

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

ARTHUR NADEL,
SCOOP CAPITAL, LLC,
SCOOP MANAGEMENT, INC.,

Defendants.

CASE NO.: 8:09-cv-0087-T-33CPT

SCOOP REAL ESTATE, L.P.,
VALHALLA INVESTMENT PARTNERS, L.P.,
VALHALLA MANAGEMENT, INC.,
VICTORY IRA FUND, LTD,
VICTORY FUND, LTD,
VIKING IRA FUND, LLC,
VIKING FUND, LLC, AND
VIKING MANAGEMENT, LLC.

Relief Defendants.

ORDER

Before the Court is the Receiver's Motion To (1) Sell The Interest Of Quest Energy Management Group, Inc. In The Musselman Caddo Unit To West Central Texas Petroleum Partners-MCU, LLC; (2) Resolve The Claims Of Van Operating, Ltd.; (3) Resolve The Claims Of The Texas Taxing Authorities; And (4) Provide For Payment Of Unpaid Gas Royalties (the "Motion") (Dkt. 1439) filed on August 21, 2020. No parties or creditors have filed an objection to the Motion. Upon due consideration of the Receiver's powers as set forth in the Order Appointing Receiver (Dkt. 8), the Orders Reappointing Receiver (Dkts. 140, 316, 493, 935, and 984), and applicable law, it is **ORDERED AND ADJUDGED** that the Motion is **GRANTED**.


The Court finds that the transaction reflected in the Purchase and Sale Agreement attached to the Motion as Exhibit 1 is in the best interest of the Quest Estate for the reasons detailed in the Motion. The Court also finds that the Motion includes sufficient grounds for waiving the appraisal requirements of 28 U.S.C. § 2001(b), given the Valuation attached to the Motion as Exhibit 4. In lieu of a hearing on the Motion, the Court finds that the filing of the Motion in the Court's public docket, its publication on the Receiver's website, and the publication of the terms of this transaction in accordance with 28 U.S.C. § 2001(b) provided sufficient notice and opportunity for any interested party to be heard.

The Court specifically approves the sale of the Properties of Quest Energy Management Group, Inc. to West Central Texas Petroleum Partners – MCU, LLC as defined in and on the terms of the Purchase and Sale Agreement attached to the Motion as Exhibit 1. The Receiver is hereby directed to convey all of the right, title and interest of Quest Energy Management Group, Inc. in the Properties to West Central Texas Petroleum Partners – MCU, LLC pursuant to the Purchase and Sale Agreement, free and clear of all claims, liens, security interests, and other encumbrances, except for the Assumed Obligations defined in the Purchase and Sale Agreement. With the exception of the Assumed Obligations, any other claims, liens, security interests or other encumbrances, including tax liens and any taxes, penalties, interest or fees due for tax years before 2020, on the Properties transferred pursuant to the Purchase and Sale Agreement are being resolved through this order and the tax agreement attached to the Motion as Exhibit 2 or have been resolved in a prior claims proceeding before this Court. (Dkt. 1406). With the exception of the Assumed Obligations, West Central Texas Petroleum Partners – MCU, LLC shall not be responsible for any claims, liens, security interests or other encumbrances, including tax liens, property taxes, penalties or interest assessed for any tax year before 2020. All past due obligations for gas royalties

attributable to the Properties shall be satisfied by West Central Texas Petroleum Partners – MCU, LLC, up to the amount of \$43,456.79, as provided in the Motion and the Purchase and Sale Agreement.

Furthermore, Quest Energy Management Group, Inc.'s rights, titles, interests, and obligations in the Properties, including under the various oil and gas leases among the Properties, as more particularly described in and contemplated by the Motion and Purchase and Sale Agreement, are hereby assigned and transferred to West Central Texas Petroleum Partners – MCU, LLC on the terms of the Purchase and Sale Agreement.

DONE and **ORDERED** in chambers in Tampa, Florida this 11th day of September, 2020.


VIRGINIA M. HERNANDEZ COVINGTON
UNITED STATES DISTRICT JUDGE

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Counsel of Record