

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
	)	Case No. 19-10702 (MFW)
SOUTHCROSS ENERGY PARTNERS, L.P.,	)	
<i>et al.</i> ,	)	Jointly Administered
	)	
Reorganized Debtors. <sup>1</sup>	)	
	)	Re: D.I. <u>965</u>
	)	
	)	

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**ORDER GRANTING REORGANIZED DEBTORS’ SECOND OMNIBUS  
OBJECTION (SUBSTANTIVE) TO CERTAIN CLAIMS PURSUANT TO 11 U.S.C.  
§ 502, FED. R. BANKR. P. 3007, AND DEL. L.R. 3007-1  
(NO LIABILITY, CONTINGENT AND UNLIQUIDATED CLAIMS)**

Upon the objection (the “**Objection**”)<sup>2</sup> of the above-captioned Reorganized Debtors, pursuant to section 502 of the Bankruptcy Code, Bankruptcy Rule 3007, and Local Rule 3007-1, disallowing the claims identified on Exhibit 1 and Exhibit 2 attached hereto; and upon the McKeighan Declaration, attached as Exhibit B to the Objection; and the Court having jurisdiction to consider the matters raised in the Objection pursuant to 28 U.S.C. § 1334 and the Amended Standing Order of Reference from the United States District Court for the District of Delaware, dated February 29, 2012; and the Court having authority to hear the matters raised in the Objection pursuant to 28 U.S.C. § 157; and venue being proper before this Court pursuant to 28 U.S.C. § § 1408 and 1409; and consideration of the Objection and the requested relief being a core proceeding that the Court can determine pursuant to 28 U.S.C. § 157(b)(2); and due and proper notice of the Objection and opportunity for a hearing on the Objection having been given

<sup>1</sup> The debtors and debtors in possession in the Chapter 11 Cases, along with the last four digits of their respective Employer Identification Numbers, are as follows: Southcross Energy Partners, L.P. (5230); Southcross Gulf Coast Transmission Ltd. (0546). The debtors’ mailing address is 1717 Main Street, Suite 5300, Dallas, TX 75201.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Objection.



to the parties listed therein, and it appearing that no other or further notice need be provided; and the Court having reviewed and considered the Objection; and the Court having the opportunity to hold a hearing on the Objection; and the Court having determined that the legal and factual bases set forth in the Objection establish just cause for the relief granted herein; and the Court having found that the relief granted herein being in the best interests of the Reorganized Debtors, their creditors, and all other parties in interest; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor,

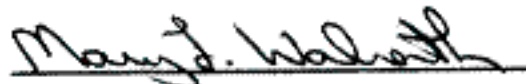
**IT IS HEREBY ORDERED THAT:**

1. The Objection is hereby granted, as set forth herein.
2. The No Liability Claims identified on Exhibit 1 are hereby disallowed in full.
3. The Estimated Portion of the Contingent and Unliquidated Claim identified on Exhibit 2 is hereby estimated at \$0.00, and \$6,000.00 is the maximum amount in which the Contingent and Unliquidated Claim may ultimately become an allowed general unsecured claim.
4. This Order shall be deemed a separate Order with respect to each of the Claims identified on Exhibit 1 and Exhibit 2. Any stay of this Order pending appeal by any claimants whose Claims are subject to this Order shall only apply to the contested matter which involves such claimant and shall not act to stay the applicability and/or finality of this Order with respect to the other contested matters listed in the Objection or this Order.
5. The Reorganized Debtors, Kurtzman Carson Consultants LLC, and the Clerk of this Court are authorized to take, or refrain from taking, any action necessary or appropriate to implement the terms of, and the relief granted in, this Order without seeking further order of the Court.
6. Notwithstanding any Bankruptcy Rule, Local Rule, or otherwise, the terms and

conditions of this Order shall be immediately effective and enforceable upon its entry.

7. This Court shall retain jurisdiction to hear and determine all matters arising from, arising under, or related to the Chapter 11 Cases and the Plan, to the fullest extent permitted by law, including, without limitation, to enforce this Order.

Dated: June 3rd, 2020  
Wilmington, Delaware



MARY F. WALRATH  
UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT 1**

**No Liability**

SOUTHCROSS ENERGY PARTNERS, L.P., ET AL., CASE NO. 19-10702  
EXHIBIT 1

NO LIABILITY CLAIMS OBJECTION

NAME	DATE FILED	CASE NUMBER	DEBTOR	CLAIM #	ASSERTED CLAIM AMOUNT
1 CALHOUN COUNTY APPRAISAL DISTRICT, ET AL MCCREARY, VESELKA, BRAGG & ALLEN, P.C. PO BOX 1269 ROUND ROCK, TX 78680-1269	1/23/2020	19-10702	Southcross Energy Partners, L.P.	641	\$ 352,28*
Reason: Claim 641 (Calhoun County Appraisal District, ET AL) is asserting administrative priority on 2020 Ad Valorem Tax estimates. According to section 8.01(b) of the APA, the purchasing entity shall pay the actual taxes and the debtor will reimburse the purchasing entity for liabilities related to any period prior to the closing date.					
2 LEWIS PETRO PROPERTIES, INC. 10101 REUNION PL, STE 1000 SAN ANTONIO, TX 78216	7/9/2019	19-10702	Southcross Energy Partners, L.P.	134	\$ 3,500.00*
Reason: According to the Debtors' books and records, the Debtors are not liable for the asserted claim per a review of the claimant's proof of claim, the documents attached thereto, and a reasonable review of the reorganized Debtors' books.					
3 MS DEPARTMENT OF REVENUE PO BOX 22808 JACKSON, MS 39225	4/9/2019	19-10702	Southcross Energy Partners, L.P.	3	Undetermined*
Reason: According to the Debtors' books and records, the Debtors are not liable for the asserted claim per a review of the claimant's proof of claim, the documents attached thereto, and a reasonable review of the reorganized Debtors' books.					
4 PEARL RIVER CO TAX PO BOX 509 POPLARVILLE, MS 39470	6/24/2019	19-10715	Southcross Mississippi Pipeline, L.P.	87	\$ 18,134.89*
Reason: Claim 87 (Pearl River Co Tax) is asserting priority on the 2019 Ad Valorem Tax. According to section 8.01(b)(i) of the APA [docket #470], the purchasing entity shall pay the actual taxes and the debtor will reimburse the purchasing entity for liabilities related to any period prior to the closing date.					
5 THE BLASE FAMILY FARM 2211 BEASLEY WEST END RD BEASLEY, TX 77417	7/22/2019	19-10706	Southcross Energy GP LLC	404	\$ 2,000.00*
Reason: The Debtors are not liable for the claim since the claimant is asserting liabilities related to assets no longer owned by the Debtors and were not owned by the Debtors during the period asserted by the claim.					
6 THE COUNTY OF WHARTON, TEXAS PO BOX 1269 ROUND ROCK, TX 78680	1/27/2020	19-10702	Southcross Energy Partners, L.P.	642	\$ 49,706.07*
Reason: Claim 642 (County of Wharton Texas) is asserting administrative priority on 2020 Ad Valorem Tax estimates. According to section 8.01(b) of the APA [docket #471], the purchasing entity shall pay the actual taxes and the debtor will reimburse the purchasing entity for liabilities related to any period prior to the closing date.					
7 THE DEPARTMENT OF THE TREASURY 1352 MARROWS ROAD, STE 204 NEWARK, DE 19711-5445	2/5/2020	19-10703	Southcross Energy Partners GP, LLC	645	\$ 22,112.15*
Reason: Claim is related to liabilities owed by a non-debtor entity based on review of the proof of claim and the Debtors' books and records.					

\* Indicates claim contains unliquidated and/or undetermined amounts

SOUTHCROSS ENERGY PARTNERS, L.P., ET AL., CASE NO. 19-10702  
EXHIBIT 1

NO LIABILITY CLAIMS OBJECTION

	NAME	DATE FILED	CASE NUMBER	DEBTOR	CLAIM #	ASSERTED CLAIM AMOUNT
8	VICKSBURG WARREN SCHOOL DISTRICT PO BOX 820065 VICKSBURG, MS 39182	5/21/2019	19-10702	Southcross Energy Partners, L.P.	79	\$ 19,800.00
9	VOG PALO VERDE LP C/O VENADO OIL & GAS LLC 13301 GALLERIA CIRCLE, SUITE 300 AUSTIN, TX 78738	7/17/2019	19-10711	Southcross Marketing Company Ltd.	283	Undetermined*
					TOTAL	\$ 115,605.39*

Reason: The claim is asserting \$19,800, which is a sum of \$1,100 annual right-of-way-payments covering the periods of May 2019 to May 2037. The 2019 annual payment was a postpetition liability due and paid on May 1, 2019. The underlying asset was sold and no longer owned by the Debtors as a part of the APA [docket #470], which was ordered on 10/22/2019. Thus the Debtors owe no liabilities asserted by the claim on right-of-way payments due in 2020 and beyond.

Reason: According to the Debtors' books and records, the Debtors are not liable for the asserted claim per a review of the claimant's proof of claim, the documents attached thereto, and a reasonable review of the reorganized Debtors' books.

**EXHIBIT 2**

**Contingent and Unliquidated Claim**

EXHIBIT 2

CONTINGENT AND UNLIQUIDATED CLAIMS

MODIFIED CLAIMS

ASSERTED CLAIMS

NAME	CLAIM#	DEBTOR	PRIORITY STATUS	AMOUNT	DEBTOR	PRIORITY STATUS	AMOUNT
1 JIMMY R. TIEMANN 2627 BEASLEY WEST END ROAD BEASLEY, TX 77417-9729	529	Southcross Energy Partners, L.P.	503(b)(9)	Undetermined*	Southcross Energy Partners, L.P.	503(b)(9)	\$0.00
		Southcross Energy Partners, L.P.	Unsecured	\$6,000.00*	Southcross Energy Partners, L.P.	Unsecured	\$6,000.00
		Subtotal		\$6,000.00*	Subtotal		\$6,000.00
		TOTAL		\$ 6,000.00*	TOTAL		\$ 6,000.00

Reason: A portion of the filed claim asserts an unliquidated amount. The modified amount reflects the liquidated and accurate amount based on a review of the Debtors' books and records.

\* Indicates claim contains unliquidated and/or undetermined amounts