(14).

23. Newcor does not represent, and will not represent, any of the estates' creditors, with regard to the Subject Property.

**PRAYER**

The Debtors respectfully request that the Court enter an order granting the relief requested herein and such other and further relief to which the Debtors are justly entitled.

Dated: November 13, 2015

Respectfully submitted,

By: /s/ James R. Latimer, III  
James R. Latimer, III  
Chief Restructuring Officer for the Debtors



**CERTIFICATE OF SERVICE**

I certify that on November 13, 2015, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Reese A. O'Connor  
One of Counsel