

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

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In re: :
SEMCRUDE, L.P., et al., : Chapter 11 Case
: No. 08-11525 (BLS)
: Jointly Administered
: Debtors :
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**STIPULATION CONFERRING STANDING UPON THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS OF SEMCRUDE, L.P., ET AL.,
PURSUANT TO SECTIONS 105(A), 1103(C)(5) AND 1109(B)
OF THE BANKRUPTCY CODE TO PROSECUTE ADDITIONAL ACTIONS
ON BEHALF OF THE DEBTORS' ESTATES**

WHEREAS:

A. On July 22, 2008, SemCrude, L.P. and certain of its affiliates (collectively, the “Debtors”) filed with this Court voluntary petitions for relief under chapter 11 of title 11 of the United States Code. The Debtors’ chapter 11 cases are being jointly administered pursuant to Rule 1005(b) of the Federal Rules of Bankruptcy Procedure. Each Debtor is continuing to operate its business and manage its properties as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

B. On February 17, 2009, the Official Committee of Unsecured Creditors of SemCrude, L.P., et al., (the “Creditors’ Committee”) filed its Motion for Authority to Commence and Prosecute Certain Actions on Behalf of the Estates and for Related Relief Pursuant to Sections 105(a), 1103(c)(5) and 1109(b) of the Bankruptcy Code (the “Standing Motion”).

C. On February 18, 2009, the Creditors’ Committee filed a complaint commencing the adversary proceeding captioned, *Official Committee of Unsecured Creditors of SemCrude, L.P., et al., for and on behalf of the Debtors’ Bankruptcy Estates against Thomas L. Kivisto,*

Gregory C. Wallace, and Westback Purchasing Co., LLC, Case No. 09-50189-BLS (the “Kivisto Adversary Proceeding”), and on March 16, 2009, the Creditors’ Committee filed its First Amended Complaint (the “First Amended Complaint”).

D. On March 16, 2009, this Court granted the Standing Motion authorizing the Creditors’ Committee to prosecute the Adversary Proceeding and entered its Order Pursuant to Sections 105(a), 1103(c)(5) and 1109(b) of the Bankruptcy Code Authorizing The Official Committee of Unsecured Creditors of SemCrude, L.P., et al., to Commence And Prosecute Certain Actions on Behalf of the Estates and for Related Relief (the “Standing Order”).

E. On April 15, 2009, Louis J. Freeh, examiner in these cases, filed the Final Report of Louis J. Freeh, Bankruptcy Court Examiner (the “Examiner Report”).

F. Based on the Examiner’s Report, the Creditors’ Committee determined that additional valid, meritorious claims and causes of action (the “Additional Claims”) existed and should be brought in the Kivisto Adversary Proceeding in a timely fashion to maximize the value of the estates. The Debtors consented to the Creditors’ Committee’s filing of a second amended complaint prosecuting the Additional Claims. The Creditors’ Committee filed its Second Amended Complaint on behalf of the Debtors’ estates, adding claims against Thomas L. Kivisto and Gregory C. Wallace and adding as defendants Brent Cooper, Kevin L. Foxx, and Alex G. Stallings.

G. On August 6 and 7, 2009, Defendants Kivisto, Wallace, Westback, Cooper, Foxx, and Stallings, each filed a motion to dismiss all or some portion of the amended complaint. In addition, on August 7, 2009, Westback filed an answer to the amended complaint.

H. The Creditors’ Committee has notified the Defendants that it seeks to file a Third Amended Complaint pursuant to Federal Rule of Civil Procedure 15(a)(2), in the Kivisto

Adversary Proceeding to address deficiencies alleged by Defendants in their Motions to Dismiss which Plaintiffs state are primarily technical in nature (a statement with which Defendants disagree), and to incorporate new facts and developments that have arisen from the Committee's ongoing investigation.

I. On September 3, 2009, the Creditors' Committee, Bank of America, N.A., as Administrative Agent for the Debtors' Pre-Petition and Post-Petition Lenders (the "Administrative Agent") and Defendants Kivisto, Westback, Wallace, Cooper, Foxx and Stallings entered into a Stipulation regarding the filing of a Third Amended Complaint and Defendants' Time to Answer to Otherwise Respond to the Third Amended Complaint. On September 8, 2009, this Court issued an order approving the stipulation.

J. The Debtors consent to the Creditors' Committee's filing of the Third Amended Complaint in the Kivisto Adversary Proceeding.

K. The Debtors' consent is a proper exercise of their fiduciary duties and represents a faithful attempt to coordinate litigation responsibilities with the Creditors' Committee.

NOW, THEREFORE, the parties hereto hereby stipulate and agree as follows:

1. The Creditors' Committee is a proper party and shall be deemed to have standing to bring the Third Amended Complaint in the Kivisto Adversary Proceeding.

2. The conferral of standing upon the Creditors' Committee is in the best interests of the Debtors' estates and the creditors thereof, and is necessary and beneficial to the efficient resolution of these bankruptcy cases.

3. The terms of the Standing Order shall remain in full force and effect.

4. This Stipulation may be executed in one or more counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same

instrument. Facsimile versions of signatures may be relied upon by any party and shall be binding on the respective signor with equal effect as a manually executed counterpart.

5. This Stipulation shall be effective upon the entry of an order by the Court approving the terms hereof.

Dated: October 2, 2009
Wilmington, Delaware

BY:

/s/ Bonnie Glantz Fatell

BLANK ROME LLP
Bonnie Glantz Fatell (No. 3809)
1201 Market Street, Suite 800
Wilmington, DE 19801
Telephone: (302) 425-6400
Facsimile: (302) 425-6464

/s/ L. Katherine Good

RICHARDS, LAYTON & FINGER, P.A.
John H. Knight (No. 3848)
L. Katherine Good (No. 5101)
Maris J. Finnegan (*DE admission pending*)
One Rodney Square
920 North King Street
Wilmington, Delaware 19801
Telephone: (302) 651-7700
Facsimile: (302) 651-7701

-and-

QUINN EMANUEL URQUHART OLIVER
& HEDGES, LLP

Richard I. Werder, Jr.
Susheel Kirpalani
R. Brian Timmons
51 Madison Avenue, 22nd Floor
New York, New York 10010
Telephone: (212) 849-7000
Facsimile: (212) 849-7100

*Counsel for the Official Committee of
Unsecured Creditors of SemCrude, L.P., et al.*

-and-

WEIL, GOTSHAL & MANGES LLP

Martin A. Sosland
Yvette Ostolaza
Sylvia A. Mayer
200 Crescent Court, Suite 300
Dallas, Texas 75201
Telephone: (214) 746-7700

*Counsel for the Debtors and
Debtors-in-Possession*

EXHIBIT B

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

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In re : **Chapter 11**
SEMCRUDE, L.P., *et al.*, : **Case No. 08-11525 (BLS)**
Debtors. : **Jointly Administered**
-----X
Official Committee Of Unsecured :
Creditors Of Semcrude, L.P., *et al.* :
for and on behalf of the :
Debtors' Bankruptcy Estates, :
Plaintiff, :
And :
Bank of America, N.A., as Administrative Agent :
For the Debtors' Pre-Petition and Post-Petition :
Lenders, :
Plaintiff/Intervenor, : **Adv. Pro. No. 09-50189-BLS**
v. :
Thomas L. Kivisto, Gregory C. Wallace, :
Westback Purchasing Co., LLC, Brent :
Cooper, Kevin L. Foxx, Alex G. Stallings, :
Defendants. :
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ORDER

Having reviewed the stipulation dated October 2, 2009 between and among the Official Committee Of Unsecured Creditors Of Semcrude, L.P. ("the Committee") and the Debtors, it is hereby ORDERED that the Stipulation is approved, and the Creditors' Committee is a proper

party and shall be deemed to have standing to bring the Third Amended Complaint in the Kivisto Adversary Proceeding; (b) the conferral of standing upon the Creditors' Committee is in the best interests of the Debtors' estates and the creditors thereof, and is necessary and beneficial to the efficient resolution of these bankruptcy cases; and (c) the terms of the Standing Order shall remain in full force and effect.

Signed this ____ day of _____, 2009.

BY THE COURT:

Brendan L. Shannon
U.S. Bankruptcy Judge