

**UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION**
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In re:	Chapter 11 Cases
LAND RESOURCE, LLC, <i>et al.</i> ,	Case No. 6:08-bk-10159-ABB
Debtors.	Jointly Administered with cases
_____ /	6:08-bk-10159 through 6:08-bk-10192
	6:08-bk-11675

APPLICABLE DEBTORS:

Land Resource, LLC
(Case No. 6:08-bk-10159-ABB)

LR Buffalo Creek, LLC
(Case No. 6:08-bk-10162-ABB)

Point Peter, LLLP
(Case No. 6:08-bk-10173-ABB)

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**SECOND AGREED ORDER SUPPLEMENTING FINAL ORDER
(I) AUTHORIZING POST-PETITION SECURED SUPERPRIORITY
FINANCING PURSUANT TO BANKRUPTCY CODE SECTIONS 105(a), 362,
364(c)(1), 364(c)(2), 364(c)(3) AND 364(d), (II) AUTHORIZING THE DEBTORS’
USE OF CASH COLLATERAL PURSUANT TO BANKRUPTCY CODE
SECTION 363(c), (III) GRANTING ADEQUATE PROTECTION PURSUANT TO
SECTIONS 361, 363 AND 364 OF THE BANKRUPTCY CODE, AND
(IV) MODIFYING THE AUTOMATIC STAY**

This matter having come before the Court on the Agreed Motion [D.E. No. 436] of Land Resource, LLC, LR Buffalo Creek, LLC and Point Peter, LLLP (the “**Moving Debtors**”) for a Second Order Supplementing the Final Order (I) Authorizing Post-Petition Secured Superpriority Financing Pursuant to Bankruptcy Code Sections 105(a), 362, 364(c)(1), 364(c)(2), 364(c)(3) and 364(d), (II) Authorizing the Debtors’ Use of Cash Collateral Pursuant to Bankruptcy Code Section 363(c), (III) Granting Adequate Protection Pursuant to Sections 361, 363 and 364 of the Bankruptcy Code, And

(IV) Modifying the Automatic Stay on December 22, 2008 [D.E. No. 174] (the “**Final DIP Order**”), and for good cause shown, the Court hereby is entering this Order (the “**Second Supplemental Order**”) supplementing the Final DIP Order as follows:¹

1. The Budget, as attached to the Final DIP Order at Exhibit C, and as same applies to the 25.2M DIP Credit Agreement, is hereby supplemented with the second wind-down transaction and expense budget attached hereto as Exhibit 1 (the “**Second Supplemental Wind-Down Budget**”) which shall govern the Debtors’ use of Post-Petition Advances and Cash Collateral under the 25.2M DIP Credit Agreement *nunc pro tunc* for the period of February 14, 2009 through April 17, 2009.

2. Notwithstanding the occurrence of the Maturity Date of the 25.2M DIP Credit Agreement, the Maturity Date for the 25.2M DIP Credit Agreement shall be deemed to be extended to April 17, 2009 (or such later date as the Lenders and the Debtors, following consultation with the Committee, may agree) for the limited purposes of (i) permitting the Debtors to use the 25.2M Cash Collateral and/or borrow funds under the 25.2M DIP Credit Agreement in order to satisfy the expenses referenced and identified in the Second Supplemental Wind-Down Budget, provided however, that any such additional advances under the 25.2 DIP Credit Agreement do not cause the outstanding aggregate balance owed under the 25.2M DIP Credit Agreement to exceed the maximum facility amount of \$299,446.00; and (ii) permitting Debtors’ counsel, Berger Singerman, P.A., to be paid its Conditional Professional Expenses and Professional Expenses incurred through May 15, 2009 from the \$35,000.00 in funds which were already deposited for the benefit of Gulf Atlantic Capital Corporation and advanced into the Professional Expense Escrow, in accordance with the terms of the Final DIP Order and the procedures approved by the Court for the payments of Professionals in this proceeding.


¹ Capitalized but undefined terms used in this Second Supplemental Order shall have the meanings given to such terms in the Final DIP Order.

3. Paragraph 28(B) of the Final DIP Order shall be and hereby is amended solely to extend the deadline for parties in interest (other than any of the Debtors) to file an adversary proceeding or contested matter with this Court challenging the validity, enforceability or priority of the 42M Pre-Petition Lenders' rights, liens and security interests in the Grey Rock Collateral to the date that is ten (10) days from the date of the appointment of an Interim Chapter 7 Trustee pursuant to 11 U.S.C. §701 in the LR Buffalo Creek, LLC bankruptcy case (case no. 6:08-bk-10162-ABB).

4. Pursuant to and in accordance with the procedures set forth in Paragraph 9 of the Final DIP Order, any and all allowed DIP Lenders' Expenses shall be paid to the DIP Lenders from the proceeds of the sale and/or disposition of the Pre-Petition Lenders' and/or DIP Lenders' Collateral.

5. All other terms of the Final DIP Order shall remain in full force and effect.

DONE and ORDERED in Orlando, Florida on March 20, 2009.



Arthur B. Briskman
United States Bankruptcy Judge

Copy furnished to: Jordi Guso, Esq., BERGER SINGERMANN, P.A., 200 S. Biscayne Blvd., Ste. 1000, Miami, FL 33131

EXHIBIT 1

LAND RESOURCE, L.L.C.
Administrative Expense - Summary
Budget Period: February 14, 2009 through April 17, 2009

	<u>Budget</u>	<u>Comments</u>
Office Expenses	10,000	See attached schedule.
Administrative Payroll	1,616	See attached schedule.
Trustee Services Inc.	10,000	Additional third party noticing costs associated with extension of bankruptcy proceedings.
U.S. Trustee	5,850	First quarter 2009 U.S. Trustee fees for LRC (\$4,875.00) and Cumberland Harbour (\$975.00).
Berger Singerman, P.A.	-	The Lenders, with the consent of GACC, shall reallocate \$35,000 of the Professional Fee Escrow previously allocated to GACC to Berger Singerman.
Total Transaction Closing Expenses	<u>27,466</u>	

Assumptions:

- 1 At the end of the this administrative expense budget all wind down activities will be addressed by the chapter 7 trustee.
- 2 Payroll participant(s) will be paid as 1099 independent contractors at an hourly rate equal to their annual salary divided by 2,080 hours. The change to independent contractor status will eliminate the need for workers compensation insurance
- 3 The administrative payroll includes activities related to processing disbursement requests and responding to various information requests.
- 4 A Company representative will be required to prepare for and attend a post conversion meeting of creditors. The time estimate for this activity is estimated to be 8 hours.

LAND RESOURCE, L.L.C.

Administrative Expenses - Office Expenses

Budget Period: February 14, 2009 through April 17, 2009

	<u>Budget</u>	<u>Comments</u>
Rent	9,500	Monthly rent (including phone and copier) payable to Meritage is \$4,750. Rent is paid through 2/28/09. Therefore, LR would incur an additional 2 months rent through April.
IT and internet	-	LR will not reestablish internet connectivity.
Miscellaneous	500	Miscellaneous office expense (supplies, postage, overnight, etc.) is estimated to be \$500 for the budget period.
Total Administration Costs	<u><u>10,000</u></u>	

LAND RESOURCE, L.L.C.

Administrative Expenses - Administrative Payroll

Budget Period: February 14, 2009 through April 17, 2009

	<u>Hrly Rate</u>	<u>W/E</u> <u>2/20/09</u>	<u>W/E</u> <u>2/27/09</u>	<u>W/E</u> <u>3/6/09</u>	<u>W/E</u> <u>3/13/09</u>	<u>W/E</u> <u>3/20/09</u>	<u>W/E</u> <u>3/27/09</u>	<u>W/E</u> <u>4/3/09</u>	<u>W/E</u> <u>4/10/09</u>	<u>W/E</u> <u>4/17/09</u>	<u>Total</u> <u>Hours</u>	<u>Total</u> <u>Payroll \$</u>
Beth Nowlin	\$ 28.85	\$ -	\$ -	\$ 230.80	\$ 230.80	\$ 230.80	\$ 230.80	\$ 230.80	\$ 230.80	\$ 230.80		\$ 1,615.60
- Hours (#)		-	-	8	8	8	8	8	8	8	56	
Total		\$ -	\$ -	\$ 230.80	\$ 230.80	\$ 230.80	\$ 230.80	\$ 230.80	\$ 230.80	\$ 230.80	56.00	\$ 1,615.60