

UNITED STATES BANKRUPTCY COURT
Eastern District of California
Honorable Jennifer E. Niemann
Hearing Date: Wednesday August 10, 2022
Place: Department A – Courtroom #11
Fresno, California

Beginning the week of June 28, 2021, and in accordance with District Court General Order No. 631, the court resumed in-person courtroom proceedings in Fresno. Parties to a case may still appear by telephone, provided they comply with the court's telephonic appearance procedures, which can be found on the court's website.

INSTRUCTIONS FOR PRE-HEARING DISPOSITIONS

Each matter on this calendar will have one of three possible designations: No Ruling, Tentative Ruling, or Final Ruling. These instructions apply to those designations.

No Ruling: All parties will need to appear at the hearing unless otherwise ordered.

Tentative Ruling: If a matter has been designated as a tentative ruling it will be called, and all parties will need to appear at the hearing unless otherwise ordered. The court may continue the hearing on the matter, set a briefing schedule or enter other orders appropriate for efficient and proper resolution of the matter. The original moving or objecting party shall give notice of the continued hearing date and the deadlines. The minutes of the hearing will be the court's findings and conclusions.

Final Ruling: Unless otherwise ordered, there will be no hearing on these matters. The final disposition of the matter is set forth in the ruling and it will appear in the minutes. The final ruling may or may not finally adjudicate the matter. If it is finally adjudicated, the minutes constitute the court's findings and conclusions.

Orders: Unless the court specifies in the tentative or final ruling that it will issue an order, the prevailing party shall lodge an order within 14 days of the final hearing on the matter.

THE COURT ENDEAVORS TO PUBLISH ITS RULINGS AS SOON AS POSSIBLE. HOWEVER, CALENDAR PREPARATION IS ONGOING AND THESE RULINGS MAY BE REVISED OR UPDATED AT ANY TIME PRIOR TO 4:00 P.M. THE DAY BEFORE THE SCHEDULED HEARINGS. PLEASE CHECK AT THAT TIME FOR POSSIBLE UPDATES.

9:30 AM

1. [21-11814](#)-A-11 **IN RE: MARK FORREST**

CONTINUED STATUS CONFERENCE RE: CHAPTER 11 SUBCHAPTER V
VOLUNTARY PETITION
7-22-2021 [[1](#)]

LEONARD WELSH/ATTY. FOR DBT.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Continued to September 8, 2022, at 9:30 a.m.

ORDER: The court will issue an order.

The status conference will be continued to September 8, 2022, at 9:30 a.m., to be heard with the debtor's motion to confirm plan.

2. [21-11814](#)-A-11 **IN RE: MARK FORREST**
[LKW-13](#)

CONTINUED MOTION TO CONFIRM CHAPTER 11 PLAN
3-23-2022 [[165](#)]

MARK FORREST/MV
LEONARD WELSH/ATTY. FOR DBT.
PLAN WITHDRAWN

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Dropped from calendar.

NO ORDER REQUIRED.

Movant withdrew the motion on July 22, 2022. Doc. #236.

3. [22-10416](#)-A-11 **IN RE: KR CITRUS, INC., A CALIFORNIA CORPORATION**

CONFIRMATION HEARING RE: CHAPTER 11 SMALL BUSINESS SUBCHAPTER V PLAN
6-16-2022 [[138](#)]

RILEY WALTER/ATTY. FOR DBT.
CONT'D TO 9/14/22 PER ECF ORDER #181

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Continued to September 14, 2022 at 9:30 a.m.

NO ORDER REQUIRED.

On July 14, 2022, the court issued an order continuing the confirmation hearing to September 14, 2022 at 9:30 a.m. Doc. #181.

4. [22-10416](#)-A-11 **IN RE: KR CITRUS, INC., A CALIFORNIA CORPORATION**
[WJH-10](#)

CONTINUED OBJECTION TO CLAIM OF VOX FUNDING, LLC, CLAIM NUMBER 23
6-9-2022 [\[130\]](#)

KR CITRUS, INC., A CALIFORNIA CORPORATION/MV
RILEY WALTER/ATTY. FOR DBT.
RESPONSIVE PLEADING

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Continued to September 14, 2022, at 9:30 a.m.

NO ORDER REQUIRED.

On August 4, 2022, the court issued an order continuing the hearing on the objection to claim of Vox Funding, LLC to September 14, 2022 at 9:30 a.m. Doc. #206.

5. [22-10416](#)-A-11 **IN RE: KR CITRUS, INC., A CALIFORNIA CORPORATION**
[WJH-6](#)

CONTINUED MOTION TO ASSUME LEASE OR EXECUTORY CONTRACT
6-7-2022 [\[112\]](#)

KR CITRUS, INC., A CALIFORNIA CORPORATION/MV
RILEY WALTER/ATTY. FOR DBT.
CONT'D TO 9/14/22 PER ECF ORDER #177

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Continued to September 14, 2022 at 9:30 a.m.

NO ORDER REQUIRED.

On July 14, 2022, the court issued an order continuing the hearing on the motion to assume lease to September 14, 2022 at 9:30 a.m. Doc. #177.

6. [22-10778](#)-A-11 **IN RE: COMPASS POINTE OFF CAMPUS PARTNERSHIP B, LLC**
[CAE-1](#)

CONTINUED STATUS CONFERENCE RE: AMENDED CHAPTER 11 VOLUNTARY PETITION
5-8-2022 [\[1\]](#)

NOEL KNIGHT/ATTY. FOR DBT.

NO RULING.

7. [22-10778](#)-A-11 **IN RE: COMPASS POINTE OFF CAMPUS PARTNERSHIP B, LLC**
[FW-1](#)

MOTION FOR RELIEF FROM AUTOMATIC STAY, MOTION/APPLICATION FOR
ADEQUATE PROTECTION
7-13-2022 [\[58\]](#)

DAKOTA NOTE, LLC/MV
NOEL KNIGHT/ATTY. FOR DBT.
PETER FEAR/ATTY. FOR MV.
RESPONSIVE PLEADING

NO RULING.

8. [22-10778](#)-A-11 **IN RE: COMPASS POINTE OFF CAMPUS PARTNERSHIP B, LLC**
[NCK-5](#)

MOTION TO INCUR DEBT
7-19-2022 [\[80\]](#)

COMPASS POINTE OFF CAMPUS PARTNERSHIP B, LLC/MV
NOEL KNIGHT/ATTY. FOR DBT.

NO RULING.

11:00 AM

1. [22-10682](#)-A-7 **IN RE: VIC MOLANO**

PRO SE REAFFIRMATION AGREEMENT WITH SOLAR MOSAIC, INC.
7-25-2022 [[18](#)]

NO RULING.

1. [21-12810](#)-A-7 **IN RE: RENEWABLE LEGACY LLC**
[JES-2](#)

MOTION FOR COMPENSATION FOR JAMES E. SALVEN, ACCOUNTANT(S)
7-11-2022 [\[75\]](#)

JAMES SALVEN/MV
JUSTIN HARRIS/ATTY. FOR DBT.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Granted.

ORDER: The Moving Party shall submit a proposed order in conformance with the ruling below.

This motion was set for hearing on at least 28 days' notice pursuant to Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of creditors, the debtor, the U.S. Trustee, or any other party in interest to file written opposition at least 14 days prior to the hearing as required by LBR 9014-1(f)(1)(B) may be deemed a waiver of any opposition to the granting of the motion. Cf. Ghazali v. Moran, 46 F.3d 52, 53 (9th Cir. 1995). Further, because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary. See Boone v. Burk (In re Eliapo), 468 F.3d 592 (9th Cir. 2006). Therefore, the defaults of the above-mentioned parties in interest are entered and the matter will be resolved without oral argument. Upon default, factual allegations will be taken as true (except those relating to amount of damages). Televideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Constitutional due process requires a moving party make a *prima facie* showing that they are entitled to the relief sought, which the movant has done here.

James E. Salven, ("Movant"), certified public accountant for chapter 7 trustee Peter L. Fear ("Trustee"), requests allowance of final compensation and reimbursement for expenses for services rendered February 1, 2022 through July 3, 2022. Order, Doc. #42; Doc. #75. Movant provided accounting services valued at \$3,850.00 after a voluntary reduction of \$1,000.00, and requests compensation for that amount. Doc. #75. Movant requests reimbursement for expenses in the amount of \$340.62. Doc. #75. This is Movant's first and final fee application.

Section 330(a)(1) of the Bankruptcy Code authorizes "reasonable compensation for actual, necessary services rendered" and "reimbursement for actual, necessary expenses" to a "professional person." 11 U.S.C. § 330(a)(1). In determining the amount of reasonable compensation to be awarded to a professional person, the court shall consider the nature, extent, and value of such services, taking into account all relevant factors. 11 U.S.C. § 330(a)(3).

Movant's services included, without limitation: (1) preparing employment application and conflict review; (2) researching real property issues for tax returns; (3) preparing and finalizing tax returns; and (4) preparing and filing fee application. Decl. of James E. Salven, Doc. #77; Exs. A & B, Doc. #80. The court finds the compensation and reimbursement sought are reasonable, actual, and necessary.

This motion is GRANTED on a final basis. The court allows final compensation in the amount of \$3,850.00 and reimbursement for expenses in the amount of \$340.62. Trustee is authorized to make a combined payment of \$4,190.62, representing compensation and reimbursement, to Movant. Trustee is authorized to pay the amount allowed by this order from available funds only if the estate is administratively solvent and such payment is consistent with the priorities of the Bankruptcy Code.

2. [21-11034](#)-A-7 **IN RE: ESPERANZA GONZALEZ**
[DMG-4](#)

MOTION TO COMPROMISE CONTROVERSY/APPROVE SETTLEMENT AGREEMENT WITH
TED AND IRIS JACOBSON AND/OR MOTION TO SELL, MOTION TO APPROVE
CORPORATION LIQUIDATION
7-13-2022 [\[152\]](#)

JAMES SALVEN/MV
D. GARDNER/ATTY. FOR MV.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Continued to September 14, 2022, at 1:30 p.m.

ORDER: The court will issue an order.

Pursuant to the notice of continued hearing filed on August 1, 2022
(Doc. #167), the hearing on the motion to compromise will be continued to
September 14, 2022, at 1:30 p.m.

3. [08-16938](#)-A-7 **IN RE: PAUL KLIMEK AND CHARLENE MARCUM**
[FW-3](#)

MOTION TO COMPROMISE CONTROVERSY/APPROVE SETTLEMENT AGREEMENT AND/OR
MOTION TO PAY
7-12-2022 [\[67\]](#)

PETER FEAR/MV
GARY FRALEY/ATTY. FOR DBT.
PETER SAUER/ATTY. FOR MV.
RESPONSIVE PLEADING

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: Granted.

ORDER: The minutes of the hearing will be the court's findings
and conclusions. The Moving Party shall submit a proposed
order after the hearing.

This motion was set for hearing on 28 days' notice as required by Local Rule of Practice ("LBR") 9014-1(f)(1). The debtors timely filed written limited opposition on July 27, 2022. Doc. #80. The failure of creditors, the U.S. Trustee, or any other party in interest to file written opposition at least 14 days prior to the hearing as required by LBR 9014-1(f)(1)(B) may be deemed a waiver of any opposition to the granting of the motion. Cf. Ghazali v.

Moran, 46 F.3d 52, 53 (9th Cir. 1995). Therefore, the defaults of the non-responding parties in interest are entered. This matter will proceed as scheduled.

Peter L. Fear ("Trustee"), the Chapter 7 trustee of the bankruptcy estate of Paul Gerald Klimek and Charlene Joan Marcum (collectively, "Debtors"), moves the court for an order pursuant to Federal Rule of Bankruptcy Procedure 9019 approving the compromise of a pre-petition product liability claim asserted by debtor Paul Klimek related to exposure to an allegedly toxic product and a resulting diagnosis of non-Hodgkin Lymphoma (the "Claim"). Doc. #67. Debtors retained The Pintas & Mullins Law Firm and Weitz & Luxenberg P.C. (together, "Special Purpose Counsel") to represent Mr. Klimek with respect to the Claim. Doc. #67. The court authorized the employment of Special Purpose Counsel on June 13, 2022. Order, Doc. #56. Trustee also requests authorization of final compensation for Special Purpose Counsel pursuant to 11 U.S.C. § 328 as required by the Order. Doc. #67; Order, Doc. #56.

Settlement Agreement

Among the assets of the estate is the Claim, for which the manufacturer has offered to settle for a gross amount of \$245,206.50. Decl. of Marie Ianiello-Occhigrossi, Doc. #72. Deducted from the gross award are the contingency fee to be paid to Special Purpose Counsel in the amount of \$98,082.60, outstanding attorneys' fees and costs in the amount of \$252.98, and lien and litigation holdbacks (subject to future determination) in the amount of \$42.23. Id. The court has previously authorized the employment of Special Purpose Counsel pursuant to a contingency fee agreement. See Order, Doc. #56. The projected amount to the bankruptcy estate is \$146,828.69. Ianiello-Occhigrossi Decl., Doc. #72.

On a motion by the trustee and after notice and a hearing, the court may approve a compromise or settlement. Fed. R. Bankr. P. 9019. Approval of a compromise must be based upon considerations of fairness and equity. Martin v. Kane (In re A & C Props.), 784 F.2d 1377, 1381 (9th Cir. 1986). The court must consider and balance four factors: (1) the probability of success in the litigation; (2) the difficulties, if any, to be encountered in the matter of collection; (3) the complexity of the litigation involved, and the expense, inconvenience, and delay necessarily attending it; and (4) the paramount interest of the creditors with a proper deference to their reasonable views. Woodson v. Fireman's Fund Ins. Co. (In re Woodson), 839 F.2d 610, 620 (9th Cir. 1988).

It appears from the moving papers that Trustee has considered the standards of A & C Properties and Woodson. Doc. #67. Special Purpose Counsel represent that the resolution of the Claim is available only to claimants represented by Weitz & Luxenberg P.C., and the Claim is being settled without the need to litigate this highly complex case. Ianiello-Occhigrossi Decl., Doc. #72. Trustee states the settlement will result in a cash payment to the estate that, depending upon the outcome of litigation over Debtors' new exemption claimed in the Claim, should be sufficient to pay all claims in full, including administrative expenses, and provide a substantial "excess estate" to Debtors. Decl. of Trustee, Doc. #71. The court concludes that the Woodson factors balance in favor of approving the compromise, and the compromise is in the best interests of the creditors and the estate.

Accordingly, it appears that the compromise pursuant to Federal Rule of Bankruptcy Procedure 9019 is a reasonable exercise of Trustee's business judgment. The court may give weight to the opinions of the trustee, the parties, and their attorneys. In re Blair, 538 F.2d 849, 851 (9th Cir. 1976).

There is no opposition to approval of the compromise. Furthermore, the law favors compromise and not litigation for its own sake. Id. Accordingly, the motion is GRANTED, and the settlement of the Claim is approved.

Final Compensation

Trustee requests an allowance of final compensation and reimbursement for expenses payable to Special Purpose Counsel for services rendered in connection with the Claim. Doc. #67. Trustee was authorized to employ Special Purpose Counsel on a contingency basis whereby Special Purpose Counsel would receive 40% of any settlement, exclusive of costs. Order, Doc. #56. The contingency fee to be awarded to Special Purpose Counsel will be apportioned 60% of the contingency fee award allocated to Weitz & Luxenberg P.C. and 40% of the contingency fee award allocated to The Pintas & Mullins Law Firm. Doc. #67. The total fees to be awarded Special Purpose Counsel is \$98,082.60 plus reimbursement of costs in the amount of \$252.98. Doc. #67.

The trustee may, with the court's approval, employ a professional person on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis. 11 U.S.C. § 328(a). An application to employ a professional on terms and conditions to be pre-approved by the court must unambiguously request approval under § 328. See Circle K Corp. v. Houlihan, Lokey, Howard & Zukin, Inc., 279 F.3d 669, 671 (9th Cir. 2002).

Here, the court previously authorized the employment of Special Purpose Counsel expressly under 11 U.S.C. §§ 327(e) and 328. Order, Doc. #56. The Order authorized Trustee to pay Special Purpose Counsel subject to final review by the court. Order, Doc. #56.

Debtors oppose Trustee making any distribution from the settlement proceeds to Weitz & Luxenberg P.C. at this time. Doc. #80. Instead, Debtors request that any settlement proceeds to be paid to Weitz & Luxenberg P.C. be held in the Weitz & Luxenberg P.C. trust account pending further order of the court. Id. Debtors' request stems from the failure of Weitz & Luxenberg P.C. attorney Marie Ianiello-Occhigrossi to provide Debtors and Debtors' counsel with information and documentation requested by Mr. Klimek and Debtors' counsel to prove that the settlement was solely for Mr. Klimek's personal injury claim. Id. The court presumes Mr. Klimek and Debtors' counsel have requested this information in conjunction with the Trustee's objection to Debtors' newly filed exemption in the Claim. Doc. ##61, 77.

Nothing in Debtors' opposition or supporting documents reflects that Weitz & Luxenberg P.C. has failed to do the work for which it was hired as regards to the estate. Rather, Debtors oppose releasing amounts owed to Weitz & Luxenberg P.C. at this time because Weitz & Luxenberg P.C. has not provided information that Mr. Klimek and Debtors' counsel have requested from Weitz & Luxenberg P.C. with respect to Debtors' opposition to Trustee's objection to Debtors' newly claimed exemption. The court finds Debtors have not provided a legitimate basis on which to withhold payment to Weitz & Luxenberg P.C. at this time.

The court finds the compensation and reimbursement sought by Special Purpose Counsel is reasonable, actual, and necessary. Trustee is authorized to pay Special Counsel in a manner consistent with Trustee's motion and the court's Order Granting Trustee's Motion for Order Authorizing Employment of Special Counsel to the Estate Pursuant to 11 U.S.C. § 328(a), Doc. #56.

Accordingly, Trustee's motion is GRANTED. The settlement is approved, Trustee is authorized to enter into, execute, and deliver any releases and other

documents as may be required to effectuate the settlement, payment to Special Purpose Counsel is authorized, and Trustee is authorized to pay deductions related to the Claim as required by the settlement.

4. [08-16938](#)-A-7 **IN RE: PAUL KLIMEK AND CHARLENE MARCUM**
[FW-4](#)

OBJECTION TO DEBTOR'S CLAIM OF EXEMPTIONS
7-8-2022 [\[61\]](#)

PETER FEAR/MV
GARY FRALEY/ATTY. FOR DBT.
PETER SAUER/ATTY. FOR MV.
RESPONSIVE PLEADING

NO RULING.

In addition to being prepared to address how to resolve the disputed factual issues raised by the chapter 7 trustee in his reply, counsel for the parties should be prepared to set a briefing schedule as to whether equitable estoppel and/or judicial estoppel preclude the debtors' newly claimed exemptions under Guevarra v. Whatley (In re Guevarra), 638 B.R. 120 (B.A.P. 9th Cir. 2022), and In re Stoller, 630 B.R. 412 (Bankr. C.D. Cal. 2022), two recent cases that neither party addressed in their papers and the court believes apply to this matter.

5. [20-11367](#)-A-7 **IN RE: TEMBLOR PETROLEUM COMPANY, LLC**
[DMG-8](#)

MOTION TO SELL
7-13-2022 [\[416\]](#)

JEFFREY VETTER/MV
LEONARD WELSH/ATTY. FOR DBT.
D. GARDNER/ATTY. FOR MV.

TENTATIVE RULING: This matter will proceed as scheduled for higher and better offers.

DISPOSITION: Granted.

ORDER: The minutes of the hearing will be the court's findings and conclusions. The Moving Party shall submit a proposed order after the hearing.

This motion was set for hearing on at least 28 days' notice pursuant to Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of creditors, the debtor, the U.S. Trustee, or any other party in interest to file written opposition at least 14 days prior to the hearing as required by LBR 9014-1(f)(1)(B) may be deemed a waiver of any opposition to the granting of the motion. Cf. Ghazali v. Moran, 46 F.3d 52, 53 (9th Cir. 1995). Therefore, the defaults of the above-mentioned parties in interest are entered. This matter will proceed as scheduled for higher and better offers.

Jeffrey M. Vetter ("Trustee"), the chapter 7 trustee of the bankruptcy estate of Temblor Petroleum Company LLC ("Debtor"), moves the court pursuant to 11 U.S.C. § 363 for an order authorizing the sale of real property commonly known as Debtor's Oil and Gas Working Interest, Hangman Hollow Field, Monterey County, California ("Working Interest") to Trio Petroleum LLC ("Trio") for the purchase price of \$10,000.00, subject to higher and better bids at the hearing. Doc. #416. The sale of the Working Interest is "as-is" and subject to any and all liens, encumbrances, charges, taxes, fees, and delinquencies attributed to Debtor's share of Hangman Hollow Field joint interest liabilities. Id. Trustee also seeks authorization to pay a commission for the sale to Energy Advisors Group ("Broker"). Doc. #416.

Selling Property of Estate under 11 U.S.C. § 363(b)(1) Permitted

Pursuant to 11 U.S.C. § 363(b)(1), the trustee, after notice and a hearing, may "use, sell, or lease, other than in the ordinary course of business, property of the estate." Proposed sales under § 363(b) are reviewed to determine whether they are: (1) in the best interests of the estate resulting from a fair and reasonable price; (2) supported by a valid business judgment; and (3) proposed in good faith. In re Alaska Fishing Adventure, LLC, 594 B.R. 883, 887 (Bankr. D. Alaska 2018) (citing 240 N. Brand Partners, Ltd. v. Colony GFP Partners, L.P. (In re 240 N. Brand Partners, Ltd.), 200 B.R. 653, 659 (B.A.P. 9th Cir. 1996)). "In the context of sales of estate property under § 363, a bankruptcy court 'should determine only whether the trustee's judgment [is] reasonable and whether a sound business justification exists supporting the sale and its terms.'" Alaska Fishing Adventure, 594 B.R. at 889 (quoting 3 COLLIER ON BANKRUPTCY ¶ 363.02[4] (Richard Levin & Henry J. Sommer eds., 16th ed.)). "[T]he trustee's business judgment is to be given great judicial deference." Id. at 889-90 (quoting In re Psychometric Sys., Inc., 367 B.R. 670, 674 (Bankr. D. Colo. 2007)).

Trustee believes that approval of the sale on the terms set forth in the motion is in the best interests of creditors and the estate. Decl. of Jeffrey M. Vetter, Doc. #418. Trio tendered an offer of \$10,000, which Trustee has accepted conditioned upon the court's approval and better and higher offers at the hearing. Ex. A, Doc. #419; Vetter Decl., Doc. #418. The sale is "as is" with no warranties or representations of any nature and buyer is subject to any liens, encumbrances, charges, taxes, fees, and delinquencies attributed to Debtor's share of joint interest liabilities. Vetter Decl., Doc. #418. Trio made an initial deposit of \$2,000. Id. Trustee, over the course of serving on as a chapter 7 panel trustee, has developed contacts in the oil and gas industry and circulated the sale opportunity to contacts but did not receive any interest in the Working Interest. Id. If the Working Interest is sold to a higher bidder at the hearing, the higher bidder will take the Working Interest as-is. Id. Trustee expects to pay a \$2,500 commission to Broker. Id. In the event of an overbid, the commission shall be 25% of any amount exceeding the \$10,000 purchase price. Id.

It appears that the sale of the Working Interest to Trio is in the best interests of the estate, the Working Interest will be sold for a fair and reasonable price, and the sale is supported by a valid business judgment and proposed in good faith.

Accordingly, subject to overbid offers made at the hearing, the court will GRANT Trustee's motion and authorize the sale of the Working Interest to Trio pursuant to 11 U.S.C. § 363(b)(1).

Compensation to Broker

Trustee also seeks authorization to pay Broker a commission for the sale of the Property. This court authorized the employment of Broker on October 6, 2020. Doc. #175. The court authorized payment to Broker from proceeds received from the sale of the Working Interest, subject to approval under § 330 of the Bankruptcy Code.

Trustee seeks to pay Broker an amount not to exceed \$2,500 from the sale proceeds of the Working Interest for services rendered as the broker for the sale. Vetter Decl., Doc. #418. In the event of an overbid, the commission shall be 25% of any amount exceeding the \$10,000 purchase price. Id. Section 330(a)(1) of the Bankruptcy Code authorizes "reasonable compensation for actual, necessary services rendered" and "reimbursement for actual, necessary expenses" to a "professional person." 11 U.S.C. § 330(a)(1). In determining the amount of reasonable compensation to be awarded to a professional person, the court shall consider the nature, extent, and value of such services, taking into account all relevant factors. 11 U.S.C. § 330(a)(3). Broker was employed in 2020 and assisted with securing an offer for the sale of the Working Interests. Vetter Decl., Doc. #418. The Order Authorizing Employment stated that compensation to Broker will be paid from sale proceeds in the manner set forth in the Employment Agreement. Order, Doc. #175. The cash price to be paid for the Working Interest is \$10,000, of which \$2,500 will be paid to Broker, so the proposed compensation is 25% of the total value of the transaction to the estate. Vetter Decl., Doc. #418. The court finds the compensation and reimbursement sought are reasonable, actual, and necessary.

Conclusion

Accordingly, subject to overbid offers made at the hearing, the court will GRANT Trustee's motion and authorize the sale of the Working Interest pursuant to 11 U.S.C. § 363(b)(1). Trustee is authorized to pay Broker for services as set forth in the motion.

6. [17-11186](#)-A-7 **IN RE: JAVIER GARCIA AND ARELI ZAVALA**

ORDER TO SHOW CAUSE - FAILURE TO PAY FEES
7-21-2022 [[51](#)]

MARK ZIMMERMAN/ATTY. FOR DBT.
\$32.00 FILING FEE PAID 7/21/22

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: The OSC will be vacated.

ORDER: The court will issue an order.

The record shows that the filing fees now due have been paid. The case shall remain pending.