

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

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

AMENDED MOTION FOR AN ORDER AUTHORIZING
THE RETENTION AND COMPENSATION OF PROFESSIONALS
UTILIZED IN THE ORDINARY COURSE OF BUSINESS NUNC PRO TUNC

A HEARING WILL BE CONDUCTED ON THIS MATTER ON
DECEMBER 14, 2015 AT 1:30 P.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”),¹
file this *Amended Motion for an Order Authorizing the Retention and Compensation of*

¹ 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].

Professionals Used in the Ordinary Course of Business Nunc Pro Tunc (the “Motion”)² and in support thereof, the Debtors respectfully state as follows:

JURISDICTION AND PROCEDURAL BACKGROUND

1. The 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).
2. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.
3. 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”).
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.

² Pursuant to the Court’s request at the hearing on December 7, 2015, this Motion amends the Debtors’ original *Motion for an Order Authorizing the Retention and Compensation of Professionals Used in the Ordinary Course of Business Nunc Pro Tunc* [Docket No. 118], to provide additional information with respect to, among other things, the necessity for and services to be provided by the Ordinary Course Professionals (as defined below). Such additional information is set forth on Exhibit A attached hereto.

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. By this Motion, the Debtors seek entry of an order under Bankruptcy Code §§ 105(a), 327(e), and 330 authorizing the retention and compensation of professionals utilized in the ordinary course of the Debtors' businesses (the "Ordinary Course Professionals"), without the necessity for submission of formal retention and fee applications for each professional.³ The Ordinary Course Professionals provide services to the Debtors in a variety of discrete matters unrelated to the administration of the Cases. A non-exhaustive list of Ordinary Course Professionals as of the Petition Date is attached hereto as **Exhibit A**. The Debtors seek authority to retain the Ordinary Course Professionals listed on **Exhibit A** *nunc pro tunc* to the Petition Date. To the extent the Debtors seek to retain and compensate any additional Ordinary Course Professional in accordance with the Procedures (defined below) outlined herein, the Debtors request authority to retain such additional Ordinary Course Professional effective as of the date of the executed engagement letter with such additional Ordinary Course Professional.

9. The Ordinary Course Professionals listed on **Exhibit A** provide: (a) legal advice to the Debtors unrelated to the administration of the Cases; or (b) other professional services that

³ Although certain of the Ordinary Course Professionals may hold unsecured claims against the Debtors, the Debtors do not believe that any of the Ordinary Course Professionals has an interest materially adverse to the Debtors, their estates, or creditors, with respect to matters on which they are retained.

the Debtors require in the ordinary course of operating their businesses, including, without limitation, certain accounting, consulting, and engineering services.

10. Although the Debtors believe that certain of the Ordinary Course Professionals are not “professional persons” as contemplated by Bankruptcy Code § 327 and, thus, that no retention or payment authorization is necessary, out of an abundance of caution, the Debtors seek an order authorizing the retention and payment of all Ordinary Course Professionals.

11. While the Debtors have a limited need for the Ordinary Course Professionals, they recognize the importance of the services that such professionals render on behalf of their estates. The Debtors represent that: (a) they wish to employ the Ordinary Course Professionals as necessary for the day-to-day operations of the Debtors’ businesses; (b) expenses will be kept to a minimum; and (c) the Ordinary Course Professionals will not perform services substantially similar to the Debtors’ bankruptcy counsel or other retained professionals.

12. The Debtors reserve the right to retain additional Ordinary Course Professionals during the Cases, as needed, and seek authorization to supplement the list of Ordinary Course Professionals from time to time as necessary.

13. The Debtors submit that in light of the time and expense associated with the preparation of separate retention and fee applications for professionals who will receive relatively small fees, it is impractical and costly for the Debtors to prepare such applications for each professional. Moreover, individual retention and fee applications would unnecessarily burden the Clerk’s office, the Court, and the United States Trustee for the Southern District of Texas (the “UST”) while adding to the administrative costs of the Cases without a corresponding benefit to the Debtors’ estates. Accordingly, the Debtors request that this Court dispense with

the requirement of individual retention and fee applications with respect to the Ordinary Course Professionals.

RETENTION AND COMPENSATION PROCEDURES

14. By this Motion, the Debtors request that they be permitted to employ and retain the Ordinary Course Professionals without submitting separate applications for, and obtaining separate orders approving, retention of each of the professionals. The Debtors recognize, however, the importance of providing information regarding the Ordinary Course Professionals to the Court and the UST. Accordingly, the Debtors propose the following procedures for the retention and compensation of the Ordinary Course Professionals (the “Procedures”):

- (a) Each Ordinary Course Professional shall file with the Court an affidavit of disinterestedness (the “Affidavit of Disinterestedness”) similar in form and substance to the form attached hereto as **Exhibit B**.
- (b) Parties shall have fourteen (14) days after the filing of each Affidavit of Disinterestedness (the “Objection Deadline”) to object to the retention of an Ordinary Course Professional. The objecting party shall file any such objections with the Court on or before the Objection Deadline. If any such objection cannot be resolved within ten (10) days of filing, the matter shall be scheduled for hearing before the Court at the next regularly scheduled omnibus hearing date or another date otherwise agreeable to the parties. If no objection is submitted by the Objection Deadline with respect to any particular Ordinary Course Professional, the Debtors shall be authorized as a final matter to retain such Ordinary Course Professional as to whom an objection was not filed.
- (c) The Debtors shall be authorized to pay, without formal application to the Court by any Ordinary Course Professional, 100% of the fees and disbursements to each Ordinary Course Professional retained by the Debtors in accordance with these Procedures, upon the submission to the Debtors of an appropriate invoice setting forth in reasonable detail the nature of the services rendered after the Petition Date, provided that the average monthly total over a rolling three-month period of such fees, excluding costs and disbursements, does not exceed \$40,000 per Ordinary Course Professional (the “Monthly Cap”). The Debtors may seek approval from the Court of an increase of the Monthly Cap in their sole discretion.

- (d) Any invoices submitted in excess of the Monthly Cap shall be subject to Court approval in accordance with Bankruptcy Code §§ 330 and 331, the Bankruptcy Rules, the Local Bankruptcy Rules for the Southern District of Texas (the “Bankruptcy Local Rules”), and any applicable Court orders.
- (e) Within fourteen (14) days following the conclusion of the first three-month period (each such three-month period, a “Quarter”) after the Petition Date and continuing thereafter for each successive Quarter during the pendency of the Cases, the Debtors shall file with the Court a statement with respect to the immediately preceding Quarter (each such statement, a “Quarterly Statement”). Each Quarterly Statement shall include the following information for each Ordinary Course Professional: (i) the name of the Ordinary Course Professional; (ii) the aggregate amounts paid as compensation for services rendered and reimbursements of expenses incurred by such Ordinary Course Professional during the reported Quarter; and (iii) a general description of the services rendered by such Ordinary Course Professional.
- (f) The Debtors may supplement the list of Ordinary Course Professionals, in their sole discretion, from time to time, as necessary to add or remove Ordinary Course Professionals, without the need to file individual retention applications. In the event of an addition to the list of Ordinary Course Professionals, the Debtors shall file a notice with the Court listing the additional Ordinary Course Professional the Debtors intend to employ (the “Supplement Notice”), along with such professional’s Affidavit of Disinterestedness. If no objections to any such Ordinary Course Professional are submitted within fourteen (14) days after filing the Supplement Notice, then the retention of the Ordinary Course Professional shall be deemed approved by the Court, effective as of the date of the executed engagement letter with such additional Ordinary Course Professional, without the necessity of a hearing or further order.

BASIS FOR RELIEF

15. The Debtors submit that the continued employment of the Ordinary Course Professionals and the payment of monthly compensation in accordance with the Procedures set forth above is in the best interests of their estates, creditors, and parties in interest. The relief requested will save the Debtors’ estates substantial expense associated with applying separately for the employment of each Ordinary Course Professional. Further, the requested relief will avoid the incurrence of additional fees pertaining to preparing and prosecuting interim fee

applications for the Ordinary Course Professionals. Likewise, the Procedures outlined above will relieve the Court and the UST of the burden of reviewing numerous fee applications involving relatively small amounts of fees and expenses.

16. It is essential that the employment of the Ordinary Course Professionals, many of whom are already familiar with the Debtors' affairs, continue to perform services for the Debtors as needed, consistent with past practices, so as to avoid disruption of the Debtors' day-to-day operations. While certain of the Ordinary Course Professionals may wish to continue to represent the Debtors going forward, they may be unwilling to do so if the Debtors cannot pay them on a regular basis. Loss of the expertise and historical knowledge of any of these Ordinary Course Professionals, with respect to the particular areas and matters for which they were responsible prior to the Petition Date, would undoubtedly cause the Debtors to incur additional and unnecessary expenses as other professionals without such background and expertise would have to be retained. Therefore, it is in the best interests of the Debtors' estates and their creditors that the Debtors avoid any disruption in the professional services required to maintain their day-to-day business operations. As such, the Debtors respectfully submit that this Court should approve the Procedures set forth herein as in the best interests of their estates.

17. Other than the Ordinary Course Professionals, all attorneys, accountants, and other professional persons within the ambit of Bankruptcy Code §§ 327(a) and 328 will be retained by the Debtors pursuant to separate retention applications. Such professionals shall be compensated in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and other orders of this Court.

18. Courts in this district and others have authorized debtors to employ ordinary course professionals in large chapter 11 cases using similar retention and payment procedures. *See, e.g., In re Seahawk Drilling, Inc.*, No. 11-20089, Docket No. 490 (Bankr. S.D. Tex. April 5, 2011); *In re Scotia Dev. LLC*, No. 07-20027, Docket No. 1,092 (Bankr. S.D. Tex. July 17, 2007); *In re ASARCO LLC*, No. 05-21207, Docket No. 518 (Bankr. S.D. Tex. Oct. 3, 2005); *In re Idearc, Inc.*, No. 09-31828, Docket No. 143 (Bankr. N.D. Tex. April 17, 2009); *In re Pilgrim's Pride Corp.*, No. 08-45664, Docket No. 411 (Bankr. N.D. Tex. Dec. 31, 2008); *In re ATP Oil & Gas Corp.*, No. 12-36187, Docket No. 479 (Bankr. S.D. Tex. Sept. 27, 2012).

RESERVATION OF RIGHTS

19. Nothing contained herein is or should be construed as: (a) an admission as to the validity of any claim against the Debtors; (b) a waiver of the Debtors' rights to dispute any claim on any grounds; (c) a promise to pay any claim; (d) an assumption or rejection of any executory contract or unexpired lease pursuant to Bankruptcy Code § 365; or (e) otherwise affect the Debtors' rights under Bankruptcy Code § 365 to assume or reject any executory contract with any party subject to this Motion.

PRAYER

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

Dated: December 10, 2015

Respectfully submitted,

VINSON & ELKINS LLP

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ATTORNEYS FOR THE DEBTORS

CERTIFICATE OF SERVICE

I certify that on December 10, 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