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Liquidating Trustee of PR Liquidating Trust*

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	Case No. 09-33886-HDH
	§	
PROVIDENT ROYALTIES, LLC, et. al.	§	Chapter 11
	§	
Debtors.	§	(Jointly Administered)

TRUSTEE'S OBJECTION TO CLAIM 9981 FILED BY BARBARA DRISKELL

A HEARING WILL BE CONDUCTED ON THIS OBJECTION ON AUGUST 20, 2012 AT 9:00 A.M. (CDT) BEFORE THE HONORABLE HARLIN D. HALE, UNITED STATES BANKRUPTCY JUDGE, 1100 COMMERCE STREET, 14TH FLOOR, DALLAS, TEXAS 75242-1496. UNLESS A WRITTEN RESPONSE IS FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT, NORTHERN DISTRICT OF TEXAS, DALLAS DIVISION, 1100 COMMERCE STREET, DALLAS, TEXAS 75242, AND SERVED UPON UNDERSIGNED COUNSEL FOR MILO H. SEGNER, JR., TRUSTEE, NO LATER THAN MONDAY, AUGUST 13, 2012, THIS PLEADING SHALL BE DEEMED TO BE UNOPPOSED, AND THE COURT MAY ENTER AN ORDER GRANTING THE RELIEF SOUGHT. IF YOU FAIL TO APPEAR AT THE HEARING, YOUR RESPONSE MAY BE STRICKEN. THE COURT RESERVES THE RIGHT TO SET A HEARING ON ANY MATTER.

Milo H. Segner, Jr., liquidating trustee of the PR Liquidating Trust, hereby files this objection (the “Objection”) to claim 9981 (the “Claim”)¹ filed by Barbara Driskell (the “Claimant”), and respectfully represents as follows:²

JURISDICTION AND VENUE

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

PROCEDURAL BACKGROUND

A. The Bankruptcy Cases.

2. On June 22, 2009, the Debtors³ filed for relief in this Court under chapter 11 of the Bankruptcy Code, 11 U.S.C. §§ 101 *et seq.*

3. On June 8, 2010 the Court held a hearing to confirm the Debtors’ Fourth Amended Joint Plan of Liquidation (the “Plan”), and on June 10, 2010, the Court entered an order confirming the Plan.

¹ The Claim is attached hereto as Exhibit A.

² Please review the Frequently Asked Questions page of the PR Liquidating Trust’s website (<http://www.prliquidatingtrust.com/faq.html>) for information before contacting the Trustee, the chairman of the Trust, or the Trust’s professionals with questions about this objection.

³ The “Debtors” are: Provident Royalties, LLC, Case No. 09-33886, Provident Operating Company, LLC, Case No. 09-33893, Somerset Lease Holdings, Inc., Case No. 09-33892, Somerset Development, Inc., Case No. 09-33912, Provident Energy 1, LP, Case No. 09-33888, Provident Resources 1, LP, Case No. 09-33887, Provident Energy 2, LP, Case No. 09-33894, Provident Energy 3, LP, Case No. 09-33899, Shale Royalties II, Inc., Case No. 09-33889, Shale Royalties 3, LLC, Case No. 09-33891, Shale Royalties 4, Inc., Case No. 09-33890, Shale Royalties 5, Inc., Case No. 09-33895, Shale Royalties 6, Inc., Case No. 09-33896, Shale Royalties 7, Inc., Case No. 09-33898, Shale Royalties 8, Inc., Case No. 09-33900, Shale Royalties 9, Inc., Case No. 09-33902, Shale Royalties 10, Inc., Case No. 09-33901, Shale Royalties 12, Inc., Case No. 09-33903, Shale Royalties 14, Inc., Case No. 09-33905, Shale Royalties 15, Inc., Case No. 09-33904, Shale Royalties 16, Inc., Case No. 09-33906, Shale Royalties 17, Inc., Case No. 09-33913, Shale Royalties 18, Inc., Case No. 09-33907, Shale Royalties 19, Inc., Case No. 09-33908, Shale Royalties 20, Inc., Case No. 09-33910, Shale Royalties 21, Inc., Case No. 09-33909, and Shale Royalties 22, Inc., Case No. 09-33911.

4. Milo H. Segner, Jr. is the duly authorized representative (the “Trustee”) of the PR Liquidating Trust and has standing to assert, prosecute, and settle any and all objections, counterclaims, rights of setoff, rights of recoupment, and other defenses to Claims asserted against the Estate. *See* PR Liquidating Trust Agreement §§ 3.2-3.3.

5. Under Article IX of the Plan, the Trustee is authorized to object to any claims up to 180 days after the Effective Date of the Plan unless otherwise extended by the Court. The Trustee has requested and received extensions of the objection deadline. The Court granted the Trustee’s request to abate the deadline and instead, given the voluminous nature of the claims at issue in this proceeding, require the Trustee to provide quarterly status reports and/or conferences.

6. The Trustee is in the process of analyzing thousands of claims contained in the Debtors’ bankruptcy schedules, as well as proofs of claim and interest filed in these jointly administered bankruptcy cases. The Trustee has determined that certain claims should be disallowed because they do not reflect the bona fide liability of the Debtors.

7. In particular, the Claim purports to be based on “money invested,” but the Debtors’ records do not show an investment by the Claimant. *See* Declaration of Scott Reese, attached hereto as Exhibit B.

BASIS FOR RELIEF REQUESTED

8. Pursuant to Federal Rule of Bankruptcy Procedure 3007 and 11 U.S.C. § 502, the Trustee seeks an order sustaining the Objection and disallowing the Claim. The Claimant was not one of the Debtors’ investors, so the claim is unenforceable against the Debtor under applicable law. 11 U.S.C. § 502(b)(1).

RESERVATION OF RIGHTS

9. The Trustee reserves all rights to object to the Claim in the future on any other basis. Furthermore, nothing herein constitutes a waiver of the Trustee's right to assert any claims, counterclaims, rights of offset or recoupment, preference actions, fraudulent-transfer actions, or any other bankruptcy or nonbankruptcy claims against claimants.

PRAYER FOR RELIEF

10. The Trustee respectfully requests that the Court (i) grant the relief requested herein; (ii) sustain the Objection; (iii) disallow the Claim; and (iv) grant the Trustee any further relief to which he is entitled at law or equity.

Dated this 19th day of July, 2012.

Respectfully submitted,

By: Julian P. Vasek
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LIQUIDATING TRUSTEE OF PR LIQUIDATING
TRUST

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing document was served electronically upon all parties who receive ECF notice and by U.S. mail on the following individual(s) on July 19, 2012.

Barbara Driskell
5057 Westrilee Dr.
Benton, LA 71006

/s/ Julian P. Vasek
Julian P. Vasek