

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

**ORIGINAL**

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In re:	:	Chapter 11
	:	
CAL DIVE INTERNATIONAL, INC., <i>et al.</i> , <sup>1</sup>	:	Case No. 15-10458 (CSS)
	:	
Debtors.	:	(Jointly Administered)
	:	
	:	<b>Re: Docket No. 1558</b>

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**ORDER (A) CONVERTING THE DEBTORS' CHAPTER 11 CASES TO CASES UNDER CHAPTER 7 OF THE BANKRUPTCY CODE AND (B) GRANTING RELATED RELIEF**

Upon consideration of the motion (the "**Motion**")<sup>2</sup> of Cal Dive International, Inc. ("**Cal Dive**") and its affiliated debtors and debtors in possession (collectively, the "**Debtors**") pursuant to section 1112 of title 11 of the U.S. Code (the "**Bankruptcy Code**") and rules 1017 and 1019 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), for the entry of an order (A) converting the above-captioned chapter 11 cases (the "**Chapter 11 Cases**") to cases under chapter 7 of the Bankruptcy Code (the "**Chapter 7 Cases**"), and (B) granting related relief; and it appearing that this Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that venue of these cases and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that adequate and proper notice of the Motion has been given and that no other or further notice need be given; and that the relief sought in the Motion is in the best interests of the Debtors, their estates and all parties in interest; and after due deliberation and sufficient cause appearing therefor; it is hereby ORDERED that:

<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are Cal Dive International, Inc. (0501), Cal Dive Offshore Contractors, Inc. (4878), Affiliated Marine Contractors, Inc. (8678), Fleet Pipeline Services, Inc. (2104), Gulf Offshore Construction, Inc. (2106), and CDI Renewables, LLC (4985). The Debtors' corporate headquarters is at 2500 CityWest Boulevard, Suite 2200, Houston, TX 77042.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.



1. The Motion is granted as set forth herein.
2. The Chapter 11 Cases shall be converted to cases under Chapter 7 of the Bankruptcy Code on March 10, 2017 (the “**Conversion Date**”).
3. The following Conversion Procedures are hereby approved:
  - a. **Professional Fees.** To the extent professionals retained in the Chapter 11 Cases have not already submitted Final Fee Applications to the Court, all professionals (excluding professionals retained in the ordinary course of business pursuant to the *Order Authorizing the Employment and Compensation of Certain Professionals Utilized in the Ordinary Course of Business, Nunc Pro Tunc to the Petition Date* [D.I. 197]), shall submit Final Fee Applications in accordance with the Bankruptcy Code, Bankruptcy Rules, Local Rules, and orders of this Court by no later than March 20, 2017 (the “**Final Fee Application Deadline**”). The Court will schedule a hearing, at the Court’s convenience, on such Final Fee Applications on or before April 10, 2017. To the extent the Court approves a Final Fee Application after the Conversion Date: (i) within ten business days after entry of such order, all approved amounts owed for professional fees and expenses shall be paid (x) first, from each professional’s retainer to the extent such retainers exist; and (y) thereafter, from the chapter 7 estates.
  - b. **Fee Examiner.** The Debtors are authorized to pay the Fee Examiner a retainer in the amount of \$15,000 to cover post-conversion services by the Fee Examiner through April 10, 2017 in reviewing the Final Fee Applications of chapter 11 professionals (the “**Fee Examiner Retainer**”). Upon entry of an order authorizing the Final Fee Applications, the engagement of the Fee Examiner appointed in these Chapter 11 Cases will be immediately terminated, with no further action required by the Debtors or the Court. The Fee Examiner shall submit his Final Fee Application within 30 days of Court approval of the Final Fee Applications, and the Fee Examiner’s allowed fees and expenses shall be paid from the Fee Examiner Retainer, with any balance remaining on the Fee Examiner Retainer after approval and payment of the Fee Examiner’s final fee application to be remitted to the chapter 7 trustee.
  - c. **Claims Agent.** The Claims Agent shall continue to be employed post-conversion through April 10, 2017. The Claims Agent will be paid for its work after the Conversion Date (i) first, from its retainer in the amount of \$2,848.26 (the “**KCC Retainer**”), and (ii) second, from a supplemental retainer in the amount of \$35,000 that the Debtors are authorized to pay prior to the Conversion Date (the “**Supplemental KCC Retainer**”). The KCC Retainer and the Supplemental KCC Retainer shall cover post-conversion services provided by the Claims Agent through April 10, 2017,

including service of the notice of conversion, maintaining the case website, service of pleadings filed post-conversion, maintaining the claims register, and working with the clerk's office to transfer claims and noticing information to the Court in a form and manner acceptable to the clerk's office. After April 10, 2017, the chapter 7 trustee will determine whether, and to what extent, to continue to employ the Claims Agent. Any balance remaining on the Supplemental KCC Retainer on April 10, 2017 shall be remitted to the chapter 7 trustee, except to the extent that the chapter 7 trustee seeks Court authority to retain the Claims Agent for additional time.

- d. **Committee.** On the Conversion Date, the Committee shall be immediately dissolved, and all professionals retained by the Committee shall be immediately discharged, with no further action required by the Debtors or the Committee.
- e. **Books and Records.** As soon as reasonably practicable, but in no event more than fourteen days after the assumption of duties by the chapter 7 trustee, the Debtors shall turn over to the chapter 7 trustee the books and records of the Debtors in the Debtors' possession and control, as required by Bankruptcy Rule 1019(4). For purposes hereof, the Debtors may provide copies (including electronic copies) of such books and records to the chapter 7 trustee, or instructions for locating and accessing such books and records, and may retain copies of such books and records to the extent necessary to complete the reports required herein.
- f. **Schedule of Unpaid Debts.** Within fourteen days of the Conversion Date, the Debtors shall file a schedule of unpaid debts incurred after commencement of the Chapter 11 Cases, including the name and address of each creditor, as required by Bankruptcy Rule 1019(5) (the "**Schedule of Unpaid Debts**").
- g. **Final Report.** Within thirty days after the Conversion Date, the Debtors shall file and transmit to the chapter 7 trustee a final report and account (the "**Final Report**") in accordance with Bankruptcy Rule 1019(5)(A).
- h. **Independent Contractor.** The Debtors will need to continue to employ certain independent contractors (the "**Independent Contractors**") post-conversion in order to, among other things, collect the Debtors' books and records for transmission to the chapter 7 trustee, prepare the Schedule of Unpaid Debts, and prepare the Final Report. The Independent Contractors will be paid for their work after the Conversion Date from a retainer in the amount of \$50,000 that the Debtors are authorized to pay prior to the Conversion Date (the "**Independent Contractor Retainer**"). The Independent Contractor Retainer shall cover post-conversion services provided by the Independent Contractors through April 10, 2017. After April 10, 2017, the chapter 7 trustee will determine whether, and to what

extent, to continue to employ the Independent Contractors. Any balance remaining of the Independent Contractor Retainer on April 10, 2017 shall be remitted to the chapter 7 trustee, except to the extent that the chapter 7 trustee seeks Court authority to retain the Independent Contractors for additional time.

- i. **Claims.** Upon request of the chapter 7 trustee, the Claims Agent shall (i) forward to the Clerk of this Court an electronic version of all imaged claims; (ii) upload the creditor mailing list into CM/ECF; (iii) docket a final, combined claims register in the lead Cal Dive case containing claims in all the Debtors' cases; and (iv) as soon as reasonably practicable, box and transport all original claims in the manner and to the place reasonably requested by the Clerk of this Court.
- j. **Notice of Conversion.** Within seven (7) days of filing the schedule of unpaid debts, as set forth in paragraph (f) above, the Claims Agent shall serve a notice of conversion, substantially in the form of Exhibit 1 to this Order (the "**Notice of Conversion**"), on all parties on the Debtors' creditor matrix and any creditors identified in the schedule of unpaid debts.

4. All orders entered by the Court in the Chapter 11 Cases shall remain in full force and effect in the Chapter 7 Cases.

5. The Debtors are authorized and empowered to take all actions necessary or appropriate to implement the relief granted in this Order in accordance with the Motion.

6. This Court shall retain jurisdiction over all matters arising from or related to the implementation or interpretation of this Order.

Dated: March 8, 2017  
Wilmington, Delaware

  
\_\_\_\_\_  
THE HONORABLE CHRISTOPHER S. SONTCHI  
UNITED STATES BANKRUPTCY JUDGE

**Exhibit 1**

**Notice of Conversion**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

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In re:	:	Chapter 11
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CAL DIVE INTERNATIONAL, INC., <i>et al.</i> , <sup>1</sup>	:	Case No. 15-10458 (CSS)
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Debtors.	:	(Jointly Administered)
	:	
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**NOTICE OF CONVERSION OF CHAPTER 11 CASES**

**PLEASE TAKE NOTICE** that on February 6, 2017, the Debtors filed the *Debtors’ Motion for an Order (A) Converting the Debtors’ Chapter 11 Cases to Chapter 7 and (B) Granting Related Relief* [D.I. 1558] (the “**Conversion Motion**”).

**PLEASE TAKE FURTHER NOTICE** that on [\_\_\_], 2017 the Court entered an Order granting the Conversion Motion [D.I. \_\_\_] (the “**Conversion Order**”).<sup>2</sup>

**PLEASE TAKE FURTHER NOTICE** that under the Conversion Order, the Chapter 11 Cases were converted to cases under chapter 7 of the Bankruptcy Code effective March 10, 2017.

<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are Cal Dive International, Inc. (0501), Cal Dive Offshore Contractors, Inc. (4878), Affiliated Marine Contractors, Inc. (8678), Fleet Pipeline Services, Inc. (2104), Gulf Offshore Construction, Inc. (2106), and CDI Renewables, LLC (4985). The Debtors’ corporate headquarters is at 2500 CityWest Boulevard, Suite 2200, Houston, TX 77042.

<sup>2</sup> Terms not defined herein shall have the meaning ascribed to them in the Conversion Order.

Dated: March [ ], 2017  
Wilmington, Delaware

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