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PROPOSED ATTORNEYS FOR THE DEBTORS
AND DEBTORS IN POSSESSION

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

_____)	
In re:)	CHAPTER 11 CASES
)	
BETTYE J. RIGDON)	CASE NO. 16-44620-mxm-11
)	
CAROUSEL PROPERTIES, LLC)	CASE NO. 16-44621-rfn-11
)	
TLD BAR RANCH, LP)	CASE NO. 16-44622-mxm-11
)	
Debtors.)	Joint Administration Pending
)	
)	Expedited Hearing Requested
_____)	

**DEBTORS' MOTION FOR ENTRY OF INTERIM AND FINAL ORDERS
(1) AUTHORIZING BETTYE RIGDON, IN HER INDIVIDUAL CAPACITY,
TO USE CASH COLLATERAL AND (2) GRANTING ADEQUATE PROTECTION
TO SECURED CREDITOR**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Bettye Rigdon ("Rigdon" or the "Debtor"), Carousel Properties, LLC ("Carousel"), and TLD Bar Ranch, LP ("TLD Bar" and, collectively with Rigdon and Carousel, the "Debtors"), as debtors and debtors in possession, file this motion (the "Motion") pursuant to sections 105(a), 361, and 363 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as amended (the "Bankruptcy Code") and Rule 4001 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") for entry of interim and final orders authorizing Bettye Rigdon, in her individual capacity, to use cash

collateral, granting adequate protection to the IRS, and granting related relief. In support of this Motion, the Debtors respectfully represent as follows:

JURISDICTION AND VENUE

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

2. The statutory predicates for the relief requested herein are sections 105(a), 361, and 363 of the Bankruptcy Code and Rule 4001 of the Bankruptcy Rules.

PROCEDURAL BACKGROUND

3. On December 2, 2016 (the "Petition Date"), the Debtors filed a voluntary petition for relief in this Court under chapter 11 of the Bankruptcy Code.

4. The Debtors continue to manage and operate their businesses and assets as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

5. No creditors' committee has been appointed in these cases by the United States Trustee. Further, no trustee or examiner has been requested or appointed in these chapter 11 cases.

FACTUAL BACKGROUND

6. Rigdon owns, *inter alia*, approximately 250 acres of real estate in Wise County, Texas (the "Property").

7. Five tracts of the Property are pledged as collateral to secure three notes (collectively, the "First State Notes") in favor of First State Bank (Chico), to wit: (1) Real Estate Lien Note dated February 25, 2012, in the original principal amount of \$134,962.11; (2) Real Estate Lien Note dated November 21, 2012, in the original principal amount of \$297,187.75; and (3) Real Estate Lien Note dated November 3, 2012, in the original principal amount of

\$199,423.90.

8. The Internal Revenue Service (the “IRS”) asserts a claim against the Debtor for unpaid income taxes. In April 2016, the IRS filed a notice of federal tax lien in Wise County, Texas, for unpaid taxes assessed for tax years 2007, 2008, 2009, 2011, and 2012. The lien notice states that, as provided by section 6321, 6322, and 6323 of the Internal Revenue Code, the IRS asserts a lien on all property and rights to property belonging to the Debtor.

9. As a result of the tax lien, the IRS likely asserts a lien in certain of the Debtor’s cash and cash equivalents that were on hand as of the Petition Date and that will be received post-petition (the “Cash Collateral”).

RELIEF REQUESTED

10. By this Motion, the Debtor seeks entry of interim and final orders pursuant to sections 105(a), 361, and 363 of the Bankruptcy Code and Rule 4001 of the Bankruptcy Rules authorizing the use of Cash Collateral. A copy of Rigdon’s proposed interim cash collateral budget (the “Budget”) for the month of December 2016 is attached hereto as **Exhibit “A”**. Payment of the expenses reflected on the Budget is reasonable and necessary to prevent immediate and irreparable harm to Rigdon and her estate and to provide for her basic living expenses.

11. The Debtor submits that the IRS’s interests are adequately protected and that, therefore, the Court should grant the relief requested herein. The Debtor submits that the IRS is adequately protected by its lien on the Property and the other assets of the Debtor. Moreover, to ensure that the IRS’s interests are adequately protected, the Debtor proposes to grant the IRS additional adequate protection in the form of replacement liens upon all categories of property of the Debtor, whether now existing or hereafter acquired or arising, upon which the IRS held prepetition liens and security interests and all proceeds, rents, products or profits thereof; provided,

however, that such liens shall not prime any pre-existing liens which have priority over the IRS's prepetition liens (e.g., the liens of ad valorem taxing authorities and the liens securing the First State Notes). The Debtor submits that the proposed payments and replacement liens are sufficient to adequately protect the IRS's interests in the Cash Collateral and that the Court should authorize the Debtor's use of the Cash of Collateral under these terms.

BASIS FOR RELIEF

12. Section 363(c) of the Bankruptcy Code provides as follows:

(2) The trustee may not use, sell, or lease cash collateral under paragraph (1) of this subsection unless—

(A) each entity that has an interest in such cash collateral consents; or

(B) the court, after notice and a hearing, authorizes such use, sale, or lease in accordance with the provisions of this section.

11 U.S.C. § 363(c)(2).

13. The relief requested herein is necessary to prevent immediate and irreparable harm to the Debtor's chapter 11 estate and should provide sufficient funds to permit the Debtor to continue to cover her necessary personal living expenses. The Debtor asserts that an immediate and critical need exists for the Debtor's use of the Cash Collateral in order to pay her insurance premiums, utilities, and other living expenses. The Debtor asserts that, at this time, the Debtor's ability to use the Cash Collateral is crucial to the preservation and maintenance of the value of the Debtor's estate.

14. The use of Cash Collateral and the adequate protection proposed herein is fair and reasonable under the circumstances, reflects the Debtor's exercise of prudent judgment, and is supported by reasonably equivalent value and fair consideration. Also, the adequate protection provided by the proposed order is sufficient to protect the interests of the IRS. As such, the Debtor

should be afforded protections equivalent to those provided in section 364(e) of the Bankruptcy Code.

15. A copy of the proposed order granting the use of the IRS's Cash Collateral on an interim basis is attached as **Exhibit "B"**.

CONCLUSION

WHEREFORE, premises considered, the Debtors respectfully requests that the Court (1) grant the Motion, (2) enter the proposed order, and (3) grant the Debtors all such other and further relief to which the Debtors may be justly entitled.

Dated: December 9, 2016.

Respectfully submitted,

/s/ Clarke V. Rogers
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was served via ECF Electronic Notice, where available, and/or via first class mail on the parties listed on the attached service list on this the 9th day of December, 2016. In addition, a copy was served via e-mail on the person(s) listed below on December 9, 2016.

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