



ENTERED
08/03/2010

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re	§	
	§	Chapter 11
	§	
EXPRESS ENERGY SERVICES	§	
OPERATING, LP, et al.,	§	Case No. 09-38044
	§	
	§	
Reorganized Debtors.	§	Jointly Administered
	§	

AGREED STIPULATION AND ORDER (I) RESOLVING THE REORGANIZED DEBTORS' MOTION TO ESTIMATE PROOFS OF CLAIM SOLELY WITH RESPECT TO PROOF OF CLAIM NUMBER 374 AND (II) REDUCING AND ALLOWING PROOF OF CLAIM NUMBER 374 FILED BY DAN SORRELLS

#298

Express Energy Services Operating, LP ("EES Operating") and its affiliated reorganized debtors in the above-captioned bankruptcy cases (collectively, the "Debtors" or the "Reorganized Debtors") and Dan Sorrells ("Sorrells," and together with the Reorganized Debtors, the "Parties"), by and through their respective undersigned counsel, hereby enter into this agreed stipulation and order (this "Agreed Stipulation and Order").

RECITALS

WHEREAS, on October 27, 2009 (the "Commencement Date"), the Debtors commenced voluntary cases under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the "Court");

WHEREAS, on December 7, 2009, the Court entered an order (Docket No. 189, the "Confirmation Order") confirming the Debtors' Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code (the "Plan"), which became effective in accordance with its own terms on December 31, 2009;

WHEREAS, on December 14, 2009, Sorrells filed Proof of Claim Number 374 (the "**Proof of Claim**"), which asserts a general unsecured claim for \$160,000 plus unliquidated amounts, of which \$10,950 is allegedly subject to priority, based on a charge filed with the Equal Employment Opportunity Commission (the "**EEOC Charge**").

WHEREAS, on June 30, 2009, the Reorganized Debtors filed their Motion to Estimate Proofs of Claim Nos. 370, 372, 373, 374, 508, 538, 584, 590, 620, 621, 628, and 688 for \$1.00 Each for Plan Distribution Purposes (Docket No. 298, the "**Motion to Estimate**"). The Motion to Estimate asserts, among other things, that the Debtors believe that any amounts relating to the claims alleged in the Proof of Claim would be satisfied from the proceeds of applicable insurance policies; and

WHEREAS, in order to resolve the Motion to Estimate with respect to the Proof of Claim, all disputes between the Parties relating to the Proof of Claim and the EEOC Charge, and to avoid unnecessary expenses and further litigation, the Parties negotiated and entered into this Agreed Stipulation and Order in good faith and at arms' length and believe it is in their respective best interests.

AGREED STIPULATION AND ORDER

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and between the Parties that:

1. **Reduction and Allowance of the Proof of Claim.** The Proof of Claim is reduced and allowed as a Class 4 General Unsecured Claim (as defined in the Plan) against EES Operating in the amount of \$115,000 (the "**Allowed Claim**"). The Allowed Claim is in full and final satisfaction of all claims asserted in the Proof of Claim, including those relating to the EEOC Charge. The Proof of Claim shall be satisfied in accordance with the Plan and the Confirmation Order.

2. Withdrawing the EEOC Charge. Upon entry of this Agreed Stipulation and Order, Sorrells shall, at his own expense, take any and all actions necessary and/or appropriate to withdraw the EEOC Charge as soon as practicable.

3. Mutual Releases. Except as otherwise provided herein, Sorrells and his affiliates, assigns, heirs, agents, professionals, and transferees, forever release and discharge the Reorganized Debtors, the Debtors, and their employees, assigns, heirs, agents, professionals, directors, officers, and transferees, and the Reorganized Debtors, the Debtors, and their employees, assigns, heirs, agents, professionals, directors, officers, and transferees forever release and discharge Sorrells and his affiliates, assigns, heirs, agents, professionals, and transferees, from any and all actions, suits, judgments, claims, proofs of claim, demands, damages, attorneys' fees, causes of action, debts, liabilities, or controversies of any kind whatsoever, whether at law or in equity, whether before a local, state or federal court or state or federal administrative agency or commission, or arbitration administrator, and whether now known or unknown, matured or unmatured, liquidated or unliquidated, that the Parties now have or may have had, or hereafter claim to have on behalf of a Party, or any other person or entity with respect to, arising under or relating to the Proof of Claim, the EEOC Charge, and/or Sorrells' employment with the Debtors. Nothing in this paragraph, however, shall constitute a release of any obligations under paragraphs 1 and 2 of this Agreed Stipulation and Order.

4. Reservation of Rights. Except as expressly provided herein, the Parties hereby reserve all of their rights under any applicable law.

5. Authority. The signatories to this Agreed Stipulation and Order expressly represent and warrant that they have the requisite power, authority and legal capacity to enter into and execute this Agreed Stipulation and Order.

6. Complete Agreement. This Agreed Stipulation and Order is the entire agreement between the Parties with respect to the subject matter of this Agreed Stipulation and Order. All representations, warranties, inducements, and/or statements of intention made by the Parties are embodied herein, and neither Party relied upon, shall be bound by, or shall be liable for any alleged representation, warranty, inducement, or statement of intention that is not expressly set forth herein.

7. No Admission of Liability. The execution of this Agreed Stipulation and Order by either Party does not constitute, imply or evidence the truth of any claim, the admission of any liability, the validity of any defense, or the existence of any circumstances or facts that could constitute a basis for any claim, liability or defense, other than for the purpose of enforcing the terms and provisions of this Agreed Stipulation and Order.

8. Drafting and Construction. The Parties acknowledge that this Agreed Stipulation and Order is the joint work product of all of the Parties, and that, accordingly, in the event of ambiguities, no inferences shall be drawn against any Party on the basis of authorship of this Agreed Stipulation and Order.

9. Counterparts. This Agreed Stipulation and Order may be executed in any number of counterparts, and all such counterparts, taken together, shall be deemed to constitute one and the same instrument.

10. Retention of Jurisdiction. The Court shall retain exclusive jurisdiction over any and all disputes arising out of, or otherwise relating to, this Agreed Stipulation and Order and the Motion to Estimate.

11. Binding Effect. This Agreed Stipulation and Order shall be binding on the Parties from the date of its execution, but is expressly subject to, and contingent upon, its approval by the Court. If the Court does not approve this Agreed Stipulation and Order, it shall be null and void.

By: /s/ Alfredo R. Pérez
Alfredo R. Pérez

By: /s/ Darren K. Coleman
Darren K. Coleman

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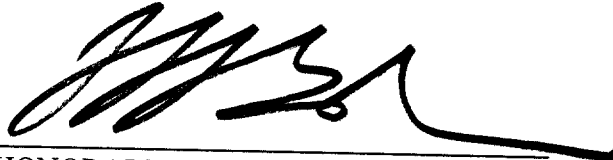
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Counsel for the Reorganized Debtors

Counsel for Dan Sorrells

The foregoing Agreed Stipulation and Order **IS HEREBY APPROVED AND ORDERED** by the Court.

Dated: Houston, Texas
Aug. 2, 2010



HONORABLE JEFF BOHM
UNITED STATES BANKRUPTCY JUDGE