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PROPOSED COUNSEL TO THE DEBTOR

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re: § Chapter 11
§
ROCKIES REGION 2006 LIMITED § Case No. 18-33513-sgj-11
PARTNERSHIP, §
§
Debtor. §

In re: § Chapter 11
§
ROCKIES REGION 2007 LIMITED § Case No. 18-33514-sgj-11
PARTNERSHIP, §
§
Debtor. §

**MOTION PURSUANT TO RULE 1015(b) OF THE FEDERAL RULES OF
BANKRUPTCY PROCEDURE AND LOCAL BANKRUPTCY RULE 1015-1
FOR AN ORDER DIRECTING JOINT ADMINISTRATION OF CASES**

Rockies Region 2006 Limited Partnership, (“RR 2006”) and Rockies Region 2007 Limited Partnership, (“RR 2007” and together with RR 2006, the “Debtors”), for their Motion Pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rule 1015-1 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Northern

District of Texas (the “Local Rules”) for an Order Directing Joint Administration of Cases (the “Motion”), respectfully represent:

JURISDICTION AND VENUE

1. The Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334.

This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A).

2. Venue in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

INTRODUCTION

3. On October 30, 2018 (the “Petition Date”), each of the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). The Debtors are operating their businesses and managing their properties as debtors in possession, pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. No official committee, trustee, or examiner has been appointed.

BACKGROUND

5. As set forth more fully in the *Declaration of Karen Nicolaou in Support of Chapter 11 Petitions and First Day Motions*, filed contemporaneously herewith, the Debtors are West Virginia limited partnerships that own undivided working interests in oil and natural gas wells. PDC Energy, Inc. (f/k/a Petroleum Development Corp.) (“PDC”), a Delaware corporation, is the managing general partner of each of the Debtors and owns approximately 39% of each Debtors’ equity interests. In the aggregate, the Debtors have over 3,700 limited partnership unit holders (collectively with PDC, the “Partners”), approximately 550 of which hold an interest in both RR 2006 and RR 2007.

6. The primary business of the Debtors is the operation and development of properties producing oil, gas, and natural gas liquids and the appropriate allocation of cash proceeds, costs, and tax benefits among the Partners.

RELIEF REQUESTED

7. The Debtors are related entities with a shared general partner, PDC, and the same responsible party, Karen Nicolaou. In addition, the Debtors have a substantial number of shared limited partners (approximately 15% of the total), a “joint” proposal for reorganization, and will face similar legal issues during the course of their chapter 11 cases. Thus, the Debtors respectfully request joint administration of each of their chapter 11 cases for procedural purposes only and approval of the form of caption set forth on **Exhibit A** attached hereto.

ARGUMENT AND AUTHORITY

8. Bankruptcy Rule 1015(b) provides, in relevant part:

If a joint petition or two or more petitions are pending in the same court by or against . . . a debtor and an affiliate, the court may order a joint administration of the estates.

FED. R. BANKR. P. 1015. The Local Rules provide that a motion for joint administration may be filed by related debtors. N.D. Tex. L.B.R. 1015-1. Indeed, the Local Rules expand Bankruptcy Rule 1015(b) by authorizing the joint administration of debtors who are “related,” rather than solely “affiliated.” *See* N.D. Tex. L.B.R. 1015-1 (“[w]hen a case is filed for or against a debtor *related to* a debtor with a case pending in this Bankruptcy Court Motions for joint administration will be assigned for determination to the bankruptcy judge presiding over the first *related case* filed in this district” (emphasis added)). Courts in other jurisdictions have likewise allowed the joint administration of the estates of related, but not affiliated, debtors where

joint administration would provide for the efficient and expeditious administration of the estates. *See In re Raytech Corp.*, 222 B.R. 19 (Bankr. D. Conn. 1998) (relying on 11 U.S.C. § 105(a) to jointly administer cases where the debtor entities were not statutory affiliates, but had a shared creditor pool, were financially intertwined and where joint administration would eliminate the risk of competing decisions on legal issues).

9. Though the Debtors may not technically be “affiliates,” as defined in section 101(2) of the Bankruptcy Code, they are unquestionably “related.” As stated above, they share a common general partner and Responsible Party, are part of the same overall oil and gas investment structure, have a not-insignificant overlap of their limited partnership unit holders, and have a “joint” plan for successfully exiting chapter 11. PDC also holds limited partnership interests in each Debtor, owning approximately 39% of the outstanding partnership interests in each Debtor.

10. The Debtors’ chapter 11 cases should be jointly administered, for procedural purposes only, because joint administration will obviate the need for duplicative notices, motions, applications and orders, thereby saving considerable time and expense for all of the Debtors and their respective estates. *See In re McKenzie Energy Corp.*, 228 B.R. 854, 874 (Bankr. S.D. Tex. 1998) (“Joint administration is designed in large part to promote procedural convenience and cost efficiencies which do not affect the substantive rights of claimants or the respective debtor estates”). Moreover, the Debtors have a global strategy to sell their respective assets and have their plugging and abandonment liabilities assumed. Due to the relationship of the Debtors, with each other and with PDC, and their global strategy for liquidation, similar issues involving each of the Debtors will arise during their chapter 11 cases.

11. The rights of Debtors’ respective equity holders will not be adversely affected by the proposed joint administration of these cases because each such holder may still file its proof

of interest against a particular estate, and distributions under the forthcoming chapter 11 plan will be on a per-Debtor basis. In fact, the rights of all parties in interest will be enhanced by the reduction in costs resulting from joint administration. In addition, this Court and the Clerk's office will be relieved of the burden of entertaining duplicate motions, entering duplicative orders, and maintaining duplicative files, and supervision of the administrative aspects of the chapter 11 cases by the Office of the United States Trustee will be simplified.

12. The Debtors respectfully submit that the interests of the Debtors, their respective estates, and parties in interest would be best served by the joint administration of the Debtors' chapter 11 cases.

NOTICE

13. Notice of this Motion has been provided to: (i) the Office of the United States Trustee for the Northern District of Texas; and (ii) certain other parties appearing on the attached Certificate of Service. The Debtors respectfully submit that no other or further notice need be provided.

WHEREFORE, RR 2006 and RR 2007 respectfully request that the Court enter an Order: (i) directing joint administration of their chapter 11 cases; (ii) approving and adopting the proposed form of caption set forth on **Exhibit A** attached hereto; and (iii) granting such other and further relief as may be just and proper.

Respectfully submitted this 30th day of October, 2018.

GRAY REED & McGRAW LLP

By: /s/ Jason S. Brookner

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PROPOSED COUNSEL TO THE DEBTORS

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 30th day of October, 2018, he caused a true and correct copy of the foregoing document to be served on the parties appearing below via first class United States mail, postage prepaid and, where possible, via electronic mail.

Internal Revenue Service
Special Procedures-Insolvency
P.O. Box 7346
Philadelphia, PA 19101-7346

Securities and Exchange
Commission
Attn: Sonia Chae
175 W. Jackson Blvd.
Suite 900
Chicago, IL 60604

PDC Energy, Inc.
Attn: Daniel W. Amidon, GC
1775 Sherman St.
Suite 3000
Denver, CO 80203

Hunton Andrews Kurth
Attn: Robin Russell
600 Travis, Suite 4200
Houston, TX 77002

Office of the U.S. Trustee,
Northern District of Texas
1100 Commerce St., Rm 976
Dallas, TX 75242

Foley Bezek Behle & Curtis, LLP
Attn: Thomas G. Foley, Kevin D.
Gamarnik, and Aaron L. Arndt
15 West Carrillo Street
Santa Barbara, CA 93101

/s/ Jason S. Brookner

Jason S. Brookner

EXHIBIT A

Proposed Form of Caption

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	
	§	Chapter 11
ROCKIES REGION 2006 LIMITED	§	
PARTNERSHIP and ROCKIES REGION	§	Case No. 18-33513-sgj-11
2007 LIMITED PARTNERSHIP,	§	
	§	Jointly Administered
Debtors.	§	

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	Chapter 11
	§	
ROCKIES REGION 2006 LIMITED	§	Case No. 18-33513-sgj-11
PARTNERSHIP,	§	
	§	
Debtor.	§	
<hr/>		
In re:	§	Chapter 11
	§	
ROCKIES REGION 2007 LIMITED	§	Case No. 18-33514-sgj-11
PARTNERSHIP,	§	
	§	
Debtor.	§	

**ORDER PURSUANT TO RULE 1015(b) OF THE FEDERAL RULES OF
BANKRUPTCY PROCEDURE AND LOCAL BANKRUPTCY RULE 1015-1
DIRECTING JOINT ADMINISTRATION OF CASES**

Upon the Motion of Rockies Region 2006 Limited Partnership (“RR 2006”) and Rockies Region 2007 (“RR 2007” together with RR 2006, the “Debtors”), Pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rule 1015-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Northern District of Texas for

Order Directing Joint Administration of Cases (the “Motion”);¹ and the Court having jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334; and this matter being a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A); and it appearing that the relief requested by the Motion is in the best interest of the Debtors’ estates; and it appearing that sufficient notice of the Motion and the hearing thereon has been given and that no other or further notice is necessary; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is hereby **GRANTED** to the extent provided herein; it is further

ORDERED that the Debtors’ chapter 11 cases shall be jointly administered with each other, for procedural purposes only. All further pleadings in these cases shall be filed in Case No. 18-33513-sgj-11, and shall bear the caption set forth in **Exhibit A** attached hereto; it is further

ORDERED that a docket entry shall be made in each of the above-captioned cases, in a form substantially as follows:

An order has been entered in this case directing the procedural consolidation and joint administration of the chapter 11 cases of Rockies Region 2006 Limited Partnership and Rockies Region 2007 Limited Partnership. The docket in Case No. 18-33513-sgj-11 should be consulted for all matters affecting this case.

END OF ORDER

¹ Capitalized terms not otherwise defined herein shall have the same meaning ascribed to them in the Motion.

Submitted by:

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EXHIBIT A

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	
	§	Chapter 11
ROCKIES REGION 2006 LIMITED	§	
PARTNERSHIP and ROCKEIS REGION	§	Case No. 18-33513-sgj-11
2007 LIMITED PARTNERSHIP,	§	
	§	Jointly Administered
Debtors.	§	