

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

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In re	: Chapter 11
	: :
CRESCENT RESOURCES, LLC, et al.,	: Case No. 09-11507 (CAG)
	: :
Debtors.	: Jointly Administered
	: :
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**STIPULATION REGARDING THE RESOLUTION OF
THE OBJECTION OF JOHN HANCOCK LIFE INSURANCE
COMPANY (U.S.A.) TO PROPOSED CURE AMOUNTS [DOCKET NO. 1005]**

WHEREAS, on June 10, 2009 (the “Commencement Date”), Crescent Resources, LLC (“Crescent Resources”), its parent Crescent Holdings, LLC, their affiliated debtors and reorganized debtors (collectively, the “Reorganized Debtors”, “Crescent”, or the “Debtors”, as applicable),¹ each commenced a case under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”); and

WHEREAS, as of the Commencement Date and in the ordinary course of business, Phipps Tower Associates Holdings, LLC, as assignee of Crescent Resources and John Hancock Life Insurance Company (U.S.A.) (“John Hancock”, together with the Debtors, the “Parties”) were joint venture partners pursuant to that certain Limited Liability Company Agreement of Phipps Tower Associates, LLC, dated as of March 5, 2008 (as amended from time to time, the “LLC Agreement”); and

¹ A list of the Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, is attached hereto as Exhibit A. As discussed herein, on May 24, 2010, the Court entered a confirmation order, confirming a plan of reorganization for all Debtors in the above-captioned chapter 11 cases except Rim Golf Investors, LLC; Hampton Ridge Developers, LLC; Club Villas Developers, LLC; Brooksville East Developers, LLC; Hawk’s Haven Developers, LLC; and Hawk’s Haven Golf Course Community Developers, LLC (collectively, the “Remaining Debtors”).

WHEREAS on November 19, 2009, John Hancock filed Proof of Claim Number 1258 (“Claim 1258”) on account of the LLC Agreement and certain related agreements (the “Related Agreements”); and

WHEREAS on March 31, 2010, the Debtors, other than Rim Golf Investors, LLC, filed the Debtors’ Revised Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code (the “Plan”) [Dkt. No. 52]; and

WHEREAS on April 20, 2010, the Debtors filed the Plan Supplement in Support of the Debtors’ Revised Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code (the “Plan Supplement”) [Docket No. 935], which included the Schedule of Executory Contracts and Unexpired Leases to be Assumed Pursuant to Section 11.1 of the Plan (as amended from time to time, the “Assumption Schedule”) and listed the LLC Agreement as an agreement to be assumed by the Debtors with a cure amount of \$0; and

WHEREAS, on May 13, 2010, John Hancock filed an objection to the Debtors’ proposed cure amount with respect to the LLC Agreement under the Plan alleging certain non-monetary defaults (the “Non-Monetary Defaults”) as well as the omission from the Assumption Schedule of the Related Agreements [Docket No. 1005] (the “Cure Objection”); and

WHEREAS on May 17, 2010, the Plan Debtors amended the Plan Supplement [Docket No. 1018], *inter alia*, therein including the Related Agreements on the Assumption Schedule as agreements to be assumed by the Debtors; and

WHEREAS on May 18, 2010, the Debtors filed a Motion to Continue Confirmation of Debtors’ Revised Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code with Respect to Certain Debtors (the “Continuation Motion”) [Dkt. No. 1027], seeking to continue confirmation of the Plan with respect to the Hampton Ridge

Developers, LLC, Club Villas Developers, LLC, Brooksville East Developers, LLC, Hawk's Haven Developers, LLC and Hawk's Haven Golf Course Community Developers, LLC. On May 20, 2010, the Court entered an order granting the Continuation Motion [Dkt. No. 1061]; and

WHEREAS on May 24, 2010, the Court entered an order confirming the Plan as modified (the "Confirmation Order") [Dkt. No. 1069] as to the Debtors other than the Remaining Debtors; and

WHEREAS the Effective Date (as defined in the Plan) of the Plan occurred on June 10, 2010; and

WHEREAS the Parties have reconciled the cure amounts due in connection with the Debtors' assumption of the LLC Agreement and the Related Agreements;

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

1. The Parties agree that the Non-Monetary Defaults have been cured in accordance with the terms of that certain letter agreement between Crescent Resources and John Hancock Financial Services, dated July 2, 2010 (the "Letter Agreement"), and that, pursuant to the Letter Agreement, the Parties agree that \$0 is the total cure amount due to John Hancock in connection with assumption of the LLC Agreement and the Related Agreements under section 365(b)(1) of the Bankruptcy Code (the "Stipulated Cure Amount").

2. No amounts payable under the LLC Agreement and the Related Agreements and incurred before the Effective Date, other than the Stipulated Cure Amount are currently due and owing to John Hancock, or any other non-Debtor parties in connection with the assumption by the Debtors of the LLC Agreement and the Related Agreements.

3. Claim 1258 filed by John Hancock in an unliquidated amount shall be expunged from the claims register upon execution and Court approval of this Stipulation.

4. Upon execution and Court approval of this Stipulation, John Hancock shall be deemed to have withdrawn the Cure Objection.

5. This Stipulation is valid, shall be binding on the Parties from the date of its execution, and shall inure to the benefit of the Parties hereto and their respective successors, parents, assigns, affiliates, subsidiaries, agents, executors and legal representatives, and any successor trustee(s) or statutory committee appointed in the Debtors' chapter 11 cases.

6. The Parties represent and warrant to each other that the signatories to this Stipulation have full power and authority to enter into this Stipulation.

7. This Stipulation may not be changed, modified, or amended except in a writing signed by the Parties and/or their counsel.

8. This Stipulation may be executed in any number of counterparts and shall constitute one agreement, binding upon the Parties hereto as if the Parties signed the same document. All facsimile signatures shall be treated as originals for all purposes.

Dated: July 7, 2010

Dated: July 7, 2010

/s/ Douglas Rosner

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