

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

-----X
In re : **Chapter 11**
:
CRESCENT RESOURCES, LLC, et. al., : **Case No. 09-11507 (CAG)**
:
: **Joint Administration**
Debtors. : **Requested**
:
:
-----X

**MOTION FOR AN ORDER PURSUANT TO SECTIONS 105 AND 365(a) OF THE
BANKRUPTCY CODE AUTHORIZING THE REJECTION OF THAT CERTAIN
HIGHLAND PARK UNEXPIRED NONRESIDENTIAL REAL PROPERTY LEASE
NUNC PRO TUNC TO THE COMMENCEMENT DATE**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Crescent Resources, LLC (“Crescent Resources”), its parent Crescent Holdings, LLC (“Crescent Holdings”) and their affiliated debtors as debtors and debtors in possession (collectively, “Crescent” or the “Debtors”),¹ respectfully represent:

Background

1. On the date hereof (the “Commencement Date”), each of the Debtors filed a voluntary case under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). The Debtors are authorized to continue operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. A motion seeking joint administration of the Debtors’ chapter 11 cases pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) is currently pending before this Court.

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.

Jurisdiction and Venue

2. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

Crescent's Business

3. Crescent, which is headquartered in Charlotte, North Carolina, is a leading real estate development company that focuses on master-planned communities and commercial, industrial, and residential real estate primarily in the southeast, but also in other regions of the United States. In particular, Crescent has properties located in Arizona, Florida, Georgia, North Carolina, South Carolina, Tennessee, Texas, and Virginia. Although Crescent Resources and its predecessors-in-interest have been in existence since 1969, Crescent Holdings was created in 2006. Crescent Holdings' equity interests are held 50% by Duke Energy Corporation ("Duke Energy") and 50% by certain private equity limited partnerships known as Morgan Stanley Real Estate Fund V U.S. and/or its affiliates ("Morgan Stanley"). Throughout its history, Crescent and its predecessors have developed and sold over 20 million square feet of commercial and industrial projects, between 50 and 60 residential communities with a variety of features and amenities, and numerous other master-planned communities.

4. Currently, Crescent Resources has four real estate divisions: residential, commercial, multifamily, and land management. The residential division (the "Residential Division") is Crescent Resources' largest division, comprising 54% of the Debtors' total assets. The Residential Division includes 41 master-planned communities and 4 condominium projects totaling 53,404 acres of developed land. The commercial property division (the "Commercial Division") accounts for 19% of Crescent Resources' total assets. The Commercial Division has 9 active projects, including office, industrial, and retail projects currently under development, as

well as 1,822 acres of commercially-zoned undeveloped land. The multifamily division (the “Multifamily Division”) accounts for 6% of Crescent Resources’ total assets. The Multifamily Division includes 4 projects in various stages of development totaling 1,308 units and an additional 195 acres of entitled, but undeveloped land.

5. In the 1960s, Duke Energy acquired approximately 300,000 acres of land in rural areas of North and South Carolina (the “Legacy Land”). Beginning in 1969, Duke Energy contributed the Legacy Land to Crescent Resources’ predecessor-in-interest. Since 2006, the Legacy Land has been managed by Crescent Resources (the “Land Management Division”). As the value of the Legacy Land has increased over time, the Legacy Land has been sold in accordance with a long-term, structured disposition plan, whereby the proceeds from the sales of Legacy Land are invested in commercial property projects in urban areas (the “Legacy Land Sales Plan”). The combined proceeds from the Legacy Land Sales Plan and the Debtors’ other real estate ventures have enabled Crescent to fund and operate its various real estate divisions. The Land Management Division, which manages the Legacy Land, accounts for 21% of Crescent Resources’ total assets.

6. Crescent and its non-debtor affiliates are comprised of various joint ventures and wholly-owned subsidiaries that serve as holding companies, management companies, and project-level operating companies. Crescent Resources operates its business on an integrated basis with centralized administration, leasing, and management functions that enable it to achieve operating efficiencies and revenue enhancements that benefit the overall enterprise. In 2007, Crescent Resources acquired 100% control of LandMar Group, LLC (“LandMar Group”) and its subsidiaries. The LandMar Group represents a significant part of the Residential Division described above and maintains assets throughout Florida.

Prepetition Debt

7. As of the Commencement Date, certain of the Debtors were parties to the First Amended and Restated Credit Agreement, dated as of June 17, 2008 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “Prepetition Credit Agreement”), by and among Crescent Resources, as borrower, Crescent Holdings, the other guarantors identified therein, the lenders party thereto (the “Lenders”), and Bank of America, N.A. (“BOA”), as administrative agent and collateral agent.

8. The Prepetition Credit Agreement provides for (i) a term loan facility (the “Term Loan Facility”) in the principal amount of \$1,225,000,000, (ii) a revolving credit facility (the “Revolving Credit Facility”) in the principal amount of \$300,000,000, which reduces to the principal amount of \$275,000,000 after December 30, 2009, (iii) a swing line facility in the principal amount of \$50,000,000 (which reduces borrowings available under the revolving credit facility), and (iv) a letter of credit facility (the “Letter of Credit Facility”) in the principal amount of \$150,000,000 (which reduces borrowings available under the revolving credit commitment). Obligations arising under the Prepetition Credit Agreement are direct obligations of Crescent Resources. These direct obligations are guaranteed (the “Guaranty”) by (i) Crescent Holdings and (ii) most of the additional Debtors, pursuant to the terms of (A) the Prepetition Credit Agreement, (B) that certain Amended and Restated Joinder Agreement, dated as of June 17, 2008, by and between the entities party thereto and BOA, and (C) that certain Joinder Agreement, dated as of July 25, 2008, by and between the entities party thereto and BOA (the Joinder Agreements in (B) through (C), collectively, the “Joinder Agreements”).

9. Certain of the Debtors (the “Pledgors”) also entered into a pledge agreement, dated as of September 7, 2006 (the “Pledge Agreement”), by and between the Pledgors and BOA pursuant to which they pledged 100% of the capital stock of substantially all

their domestic subsidiaries with certain exceptions.² In addition, certain of the Debtors granted mortgages or deeds of trust on their real properties, except for (x) real property constituting qualified Legacy Land to the extent that the value of such real property is less than or equal to \$500,000, or (y) any real property that, as of the closing date, was encumbered with non-recourse, project-level debt or security interests that prohibited the execution, delivery and recording of such mortgage instruments. Crescent Resources also entered into that certain Account, Security, Pledge, Assignment, and Control Agreement, dated as of August 24, 2007, pursuant to which Crescent Resources granted to BOA control over and a security interest in all deposit accounts opened by Crescent Resources with BOA.

10. The aggregate principal amount of indebtedness owing under the Prepetition Credit Agreement as of the Commencement Date is approximately \$1,487,890,752.

Property-Level Debt

11. Approximately 10 of the Debtors also have secured property-level debt in the form of construction loans, mortgage loans, and seller-financed loans. As of the Commencement Date, there is \$89,110,601 in outstanding property-level debt.

Financials

12. As of the Commencement Date, Crescent Resources, as a whole, reported approximately \$2.2 billion³ in total assets and approximately \$1.9 billion in total liabilities, including \$297,244,484 outstanding under the Revolving Credit Facility (including outstanding letters of credit) and \$1,197,000,000 outstanding under the Term Loan Facility. For 2008,

² The Pledgors, include: Crescent Resources; Crescent Holdings; CLT Development, LLC; Crescent Potomac Yard, LLC; Crescent Twin Creeks, LLC; Crescent/Arizona, LLC; Palmetto Bluff Development, LLC; Palmetto Bluff Investments, LLC; Twin Creeks Management, LLC; Twin Creeks Property, Ltd.; LandMar Group, LLC; Hawk's Haven Joint Development, LLC; and Hawk's Haven Sponsor, LLC.

³ Based on the Debtors unaudited financial statements as of December 31, 2008.

Crescent Resources reported consolidated revenue of approximately \$373 million. Crescent Resources employs 247 people. Additional information regarding the Debtors' business, capital structure, and the circumstances leading to these chapter 11 cases is contained in the declaration of Kevin H. Lambert, Chief Financial Officer of Crescent Resources filed concurrently herewith (collectively, the "Declaration").

The Highland Park Lease

13. On April 15, 2008, Crescent Resources, as tenant, entered into that certain Office Lease (the "Highland Park Lease"), identified in Exhibit B attached hereto, with RMC Highland Park Place, L.P.; RMC Highland Park Place 1, LLC; RMC Highland Park Place 2, LLC; RMC Highland Park Place 3, LLC; RMC Highland Park Place 4, LLC; RMC Highland Park Place 5, LLC; RMC Highland Park Place 6, LLC; RMC Highland Park Place 7, LLC; RMC Highland Park Place 8, LLC; RMC Highland Park Place 9, LLC; RMC Highland Park Place 10, LLC; RMC Highland Park Place 11, LLC; RMC Highland Park Place 12, LLC; RMC Highland Park Place 13, LLC; RMC Highland Park Place 14, LLC; RMC Highland Park Place 15, LLC; RMC Highland Park Place 16, LLC; RMC Highland Park Place 17, LLC; RMC Highland Park Place 18, LLC; RMC Highland Park Place 19, LLC; RMC Highland Park Place 20, LLC; and RMC Highland Park Place 21, LLC, (collectively referred to hereinafter as, the "Landlord"), for office space (the "Leased Premises") located in a building commonly known as the Highland Park Place located at 4514 Cole Avenue, Dallas, Texas. The Leased Premises are comprised of approximately 2,951 rentable square feet of space commonly referred to as Suite 750. The term of the Highland Park Lease is for sixty and one-half (60-1/2) months commencing on or about July 15, 2008, with a monthly rental rate at \$5,656.08 during the first year, which increases by \$0.50 per square foot each year, ending at \$6,147.92 during the fifth year.

14. Prior to the Commencement Date, the Debtors determined that the Highland Park Lease was no longer necessary to their businesses, and on or about May 12, 2009, Crescent Resources physically vacated the Leased Premises. Thereafter, on or about May 25, 2009, the Landlord changed the locks on the doors to the Leased Premises, thereby preventing Crescent Resources from gaining access to the Leased Premises.

15. Because the Debtors have determined in their business judgment that the Highland Park Lease is no longer necessary to their businesses, Crescent Resources is no longer utilizing the Leased Premises, and the Landlord changed the locks on the doors to the Leased Premises, the Highland Park Lease is no longer beneficial to their estates, and therefore, the Debtors seek to reject the Highland Park Lease.

Relief Requested

16. By this Motion, the Debtors seek entry of an order (a) authorizing the rejection of the Highland Park Lease, pursuant to section 365 of the Bankruptcy Code *nunc pro tunc* to the Commencement Date, and (b) directing the Landlord to file any claim related to the rejection of the Highland Park Lease and any administrative claim arising under or related to the Highland Park Lease by the later of thirty days (30) after the entry date of the Order or any claims bar date(s) established in these cases.

Basis for Relief Requested

17. Section 365 of the Bankruptcy Code empowers a debtor-in-possession to, subject to Court approval, reject any executory contract or unexpired lease of the debtor. 11 U.S.C. § 365(a). The question of whether to accept or reject an executory contract or unexpired lease is one of “business judgment” based on the resultant benefit to the estate. *See In re Ham Consulting Company/William Lagnion/JV*, 143 B.R. 71, 75 (Bankr. W.D. La. 1992); *Richmond Leasing Co. v. Capital Bank, N.A.*, 762 F.2d 1303, 1309 (5th Cir. 1985). In order to make its

decision to accept or reject, a debtor is required to weigh the benefits and burdens of the executory contract or unexpired lease. *See In re Food City, Inc.*, 94 B.R. 91, 93 (Bankr. W.D. Tex. 1988). A debtor is entitled to assume those executory contracts or unexpired leases that enhance the estate and reject those that are burdensome to the estate. *See Texaco Inc. v. Louisiana Land and Exploration Co.*, 136 B.R. 658, 664 (M.D. La. 1992).

18. A decision to reject an executory contract or unexpired lease “can release the debtor’s estate from burdensome obligations that can impede a successful reorganization.” *In re TransAmerican Natural Gas Corp.*, 79 B.R. 663, 667 (Bankr. S.D. Tex. 1987) (citing *National Labor Relations Board v. Bildisco & Bildisco*, 465 U.S. 513, 528 (1983)). A debtor is not required to affirmatively prove that a contract or lease is burdensome in order to justify its rejection. *See Food City*, 94 B.R. at 93. A debtor only needs to “balance the benefit forgone against the burden of which the estate is being relieved.” *Id* at 93-94. Therefore, the business judgment standard is satisfied when a debtor makes the determination that rejection will ultimately benefit the estate. *See In re Child World, Inc.*, 142 B.R. 87, 89 (Bankr. S.D.N.Y. 1992); *In re Ionosphere Clubs, Inc.*, 100 B.R. 670, 673 (Bankr. S.D.N.Y. 1989); *In re TS Indus., Inc.*, 117 B.R. 682, 685 (Bankr. D. Utah 1990); *In re Del Grosso*, 115 B.R. 136, 138 (Bankr. N.D. Ill. 1990).

19. The business judgment standard requires that the Court approve a debtor’s business decision unless that judgment is the product of bad faith, whim, or caprice. *Lubrizol Enterprises, Inc. v. Richmond Metal Finishers, Inc. (In re Richmond Metal Finishers, Inc.)*, 756 F.2d 1043, 1047 (4th Cir. 1984). “More exacting scrutiny would slow the administration of the debtor’s estate and increase its cost, interfere with the Bankruptcy Code’s provision for private

control of administration of the estate, and threaten the court's ability to control a case impartially." *Richmond Leasing Co. v. Capital Bank, N.A.*, 762 F.2d 1303, 1311 (5th Cir. 1985).

20. In addition, while the general rule is that the effective date of a rejection of an executory contract or unexpired lease is the date of the court order approving the same, a court may approve the rejection of an executory contract or unexpired lease retroactively to an earlier date based on the equities of the case. *See In re Cafeteria Operators, L.P.*, 299 B.R. 384, 394 (Bankr. N.D. Tex. 2003). Specifically, courts have authorized the rejection of an executory contract or unexpired lease retroactively to a date earlier than the entry of the order approving the same where the debtors were receiving no benefit from the executory contract or unexpired lease and had unequivocally given notice to the counterparty of their intent to reject prior to filing the motion to reject. *See id.*; *see also In re Amber's Stores, Inc.*, 193 B.R. 819, 826-27 (Bankr. N.D. Tex. 1996). Rejection of the Highland Park Lease *nunc pro tunc* to the Commencement Date is warranted in this instance because the Debtors are not currently receiving any benefits on account of the Highland Park Lease, the Debtors have vacated the Leased Premises, and the Landlord has changed the locks on the doors to the Leased Premises, thereby preventing the Debtors from gaining access to the Leased Premises. The Debtors submit that these events are the equitable equivalent of giving notice to the Landlord of the Debtors' intent to reject.

21. In the Debtors' business judgment, rejection of the Highland Park Lease is in the best interests of the Debtors, their creditors, and their estates and should be authorized by the Court. Crescent Resources has vacated the Leased Premises and no longer desires the use thereof. Thus, the Highland Park Lease is an unnecessary drain on the resources of the Debtors' estates.

22. In addition, the Debtors believe that any attempt to market the Highland Park Lease for assumption and assignment during the course of these chapter 11 cases would be costly for the estates, would not likely yield an assignee, and could conceivably cost more than the value that the Debtors could realize for their estates by assigning the Highland Park Lease. Therefore, the Debtors, have determined that the Highland Park Lease is unnecessary and should, in the Debtors' business judgment, be rejected. In light of the foregoing, the Debtors respectfully request that the Court approve rejection of the Highland Park Lease, *nunc pro tunc* to the Commencement Date, under section 365(a) of the Bankruptcy Code in the manner requested herein.

Reservation of Rights

23. Nothing in this Motion should be construed as a waiver of any of the Debtors' rights, claims or counterclaims with respect to the Highland Park Lease rejected hereby, nor an acknowledgment that the Highland Park Lease constitutes an executory contract under section 365 of the Bankruptcy Code.

Notice

24. No trustee, examiner or statutory creditors' committee has been appointed in these chapter 11 cases. Notice of this Motion has been provided to: (i) the United States Trustee for the Western District of Texas; (ii) the Debtors' thirty (30) largest creditors (on a consolidated basis); (iii) counsel to BOA, as agent to the Debtors' Lenders; (iv) counsel to the Debtors' proposed postpetition lenders; and (v) counterparties to the Highland Park Lease (collectively, the "Notice Parties"). The Debtors submit that no other or further notice need be provided.

WHEREFORE, the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as it deems just and proper.

Dated: June 10, 2009
Austin, Texas

/s/ Eric J Taube
Eric J. Taube (19679350)
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-and-

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-and-

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Facsimile: (212) 310-8007

PROPOSED ATTORNEYS FOR
DEBTORS AND DEBTORS IN
POSSESSION

Exhibit A

No.	Name of Debtor:	Taxpayer Id. No.
1.	Crescent 210 Barton Springs, LLC	20-4614379
2.	Cornerstone Plaza, LLC	No EIN applicable
3.	Crescent Holdings, LLC	20-5543626
4.	Crescent Resources, LLC	57-0443582
5.	1780, LLC	20-4402277
6.	223 Developers, LLC	20-5924927
7.	Ballantyne Properties, LLC	56-1921507
8.	Bartram Crescent Development, LLC	20-8954449
9.	Black Forest on Lake James, LLC	20-0151855
10.	Bridgewater Lakeland Developers, LLC	20-2250831
11.	Brooksville East Developers, LLC	No EIN applicable
12.	Camp Lake James, LLC	20-4402407
13.	Carolina Centers, LLC (N.C. entity)	56-1853470
14.	Carolina Centers, LLC (Del. entity)	56-1124729
15.	Chaparral Pines Investors, L.L.C.	86-0781077
16.	Chaparral Pines Management, L.L.C.	86-1026788
17.	Chapel Cove at Glengate, LLC	26-0837243
18.	Citall Development, LLC	20-4153633
19.	Clean Water of NC, LLC	57-0443582
20.	CLT Development, LLC	56-1393851
21.	Club Capital, LLC	56-2107989
22.	Club Enterprises, LLC	56-1943831
23.	Club Villas Developers, LLC	26-2905087
24.	Colbert Lane Commercial, LLC	72-1552983
25.	Crescent Communities N.C., LLC	56-2030306
26.	Crescent Communities Realty, LLC	02-0532410
27.	Crescent Communities SC, LLC	56-2030305
28.	Crescent Lakeway, LLC	20-4613926
29.	Crescent Lakeway Management, LLC	20-4614072
30.	Crescent Land & Timber, LLC	56-1799013
31.	Crescent Multifamily Construction, LLC	26-1242507
32.	Crescent Potomac Greens, LLC	No EIN applicable
33.	Crescent Potomac Plaza, LLC	No EIN applicable
34.	Crescent Potomac Properties, LLC	No EIN applicable
35.	Crescent Potomac Yard Development, LLC	No EIN applicable
36.	Crescent Potomac Yard, LLC	No EIN applicable
37.	Crescent Realty Advisors, LLC	No EIN applicable
38.	Crescent Realty, LLC	26-0034004
39.	Crescent River, LLC	56-2226365
40.	Crescent Rough Hollow, LLC	20-4614882
41.	Crescent Seminole, LLC	58-2558302
42.	Crescent Southeast Club, LLC	56-2255725
43.	Crescent Twin Creeks, LLC	56-2230190

No.	Name of Debtor:	Taxpayer Id. No.
44.	Crescent Yacht Club, LLC	30-0100942
45.	Crescent/Arizona, LLC	57-0443582
46.	Crescent/Florida, LLC	No EIN applicable
47.	Crescent/Georgia, LLC	No EIN applicable
48.	Crescent/RGI Capital, LLC	83-0356151
49.	Falls Cove Development, LLC	20-8132241
50.	FP Real Estate One, L.L.C.	86-0846646
51.	Grand Haven Developers, LLC	59-3641286
52.	Grand Woods Developers, LLC	20-4845005
53.	Green Fields Investments, LLC	57-0443582
54.	Gulf Shores Waterway Development, LLC	20-5566844
55.	Hammock Bay Crescent, LLC	No EIN applicable
56.	Hampton Lakes, LLC	56-2153538
57.	Hampton Ridge Developers, LLC	59-3692235
58.	Hawk's Haven Developers, LLC	20-1091192
59.	Hawk's Haven Golf Course Community Developers, LLC	20-1203562
60.	Hawk's Haven Joint Development, LLC	20-2040337
61.	Hawk's Haven Sponsor, LLC	20-2040376
62.	Headwaters Development Limited Partnership	80-0059149
63.	Hidden Lake Crescent, LLC	20-3694587
64.	Joint Facilities Management, LLC	20-4347638
65.	Lake George Developers, LLC	20-4844965
66.	LandMar Group, LLC	56-2153538
67.	LandMar Management, LLC	56-2153540
68.	Lighthouse Harbor Developers, LLC	20-5741128
69.	May River Forest, LLC	57-1159262
70.	May River Golf Club, LLC	04-3750952
71.	McNinch-Hill Investments, LLC	56-2183378
72.	Milford Estates, LLC	57-0443582
73.	New Riverside, LLC	20-2071349
74.	Nine Corporate Centre Holding Company, LLC	No EIN applicable
75.	North Bank Developers, LLC	20-2687731
76.	North Hampton, LLC	56-2153544
77.	North River, LLC	20-3017701
78.	Old Wildlife Club, LLC	20-4402072
79.	Oldfield, LLC	56-2211481
80.	Osprey Development, LLC	59-3759515
81.	Palmetto Bluff Club, LLC	20-1154599
82.	Palmetto Bluff Development, LLC	56-2211383
83.	Palmetto Bluff Investments, LLC	No EIN applicable
84.	Palmetto Bluff Lodge, LLC	13-4250969
85.	Palmetto Bluff Real Estate Company, LLC	22-3864124

No.	Name of Debtor:	Taxpayer Id. No.
86.	Palmetto Bluff Uplands, LLC	No EIN applicable
87.	Panama City Development, LLC	20-2572207
88.	Park/Marsh, LLC	26-2813331
89.	Parkside Development, LLC	20-2854819
90.	Piedmont Row Development, LLC	20-2960566
91.	Portland Group, LLC	02-1251461
92.	Rim Golf Investors, L.L.C.	86-0894027
93.	River Paradise, LLC	20-2890831
94.	Roberts Road, LLC	20-2568601
95.	Sailview Properties, LLC	56-2053836
96.	Seddon Place Development, LLC	20-4771566
97.	Springfield Crescent, LLC	20-2966970
98.	StoneWater Bay Properties, LLC	56-2183379
99.	Stratford on Howard Development, LLC	20-4147491
100.	Sugarloaf Country Club, LLC	58-2221688
101.	Sugarloaf Properties, LLC	58-2202808
102.	Sugarloaf Realty, LLC	58-2208817
103.	The Farms, LLC	20-0354921
104.	The Oldfield Realty Company, LLC	56-2211481
105.	The Parks at Meadowview, LLC	20-3855366
106.	The Parks of Berkeley, LLC	20-2641670
107.	The Point on Norman, LLC	56-2053958
108.	The Ranch at the Rim, LLC	26-2813378
109.	The Reserve, LLC	20-0742753
110.	The Retreat on Haw River, LLC	26-0674124
111.	The River Club Realty, LLC	02-0595750
112.	The River Country Club, LLC	02-0595742
113.	The Sanctuary at Lake Wylie, LLC	57-0443582
114.	Trout Creek Developers, LLC	82-0560536
115.	Tussahaw Development, LLC	20-3330184
116.	Twin Creeks Holdings, Ltd.	74-2967903
117.	Twin Creeks Management, LLC	56-2230188
118.	Twin Creeks Operating Co., L.P.	20-1262789
119.	Twin Creeks Property, Ltd.	04-3592531
120.	Two Lake Pony Farm, LLC	56-2144680
121.	Winding River, LLC	20-2040280

Exhibit B

Counterparty	Address 1	Address 2	City	State	Zip	Crescent Debtor	Type of Contract	Name of Contract	Date of Contract
RMC Highland Park Place, L.P.; RMC Highland Park Place 1, LLC; RMC Highland Park Place 2, LLC; RMC Highland Park Place 3, LLC; RMC Highland Park Place 4, LLC; RMC Highland Park Place 5, LLC; RMC Highland Park Place 6, LLC; RMC Highland Park Place 7, LLC; RMC Highland Park Place 8, LLC; RMC Highland Park Place 9, LLC; RMC Highland Park Place 10, LLC; RMC Highland Park Place 11, LLC; RMC Highland Park Place 12, LLC; RMC Highland Park Place 13, LLC; RMC Highland Park Place 14, LLC; RMC Highland Park Place 15, LLC; RMC Highland Park Place 16, LLC; RMC Highland Park Place 17, LLC; RMC Highland Park Place 18, LLC; RMC Highland Park Place 19, LLC; RMC Highland Park Place 20, LLC; and RMC Highland Park Place 21, LLC	c/o R.M. Crowe Property Management, LP	5944 Luther Lane, Suite 501	Dallas	TX	75225	Crescent Resources, LLC	Non-Residential Real Property Lease	Office Lease	4/15/2008
	R.M. Crowe Property Management, LP*	4514 Cole Avenue, Suite 415	Dallas	TX	75205	Crescent Resources, LLC	Non-Residential Real Property Lease	Office Lease	4/15/2008

* Co-addressee of Highland Park Lease dated April 15, 2008.

Exhibit C

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

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In re	:	Chapter 11
	:	
CRESCENT RESOURCES, LLC, <i>et. al.</i> ,	:	Case No. 09-11507 (CAG)
	:	
Debtors.	:	Joint Administration
	:	Requested
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**ORDER APPROVING DEBTORS' MOTION FOR AN
ORDER PURSUANT TO SECTIONS 105 AND 365(a) OF THE BANKRUPTCY
CODE AUTHORIZING THE REJECTION OF THAT CERTAIN HIGHLAND
PARK UNEXPIRED NONRESIDENTIAL REAL PROPERTY LEASE *NUNC
PRO TUNC TO THE COMMENCEMENT DATE***

Upon the Motion (the "Motion") of Crescent Resources, LLC ("Crescent Resources"), and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession (collectively, the "Debtors"), for an order (a) authorizing the rejection of the Highland Park Lease,¹ pursuant to section 365 of the Bankruptcy Code *nunc pro tunc* to the Commencement Date, and (b) directing the

¹ All capitalized terms shall have the meanings ascribed to them in the Motion unless otherwise defined herein.

Landlord to file any claim related to the rejection of the Highland Park Lease and any administrative claim arising under or related to the Highland Park Lease by the later of thirty days (30) after the entry date of this Order or any claims bar date(s) established in these cases, as set forth in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and a hearing having been held to consider the relief requested in the Motion (the “Hearing”); and the appearances of all interested parties having been noted in the record of the Hearing; and upon the Declaration of Kevin H. Lambert in Support of the Debtors’ Chapter 11 Petitions and First Day Motions, the record of the Hearing, and all of the proceedings had before the Court; and the Court having determined that the relief sought in the Motion is in the best interests of the Debtors, their creditors, and all parties in interest; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is hereby granted in all respects; and it is further

ORDERED that pursuant to section 365 of the Bankruptcy Code, the Highland Park Lease, identified on Exhibit A annexed hereto, is deemed rejected effective as of the Commencement Date; and it is further

ORDERED that the Debtors shall serve a copy of this Order on the Landlord within three (3) business days of the entry of this Order; and it is further

ORDERED that the Landlord must file any claim related to the rejection of the Highland Park Lease and any administrative claim arising under or related to the Highland Park Lease by the later of thirty days (30) after the entry date of this Order or any claims bar date(s) established in these cases; and it is further

ORDERED, that the Debtors are hereby authorized to execute and deliver all instruments and documents, and take such other actions as may be necessary or appropriate to implement and effectuate the rejection of the Highland Park Lease as approved by this Order; and it is further

ORDERED, that entry of this Order is without prejudice to the rights of the Debtors, including, but not limited to, the right to seek further, other or different relief regarding the Highland Park Lease pursuant to, *inter alia*, section 365 of the Bankruptcy Code; and it is further

ORDERED that all rights and defenses of the Debtors are preserved, including all rights and defenses of the Debtors with respect to any claim for damages arising as a result of the Highland Park Lease, including, but not limited to any right to assert an offset, recoupment, counterclaim or deduction. In addition, nothing in this Order or the Motion shall limit the Debtors' ability to subsequently assert that the Highland Park Lease was terminated prior to the date hereof; and it is further

ORDERED that this Court will retain exclusive jurisdiction to construe and enforce the terms of this Order.

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Exhibit A

Counterparty	Address 1	Address 2	City	State	Zip	Crescent Debtor	Type of Contract	Name of Contract	Date of Contract
RMC Highland Park Place, L.P.; RMC Highland Park Place 1, LLC; RMC Highland Park Place 2, LLC; RMC Highland Park Place 3, LLC; RMC Highland Park Place 4, LLC; RMC Highland Park Place 5, LLC; RMC Highland Park Place 6, LLC; RMC Highland Park Place 7, LLC; RMC Highland Park Place 8, LLC; RMC Highland Park Place 9, LLC; RMC Highland Park Place 10, LLC; RMC Highland Park Place 11, LLC; RMC Highland Park Place 12, LLC; RMC Highland Park Place 13, LLC; RMC Highland Park Place 14, LLC; RMC Highland Park Place 15, LLC; RMC Highland Park Place 16, LLC; RMC Highland Park Place 17, LLC; RMC Highland Park Place 18, LLC; RMC Highland Park Place 19, LLC; RMC Highland Park Place 20, LLC; and RMC Highland Park Place 21, LLC	c/o R.M. Crowe Property Management, LP	5944 Luther Lane, Suite 501	Dallas	TX	75225	Crescent Resources, LLC	Non-Residential Real Property Lease	Office Lease	4/15/2008
	R.M. Crowe Property Management, LP*	4514 Cole Avenue, Suite 415	Dallas	TX	75205	Crescent Resources, LLC	Non-Residential Real Property Lease	Office Lease	4/15/2008

* Co-addressee of Highland Park Lease dated April 15, 2008.