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

In re: **TRIDIMENSION ENERGY, L.P., *et al.*** **Debtors** **TRIDIMENSION ENERGY, L.P.,** **Plaintiff** **v.** **VADA GROUP, L.P. AND LIBERTY RESOURCES, INC.** **Defendants**	**Case No. 10-33565-SGJ** **Chapter 11** **Jointly Administered** **Adv. Proc. No. 10-03224-SGJ**

JOINT STATUS REPORT AND MOTION FOR EXTENSION OF STAY TO FACILITATE SETTLEMENT NEGOTIATIONS

On October 5, 2010, the Court, at the parties' request, entered an Agreed Temporary Standstill Order (the "Standstill Order") [Docket No. 15] staying this adversary proceeding while the sales process ran its course. During the sales process, the parties twice filed status reports with the Court agreeing to the continued suspension of all deadlines. *See* Docket Nos. 17 and 18.

With the sales process over, the parties now are engaged in settlement negotiations to resolve this dispute. To facilitate these negotiations, the parties' requested, and the Court approved, a continuation of the stay through February 18, 2011. *See* Docket No. 20. The parties now request an extension of the stay through March 18, 2011 to enable them to continue their settlement negotiations in a good faith effort to resolve their differences without recourse to further litigation.

Meanwhile, the parties agree that until the stay is ended and the Court enters a revised scheduling order, all deadlines, including those triggered by actions undertaken before entry of the Standstill Order, will remain suspended, with such suspension expressly covering responses to discovery requests and answers to pled claims and counterclaims.

Dated: February 18, 2011

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on February 18, 2011, I electronically filed the foregoing document with the Clerk of Court for the U.S. Bankruptcy Court, Northern District of Texas, using the electronic case filing system of the Court. The electronic case filing system sent a "Notice of Electronic Filing" to the attorneys of record who have consented in writing to accept this Notice as service of this document by electronic means.

/s/Bradley R. Foxman
One of Counsel