

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION**

-----x Chapter 11
In re: :
: Case No. 08-62733
TRIAD RESOURCES, INC., :
: Judge C. Kathryn Preston
Debtor. :
-----x

-----x Chapter 11
In re: :
: Case No. 08-62744
TRIAD ENERGY CORPORATION, :
: Judge C. Kathryn Preston
Debtor. :
-----x

-----x Chapter 11
In re: :
: Case No. 08-62747
TRITEX ENERGY, L.L.C., :
: Judge C. Kathryn Preston
Debtor. :
-----x

-----x Chapter 11
In re: :
: Case No. 08-62749
TRITEX RESOURCES, L.L.C., :
: Judge C. Kathryn Preston
Debtor. :
-----x

-----x Chapter 11
In re: :
: Case No. 08-62757
TRIAD OIL & GAS CO., LTD., :
: Judge C. Kathryn Preston
Debtor. :
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In re: : Chapter 11
: :
ALPHA DRILLING, LTD., : Case No. 08-62759
: :
Debtor. : Judge C. Kathryn Preston
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ORDER GRANTING MOTION OF DEBTORS AND DEBTORS IN POSSESSION FOR AN ADMINISTRATIVE ORDER ESTABLISHING PROCEDURES FOR INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES OF PROFESSIONALS

Upon consideration of the *Motion of Debtors and Debtors-In-Possession, for an Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* (the “Motion”), of Triad Resources, Inc. (“TRI”), Triad Energy Corporation (“TEC”), TriTex Energy, L.L.C. (“TEL”), TriTex Resources, L.L.C. (“TRL”), Triad Oil & Gas Co., Ltd. (“TOG”) and Alpha Drilling, Ltd. (“ADL”) (each a “Debtor” and debtor-in-possession and collectively, the “Debtors”), dated December 31, 2008. This Court having heard the statements of counsel for the Debtors in support of the Motion; and due notice of this Motion having been given to the (a) the Office of the United States Trustee, (b) Capital One National Association, as Administrative Agent for the Secured Lenders, (c) the Debtors’ consolidated thirty (30) largest unsecured creditors, (d) WesBanco Bank, Peoples Bank, CNH Capital, Caterpillar Financial, Chrysler Financial and Ford Motor Credit Company and (e) all parties in interest who properly filed a notice of appearance in accordance with this Court’s Case Management and Procedures Order; and it appearing that no other or further notice need be given; and after due deliberation and sufficient cause appearing therefor; it is hereby

ORDERED that all Court approved professionals may submit applications for interim compensation and reimbursement for expenses on a monthly basis.

ORDERED that except as may otherwise be provided in Court orders authorizing the retention of specific professionals, all professionals in the Chapter 11 Cases seeking interim compensation must do so in accordance with the following procedure:

- (a) On or before the 20th day of each month following the month for which compensation is sought (a “Request Date”), each Professional seeking interim compensation must submit an itemized monthly fee and expense statement (a “Fee Statement”) to the following parties: (i) the Debtors, Triad Resources, Inc., 27724 Route 7, Marietta, Ohio 45750, (Attention: James R. Bryden); (ii) counsel to the Debtors, Hahn Loeser & Parks LLP, 200 Public Square, Suite 2800, Cleveland, Ohio 44114 (Attention: Daniel A. DeMarco); (iii) counsel to any Committees appointed in the Debtors’ Cases; (iv) the United States Trustee for the Southern District of Ohio; and (v) counsel for Capital One, as Agent for the Secured Lenders, (collectively, the “Notice Parties”).
- (b) The monthly statement need not be filed with the Court and a courtesy copy need not be delivered to the presiding bankruptcy judge’s chambers because this Motion is not intended to alter the fee application requirements outlined in sections 330 and 331 of the Bankruptcy Code and because professionals are still required to serve and file interim and final applications for approval of fees and expenses in accordance with the relevant provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Bankruptcy Rules;
- (c) For those Professionals who bill based on time, each monthly fee statement must contain a list of the individuals and their respective titles (*e.g.*, attorney, accountant or paralegal) who provided services during the statement period, their respective billing rates, the aggregate hours spent by each individual, a reasonably detailed breakdown of the disbursements incurred (no Professional should seek reimbursement of an expense which would otherwise not be allowed pursuant to the Guidelines), and contemporaneously maintained time entries for each individual in increments of tenths (1/10) of an hour;
- (d) Each person receiving a statement may review it and, in the event that he or she has an objection to the compensation or reimbursement sought in a particular statement, he or she shall, by no later than the thirty-fifth (35th) day following the end of the month for which compensation is sought, serve upon the Professional whose statement is objected to, and the Notice Parties, a written “Notice of Objection to Fee Statement” setting forth the nature of the objection and the amount of fees or expenses at issue;
- (e) At the expiration of the thirty-five (35) day period, the Debtors shall promptly pay eighty percent (80%) of the undisputed fees and one hundred percent (100%) of

the undisputed expenses identified in each monthly statement to which no objection has been served in accordance with paragraph (d);

- (f) If the Debtors receive an objection to a particular fee statement, they shall withhold payment on that portion of the fee statement to which the objection is directed and promptly pay the remainder of the fees and disbursements in the percentages set forth in paragraph (e);
- (g) Similarly, if the parties to an objection are able to resolve their dispute following the service of Notice of Objection to Fee Statement and if the party whose statement was objected to serves the Notice Parties a statement indicating that the objection is withdrawn and describing in detail the terms of the resolution, then the Debtors shall promptly pay, in accordance with paragraph (e), that portion of the fees statement which is no longer subject to an objection;
- (h) All objections that are not resolved by the parties, shall be preserved and presented to the Court at the next interim or final fee application hearing to be held by the Court (*see* sub-paragraph (j) below);
- (i) The service of an objection in accordance with paragraph (d) shall not prejudice the objecting party's right to object to any fee application made to the Court in accordance with the Bankruptcy Code on any ground whether raised in the objection or not. Furthermore, the decision by any party not to object to a fee statement shall not be a waiver of any kind or prejudice that party's right to object to any fee application subsequently made to the Court in accordance with the Bankruptcy Code;
- (j) Approximately every 120 days, but no more than every 150 days, each of the Professionals shall serve and file with the Court, in accordance with the Guidelines, an application for interim or final Court approval and allowance, pursuant to sections 330 and 331 of the Bankruptcy Code (as the case may be), of the compensation and reimbursement of expenses requested;
- (k) Any Professional who fails to file an application seeking approval of compensation and expenses previously paid under this Motion when due shall (i) be ineligible to receive further monthly payments of fees or expenses as provided herein until further order of the Court and (ii) may be required to disgorge any fees paid since retention or the last fee application, whichever is later;
- (l) The pendency of an application or a Court order that payment of compensation or reimbursement of expenses was improper as to a particular statement shall not disqualify a Professional from the future payment of compensation or reimbursement of expenses as set forth above, unless otherwise ordered by the Court;
- (m) Neither the payment of, nor the failure to pay, in whole or in part, monthly compensation and reimbursement as provided herein, shall have any effect on the

Court's interim or final allowance of compensation and reimbursement of any Professional; and

- (n) The attorneys for the Committee may, in accordance with the foregoing procedure for monthly compensation and reimbursement of Professionals, collect and submit statements of expenses (excluding individual committee members' from members of the Committee he or she represents; provided, however, that such Committee attorneys ensure that these reimbursement requests comply with the Guidelines.; and it is further

ORDERED that each member of any Committee appointed in this case, if any, be permitted to submit statements of expenses and supporting vouchers to counsel for the Committee who will collect and submit such requests for reimbursement in accordance with the foregoing procedure for monthly and interim compensation and reimbursement of professionals; and it is further;

ORDERED, that sending notice of hearing to consider interim applications to (a) the Office of the United States Trustee, (b) Capital One National Association, as Administrative Agent for the Secured Lenders, (c) the Debtors' consolidated thirty (30) largest unsecured creditors, (d) WesBanco Bank, Peoples Bank, CNH Capital, Caterpillar Financial, Chrysler Financial and Ford Motor Credit Company and (e) all parties in interest who properly filed a notice of appearance in accordance with this Court's Case Management and Procedures Order shall be sufficient; and it is further

ORDERED that any party in interest so requesting in writing shall be served with a copy of the actual application; and it is further

ORDERED that the Debtors shall include all payments to professionals on its monthly operating reports.

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Prepared and submitted by:

/s/ Rocco I. Debitetto

Daniel A. DeMarco (0038920)

Nancy A. Valentine (0069503)

Christopher B. Wick (0073126)

Rocco I. Debitetto (0073878)

Hahn Loeser & Parks LLP

200 Public Square, Suite 2800

Cleveland, Ohio 44114

Telephone: (216) 621-0150

Facsimile: (216) 241-2824

E-Mail: dademarco@hahnlaw.com
navalentine@hahnlaw.com
cwick@hahnlaw.com
ridebitetto@hahnlaw.com

PROPOSED ATTORNEYS FOR DEBTORS