



ENTERED
08/05/2016

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
CORPUS CHRISTI DIVISION**

In re GLOBAL GEOPHYSICAL SERVICES, LLC, et al.¹ Debtors.	§ § § § § § § § § §	Chapter 11 Case No. 16-20306 Jointly Administered
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FINAL ORDER AUTHORIZING THE DEBTORS TO (I) CONTINUE PRE-PETITION INSURANCE PROGRAM; (II) PAY ANY PRE-PETITION PREMIUMS AND RELATED OBLIGATIONS; (III) HONOR OBLIGATIONS UNDER PRE- PETITION PREMIUM FINANCING AGREEMENTS; (IV) ENTER INTO AND PERFORM UNDER POST-PETITION INSURANCE FINANCING AGREEMENTS; AND
(V) MODIFYING THE AUTOMATIC STAY
(Docket No. 6)

Upon the motion of the Debtors in the above-captioned cases for a final order (“Final Order”) authorizing the Debtors to (i) continue their pre-petition insurance program; (ii) pay any pre-petition premiums and related obligations; (iii) honor obligations under pre-petition premium financing agreements; (iv) enter into and perform under post-petition insurance financing agreements; and (v) prospectively modifying the automatic stay with respect thereto (the “Motion”);² and upon the *Declaration of Sean M. Gore in Support of First Day Motions* (the “First Day Declaration”); the Court HEREBY FINDS AS FOLLOWS:

- A. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334.
- B. The Motion is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).
- C. Venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

¹ The Debtors in these chapter 11 cases are: Global Geophysical Services, LLC (7582); Global Geophysical Services, Inc. (4281); Global Geophysical EAME, Inc. (2130); GGS International Holdings, Inc. (2420); Global Ambient Seismic, Inc. (2256); Autoseis, Inc. (5224); Autoseis Development Company (9066); and Global Geophysical (MCD), LLC (a disregarded entity for tax purposes).

² Capitalized terms used but not defined herein have the meaning given in the Motion.

D. The relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest.

E. The Debtors provided adequate and appropriate notice of the Motion under the circumstances, and that no other or further notice is required.

Therefore, the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. The Debtors are authorized, but not required, to maintain at their discretion the Insurance Program described in the Motion, including, but not limited to, the employment and compensation in the ordinary course of any agents and brokers that Debtors rely upon to maintain the Insurance Program.
3. The Debtors are authorized, but not required, to pay all amounts necessary to maintain the Insurance Program, including, but not limited to, any pre-petition premium, deductible or other amount that is due in respect of any of the Policies.
4. The Debtors are authorized, but not required, to pay all amounts necessary to honor their obligations under the Insurance Financing Agreement.
5. The Debtors are authorized, but not required, to enter into and perform under any Post-Petition Insurance Financing Agreements.
6. The Debtors are authorized, but not required, to pay all amounts and take other actions as reasonably necessary to establish, honor and maintain any Post-Petition Insurance Financing Agreement.
7. The Post-Petition Insurance Lending Parties are hereby granted a first and only priority security interest in any and all unearned premiums and dividends which may become

payable under the applicable financed insurance policies for whatever reason and loss payments which reduce the unearned premiums, subject to any mortgagee or loss payee interests.

8. The Debtors are authorized, but not required, to pay any Post-Petition Insurance Lending Parties all sums due pursuant to the applicable Post-Petition Insurance Financing Agreement.

9. The full rights of the Post-Petition Insurance Lending Parties pursuant to the Post-Petition Insurance Financing Agreements and controlling state law are hereby fully preserved and protected and are and shall remain unimpaired by the pendency of these bankruptcy cases or any subsequent conversion of these proceedings to a chapter 7 or any subsequent appointment of a trustee.

10. In the event that the Debtors default upon any of the terms of any Post-Petition Insurance Financing Agreement, the applicable Post-Petition Insurance Lending Party may exercise such rights as it may otherwise have under state law, but for the pendency of this proceeding and, without the necessity of further application to this Court, cancel all insurance policies corresponding to the applicable Post-Petition Insurance Financing Agreement, or any amendments thereto, and receive and apply all unearned insurance premiums to the account of the Debtors; in the event that, after such application of unearned premiums, any sums still remain due to any Post-Petition Insurance Lending Party, such deficiency shall be deemed an administrative expense of the estates.

11. The Debtors are authorized, but not required, to cancel, reduce, amend, or otherwise modify any aspect of the Insurance Program, subject to the terms and requirements of the Debtors' DIP Facility, the U.S. Trustee Guidelines, and any applicable law.

12. The Debtors shall maintain detailed records pursuant to their cash management system sufficient for them to identify and account for any payments made with funds from their estates in connection with the Insurance Program on behalf or for the benefit of any of its non-debtor subsidiaries and with respect to any intercompany claims created as a result thereof.

13. Except as expressly provided otherwise herein, nothing contained in this Order shall create any rights in favor of, or enhance the status of any claim held by, any of the Debtors' Carriers, any Post-Petition Insurance Lending Parties, any other agents or brokers employed by the Debtors, or any other third party relating to the Insurance Program or the Post-Petition Insurance Financing Agreements.

14. Notwithstanding anything to the contrary in this Order, any payment made or to be made under this Order, and any authorization contained in this Order, shall be subject to the requirements imposed on the Debtors under any order(s) of this Court approving the Debtors' debtor-in-possession financing facility and use of cash collateral and any budget in connection therewith.

15. Subject to the availability of funds, the Debtors' banks and financial institutions (collectively, the "Banks") are authorized and directed to process, honor and pay any and all checks or electronic transfers issued in connection with the Insurance Program.

16. All Banks that process, honor, and pay any and all checks or electronic transfers on account of the Insurance Program may rely on the representations of the Debtors as to which checks or electronic transfers are issued and authorized to be paid in accordance with this Order without any duty of further inquiry and without liability for following the Debtors instructions.

17. Authorization of such payments shall not be deemed to constitute the post-petition assumption of any executory contract pursuant to 11 U.S.C. § 365.

18. Nothing in this Order shall affect the Debtors' rights to contest the amount or validity of any amounts claimed to be due by any of the Debtors under or with respect to any aspect of Insurance Program, Insurance Financing Agreement, and Post-Petition Insurance Financing Agreements, in whole or in part.

19. Notwithstanding any applicability of Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

20. The Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

SIGNED: August 5, 2016.



DAVID R. JONES
UNITED STATES BANKRUPTCY JUDGE