

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

In re:)	
)	Chapter 11
SEMCRUDE, L.P., <i>et al.</i> ,)	
Debtors.)	Case No. 08-11525 (BLS)
)	
)	Re: Docket No. _____

**ORDER APPROVING STIPULATION AMONG THE EXAMINER AND CERTAIN
PARTIES IN INTEREST REGARDING PROCEDURES FOR REVIEW AND FILING
OF THE EXAMINER'S REPORT**

Upon consideration of the Stipulation Among the Examiner and Certain Parties in Interest Regarding Procedures for Review and Filing of the Examiner's Report (the "Stipulation"), a copy of which is attached hereto as Exhibit 1; and after due deliberation and sufficient cause appearing therefor; it is hereby:

ORDERED that the Stipulation is approved; and it is further

ORDERED that this Court shall retain jurisdiction over any and all matters arising from or related to the Stipulation and the implementation or interpretation of this Order.

Dated: Wilmington, Delaware
April 15, 2009



The Honorable Brendan L. Shannon
United States Bankruptcy Judge

EXHIBIT 1

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

-----X	
In re	: Chapter 11
SEMCRUDE, L.P., <i>et al.</i> ,	: Case No. 08-11525 (BLS)
Debtors.	: Jointly Administered
-----X	

**STIPULATION AMONG THE EXAMINER AND CERTAIN
PARTIES IN INTEREST REGARDING PROCEDURES FOR
REVIEW AND FILING OF THE EXAMINER'S REPORT**

This stipulation (the "Stipulation") effective as of March 24, 2009, is entered into among (i) Louis J. Freeh, Esq., in his capacity as the court-appointed examiner in the above-captioned cases (the "Examiner"); (ii) SemGroup, L.P. ("SemGroup") and certain direct and indirect subsidiaries of SemGroup, as debtors and debtors in possession (collectively, the "Debtors"); (iii) the Office of the United States Trustee (the "UST"); (iv) the Official Committee of Unsecured Creditors of SemCrude, L.P., et al., (the "Committee"); and (v) Bank of America, N.A., as administrative agent for itself and certain other banking and financial institutions as pre-petition secured lenders under that certain Amended and Restated Credit Agreement, dated as of October 18, 2005 (the "Pre-Petition Credit Agreement"), and as agent for the Debtors' post-petition lenders under that certain Debtor-in-Possession Credit Agreement (in such capacities, the "Agent"), dated as of August 8, 2008, as amended, by and through their undersigned counsel.

RECITALS

A. On July 22, 2008 and October 22, 2008, the Debtors each commenced cases under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court").

B. On September 10, 2008, the Bankruptcy Court entered an Order Directing the UST to Appoint an Examiner (the "Examiner Order").

C. On October 14, 2008, pursuant to the Examiner Order, the United States Trustee for the District of Delaware appointed the Examiner, which appointment was approved by a Bankruptcy Court order on the same date.

D. The Examiner Order directed the Examiner to: (a) investigate the circumstances surrounding (i) the Debtors' Trading Strategy¹ and the transfer of their NYMEX account; (ii) the Insider Transactions and the formation of Energy Partners; and (iii) the potential improper use of borrowed funds and funds generated from the Debtors' operations and the liquidation of their assets to satisfy margin calls related to the Trading Strategy for the Debtors and certain entities owned or controlled by the Debtors' officers and directors; and (b) otherwise perform the duties of an examiner set forth in section 1106(a)(3) and 1106(a)(4) of the Bankruptcy Code (collectively, the "Examiner Investigation"). See Examiner Order at ¶2. The Examiner Order also directed the Examiner to report on whether: (a) any directors, officers, or employees of the Debtors participated in fraud, dishonesty, incompetence, misconduct, mismanagement, or irregularity in the management of the affairs of the Debtors; and (b) the Debtors' estates have claims or causes of action against current or former officers, directors, or employees of the Debtors arising from any such participation (collectively, the "Insider Investigation" and, together with the Examiner Investigation, the "Investigation"). See Examiner Order at ¶6.

E. In connection with the Investigation, certain parties, including the Debtors and the Agent, provided documents and information to the Examiner (the "Shared Information")

¹ Capitalized terms not defined in paragraph D shall have the meaning ascribed to them in the Motion of the UST for an Order Directing the Appointment of an Examiner dated August 12, 2008. [Docket No. 667]

that may be protected by 11 U.S.C. § 107(b) or be subject to a privilege or other protection from discovery, including the attorney-client privilege, the work-product doctrine or any other privilege, right, or immunity such party may be entitled to claim or invoke (collectively, "Protected Information").

F. Some parties, including the Debtors, produced Shared Information to the Examiner pursuant to a written confidentiality agreement that specifies certain procedures to be followed: (i) to object to the inclusion in the Examiner's final report (the "Report") of information that the producing party believes to be Protected Information; and/or (ii) before the Examiner shares purported Protected Information with third parties not previously authorized by the producing party, through the filing of the Report or otherwise.²

G. In addition, several parties, including the Agent, produced Shared Information, including purported Protected Information, on a confidential basis to the Examiner pursuant to informal agreements with the understanding that certain procedures would be followed (e.g, obtaining the consent of the producing party) before information that such party believes to be Protected Information would be provided to third parties and/or included in the Report.

H. As set forth in the Examiner's Preliminary Work Plan filed with the Bankruptcy Court on November 24, 2008 (the "Work Plan") [Docket No. 2330] and the Examiner Order, the Examiner is required to complete the Report within one hundred-twenty (120) days following the Bankruptcy Court's approval of the Work Plan. Although the Work Plan was not technically "approved" by the Bankruptcy Court at the hearing conducted on

² The other parties with whom the Examiner executed confidentiality agreements are: 1) PricewaterhouseCoopers LLP ("PWC"); 2) Merrill Lynch Commodities, Inc., and/or Merrill Lynch, Pierce Fenner & Smith Incorporated ("ML"); and 3) the Goldman Sachs Group ("GS").

November 24, 2009, the Examiner has proceeded with the Investigation in accordance with the Work Plan and deems March 24, 2008 as the deadline to complete the Report (the "Completion Date").

I. As reported at the hearings held on March 12, 2009 and March 26, 2009, the Report was completed on the Completion Date. Subject to the terms of the Stipulation, certain portions of the Report were distributed to the Debtors and the Agent on the Completion Date. Before filing of the Report with the Bankruptcy Court, however, the Examiner recognizes that it is appropriate and necessary to give the parties in interest who have entered into formal and informal confidentiality agreements a reasonable opportunity to review portions of the Report to determine whether it contains Protected Information and afford such parties an opportunity to object to the unredacted inclusion of such Protected Information in the Report. In order to ensure that such rights and opportunities are provided to the various parties in interest, the Examiner has engaged in discussions with the Debtors, the UST, the Committee, and the Agent (collectively, the "Parties" and each a "Party") in order to develop and implement a streamlined process to address any issues regarding Protected Information.³

J. The Parties wish to coordinate and cooperate with the Examiner and with each other in order to finalize and file the Report with minimal time and cost to the Debtors' estates. Therefore, the Parties have entered into this Stipulation and each agree to be bound by its terms.

³ The confidentiality agreements with PWC, ML and GS include procedures regarding the inclusion of the Shared Information in the Report that such entities assert constitute Protected Information. The Examiner will provide these parties with portions of the draft Report containing Shared Information as to which it is the source and work with them to resolve any issues.

STIPULATION

1. This Stipulation shall govern the use, exchange and handling of the draft Report or any part thereof by the Parties pending the filing of the Report with the Bankruptcy Court.

2. The Parties agree that the Examiner's circulation and provision of the draft Report or any part thereof and any Protected Information contained or referenced in the draft Report in accordance with the terms of this Stipulation is not and shall not be deemed to be a waiver of the attorney-client privilege, work product doctrine or other applicable privilege or protection and any reference or inclusion of any privileged or protected information or documents in the draft Report shall not be the basis for any third party to assert that any of the Parties have waived any protections or privileges with respect to such documents or information.

3. Until such time that the Report is filed with the Bankruptcy Court and subject to the provisions set forth in paragraph 10 below, the Parties and each of their representatives and agents shall hold the information contained in the Report in strict confidence and shall make no disclosure to any person regarding the contents of the Report.

4. On the Completion Date, the Examiner provided the Debtors on a confidential basis for their review portions of the draft Report that contain Shared Information as to which the Debtors were the source. The Debtors had until March 31, 2009, to review the draft Report and to advise the Examiner in writing if the Debtors object to disclosing any Shared Information contained in that portion of the Report (the "Debtor Objection").

5. On the Completion Date, the Examiner provided the Agent on a confidential basis for its review portions of the draft Report that contain Shared Information as to which the Agent or any of the lenders party to the Pre-Petition Credit Agreement, were the source. The Agent had until March 31, 2009, to review the draft Report and to advise the

Examiner in writing if the Agent objects to disclosing any Shared Information contained in that portion of the Report (the "Agent Objection").

6. On April 1, 2009, the Examiner shall provide the Parties with a complete copy of the draft Report for their review on a confidential basis, subject to redaction of potential Protected Information provided by another party which remains subject to a dispute regarding disclosure between the Examiner and the producing party. The Parties each have until April 8, 2009 to review the draft Report or the relevant portion thereof that the Examiner provides to it pursuant to this paragraph, and to advise the Examiner in writing if they object to disclosing any Shared Information contained in the draft Report.

7. Each Party understands and agrees that the sole purpose of the review is to provide such Party with an opportunity to determine whether the Report contains any Protected Information provided by that Party and to protect the confidentiality of such Protected Information. The Examiner is not seeking nor shall he accept substantive comments from any Party regarding the process by which the Investigation was conducted, the findings of the Investigation, or his conclusions.

8. In the event that a Party objects to the disclosure of Shared Information as to which it is the source, such Party must file a motion with the Bankruptcy Court by April 8, 2009, seeking to redact or file any portion or portions of the Report under seal (with the movant bearing the burden) because, *inter alia*, such portion or portions contain or reveal such Protected Information (a "Protection Motion"). To the extent that a Party files a Protection Motion, the Protection Motion shall be subject to a mutually-agreed upon hearing schedule among the Examiner and the Parties to this Stipulation, subject to the availability of the Bankruptcy Court.

9. The Examiner shall file the Report with the Bankruptcy Court by no later than April 15, 2009, without redaction if no Party has timely filed a Protection Motion.⁴ If a Protection Motion is timely filed, the Examiner shall follow the procedures set forth in paragraph 10 below.

10. If a Protection Motion is timely filed, then only those portions of the Report that are sought to be protected shall be filed under seal or redacted,⁵ until the Bankruptcy Court enters an order on such Protection Motion, and the balance of the Report shall be filed without redaction or seal. Until the Bankruptcy Court rules on the applicable Party's Protection Motion, the Examiner and any other Party shall hold the content of the Shared Information that is the subject of the Protection Motion in strict confidence and shall make no disclosure to any person of the content of such Shared Information, except (A) in the event the Examiner or a Party is required by applicable law, regulation, or legal process to provide or produce such information, and/or B) as otherwise ordered by the Bankruptcy Court. If the Examiner files the Report while a Protection Motion is pending, he shall file those portions of the Report under seal or with redactions to preserve the confidentiality of any Shared Information that is the subject of the Protection Motion.

11. Nothing in this Stipulation is intended to expand or limit the rights, responsibilities, and powers of the Parties and/or the Examiner including, without limitations, those set forth in the Order (A) Approving Stipulation Between the Debtors and the Examiner and (B) Providing that the Debtors' Provisions of Shared Information Does not Constitute a

⁴ To the extent there is a pending dispute with PWC, ML or GS, additional portions of the Report relating to these entities may be redacted or filed under seal.

⁵ To the extent there is a pending dispute with PWC, ML or GS, additional portions of the Report relating to these entities may be redacted or filed under seal.

Waiver of the Attorney-Client Privilege, the Work Product Doctrine, or any other Applicable Privilege or Protection entered on December 16, 2008. [Docket No. 2565].

12. This Stipulation shall be binding on the Parties as of March 24, 2009.

13. The Parties represent and warrant to each other that the signatories to this Stipulation have full power and authority to enter into this Stipulation.

14. This Stipulation may not be changed, modified, or amended except in a writing signed by the Parties and/or their counsel.

15. The Parties agree that any dispute regarding this Stipulation shall be subject to the exclusive jurisdiction and venue of the Bankruptcy Court.

16. This Stipulation shall be governed by the laws of Delaware, without regards to conflicts of law principles. If any provision of this Stipulation is determined by a court of competent jurisdiction to be invalid or enforceable, the remainder of this Stipulation shall nonetheless remain in full force and effect.

17. Following the execution of this Stipulation, the Examiner shall submit the Stipulation to the Bankruptcy Court for approval.

18. This Stipulation may be executed in any number of counterparts and shall constitute one agreement, binding upon the Parties hereto as if the Parties signed the same document; all facsimile signatures shall be treated as originals for all purposes.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Dated: April 14, 2009

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