CLERK, U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

ENTERED

THE DATE OF ENTRY IS ON THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed April 23, 2026

United States Bankruptcy Judge

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

In re	§	Chapter 11
Kentucky Owl, LLC,[1]	§	Case No.: 24-80147-swe11
Debtor.	§	

ORDER (I) APPROVING PROCEDURES FOR THE SALE OR TRANSFER OF CERTAIN ASSETS AND (II) GRANTING RELATED RELIEF

Upon the emergency motion ("Motion")[2] of Claudia Z. Springer (the "Kentucky Owl Trustee"), as chapter 11 trustee of Kentucky Owl, LLC (the "Debtor"), for entry of an order (this "Order"), pursuant to sections 105(a) and 363 of title 11 of the Bankruptcy Code, rules 2002 and

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1 The Debtor in this Chapter 11 Case, along with the last four digits of its federal identification number, is Kentucky Owl, LLC (3826). The Debtor's address is Kentucky Owl, LLC, Attn: Claudia Z. Springer, Chapter 11 Trustee, c/o NOVO Advisors LLC, 200 W. Madison Street, Suite 1000, Chicago, Illinois 60606.

2 Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to them in the Motion.

6004 of the Bankruptcy Rules, and rule 2002-1(a)(2) of the Local Bankruptcy Rules authorizing and approving procedures for the sale or transfer of certain Assets, including any rights or interests therein, free and clear of any liens, claims, interests, and encumbrances all as more fully set forth in the Motion; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Order of Reference of Bankruptcy Cases and Proceedings Nunc Pro Tunc* dated August 3, 1984, entered by the United States District Court for the Northern District of Texas; and the matter being a core proceeding within the meaning of 28 U.S.C. § 157(b)(2); and venue of this proceeding and the Motion in this District being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court being able to issue a final order consistent with Article III of the United States Constitution; and due and sufficient notice of the Motion having been given under the particular circumstances; and it appearing that no other or further notice is necessary; and it appearing that the relief requested in the Motion is in the best interests of the Debtor, its estate, its creditors, and other parties-in- interest; and after due deliberation thereon; and good and sufficient cause appearing therefor,

IT IS HEREBY FOUND AND DETERMINED THAT:[3]

A. The Kentucky Owl Trustee's notice of the Motion, and Sale Procedures, and the proposed entry of this Order was appropriate and reasonably calculated to provide all interested parties with timely and proper notice; and (ii) adequate and sufficient under the circumstances of the Debtor's chapter 11 case, and no other or further notice is required. A reasonable opportunity to object or be heard regarding the relief granted by this Order has been afforded to those parties.

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[3] Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact to the fullest extent of the law. *See* Fed. R. Bankr. P. 7052.

B. The Sale Procedures were proposed in good faith by the Kentucky Owl Trustee, are fair, reasonable, and appropriate under the circumstances and are properly designed to maximize the recovery from any Sale of the Assets. The Kentucky Owl Trustee has demonstrated good and sufficient business reasons for this Court to enter this Order, and such good and sufficient reasons, which are set forth in the Motion, are incorporated by reference and, among other things, form the basis for the findings of fact and conclusions of law set forth herein.

C. The form and manner of notices to be delivered pursuant to this Order, including the Sale Notice, are (i) reasonably calculated to provide all interested parties with timely and proper notice; (ii) in compliance with all applicable requirements of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules; and (iii) adequate and sufficient under the circumstances of the Debtor's chapter 11 case.

D. The Kentucky Owl Trustee may sell the Assets free and clear of any interests in the Assets of any kind or nature whatsoever because in each case one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code have been satisfied.

E. The legal and factual bases set forth in the Motion establish just cause for the relief granted herein. Entry of this Order is in the best interests of the Debtor and its estate, creditors, interest holders, and all other parties-in-interest.

IT IS HEREBY ORDERED THAT:

1. The relief requested in this Motion is GRANTED as set forth herein.

2. The Sale Procedures are approved as follows:

   a. The Kentucky Owl Trustee shall notify Fifth Third of any potential sales or transfers of the Assets.

   b. With respect to the Sales of Assets in any individual or series of related transactions to a single buyer or group of related buyers with an aggregate selling price (including all commissions, fees, taxes, and other costs) up to $5,000,000.00:

i. the Kentucky Owl Trustee is authorized to consummate such transactions without further order of the Court if the Kentucky Owl Trustee determines in the reasonable exercise of her business judgment that such transactions are in the best interest of the Debtor's estate and Fifth Third consents to such transactions, subject to the procedures set forth herein;

ii. the Kentucky Owl Trustee shall, prior to closing or effectuating such sale or transfer, give written notice (with notice by email being sufficient and effective upon transmission) of such sale or transfer (each notice, a "Sale Notice") to the following parties or, in lieu thereof, their counsel, if known: (A) the U.S. Trustee; (B) Fifth Third; (C) Bardstown; (D) counsel for the Official Committee of Unsecured Creditors (the "Creditors' Committee"); and (E) any other known affected creditor(s) asserting a lien, claim, or encumbrance against, or interest in, the relevant Asset (collectively, the "Sale Notice Party");

iii. the content of the Sale Notice, which is not required to be docketed with the Court, shall consist of (A) identification of each Asset being sold or transferred; (B) identification of the purchaser of the Asset(s); (C) the initial offered purchase price; (D) any other significant terms and conditions of the Sale; and (E) for any Sale involving barrels located at or held by Bardstown, the applicable Sale Notice given to Bardstown shall expressly state (i) whether or not removal of the barrels by the purchaser is contemplated, and (ii) if the purchaser intends to remove the barrels from a Bardstown location, contain specific information regarding the intended date(s) of removal of such barrels; [4]

iv. any such transactions shall be subject to the terms of the documentation executed in connection with such transaction, which documentation may (but is not required to) include provisions that buyers are taking the Assets "as is" and "where is," without any representations or warranties from the Kentucky Owl Trustee, Fifth Third, Bardstown, or any other party, including without limitation any representation or warranty as to condition, merchantability, fitness for a particular purpose, storage conditions, leakage, evaporation, quality, or compliance with applicable law, and shall be free and clear of all liens, claims, interests, and encumbrances, with any such liens, claims, interests, and encumbrances attaching only

[4] Each Sale Notice provided pursuant to the Sale Procedures shall have this content.

to the sale proceeds with the same validity, extent, and priority as immediately prior to the Sale, to the maximum extent permitted by section 363 of the Bankruptcy Code; and

v. each purchaser shall be afforded the protections of section 363(m) of the Bankruptcy Code as a good faith purchaser.

c. With respect to the Sales of Assets in any individual or series of related transactions to a single buyer or group of related buyers with an aggregate selling price (including all commissions, fees, taxes, and other costs) more than $5,000,000.00 and less than or equal to $10,000,000.00:

i. the Kentucky Owl Trustee is authorized to consummate such transactions without further order of the Court if the Kentucky Owl Trustee determines in the reasonable exercise of her business judgment that such transactions are in the best interest of the Debtor's estate, subject to the procedures set forth herein;

ii. the Kentucky Owl Trustee shall provide a Sale Notice (with notice by email being sufficient) to (a) Fifth Third and Bardstown at least ten (10) days prior to closing or effectuating such sale or transfer; and (b) the additional Sale Notice Parties prior to closing or effectuating such sale or transfer;

iii. objections, if any, by Fifth Third or Bardstown must be in writing and state with specificity the basis for objecting and be served on the Kentucky Owl Trustee's counsel within five (5) days of the service of such Sale Notice at 4:00 p.m. (prevailing Central Time) (the "Sale Objection Deadline");

iv. if no written objection from Fifth Third or Bardstown is received by the Kentucky Owl Trustee's counsel by the Sale Objection Deadline, then the Kentucky Owl Trustee is authorized to immediately consummate such Sale without further approval or order of the Court;

v. if Fifth Third or Bardstown serves on the Kentucky Owl Trustee's counsel a written objection to any such Sale, then the relevant Asset(s) shall only be sold upon withdrawal of such objection, submission of a consensual form of order resolving the objection as between the Kentucky Owl Trustee and the objecting party, upon notice to Fifth Third and Bardstown, or further order of the Court which may be sought on an emergency basis subject to the Court's availability;

vi. if the terms of a proposed Sale are materially amended after transmittal of the Sale Notice but prior to the Sale Objection Deadline, the Kentucky Owl Trustee shall send a revised Sale Notice to the Sale Notice Parties. The Sale Objection Deadline will be extended such that Fifth Third and Bardstown will have an additional five (5) days to object in accordance with the Sale Procedures;

vii. any such transactions shall be subject to the terms of the documentation executed in connection with such transaction, which documentation may (but is not required to) include provisions that buyers are taking the Assets "as is" and "where is," without any representations or warranties from the Kentucky Owl Trustee, Fifth Third, Bardstown, or any other party, including without limitation any representation or warranty as to condition, merchantability, fitness for a particular purpose, storage conditions, leakage, evaporation, quality, or compliance with applicable law, and shall be free and clear of all liens, claims, interests, and encumbrances, with any such liens, claims, interests, and encumbrances attaching only to the sale proceeds with the same validity, extent, and priority as immediately prior to the Sale, to the maximum extent permitted by section 363 of the Bankruptcy Code;

viii. the Kentucky Owl Trustee may consummate a Sale prior to the Sale Objection Deadline if Fifth Third and Bardstown confirm that they do not object to such Sale; and

ix. each purchaser shall be afforded the protections of section 363(m) of the Bankruptcy Code as a good faith purchaser.

d. With respect to the Sales of Assets in any individual or series of related transactions to a single buyer or group of related buyers with an aggregate selling price (including all commissions, fees, taxes, and other costs) more than $10,000,000.00 and less than or equal to $20,000,000.00:

i. the Kentucky Owl Trustee is authorized to consummate such transactions without further order of the Court if the Kentucky Owl Trustee determines in the reasonable exercise of her business judgment that such transactions are in the best interest of the Debtor's estate, subject to the procedures set forth herein;

ii. the Kentucky Owl Trustee shall provide a Sale Notice (with notice by email being sufficient and effective upon transmission) to the Sale Notice Parties at least ten (10) days prior to closing or effectuating such sale or transfer;

iii. objections, if any, by the Sale Notice Parties must be in writing and state with specificity the basis for objecting and be served on the Kentucky Owl Trustee's counsel by the Sale Objection Deadline;

iv. if no written objection from any of the Sale Notice Parties is received by the Kentucky Owl Trustee's counsel by the Sale Objection Deadline, then the Kentucky Owl Trustee is authorized to immediately consummate such Sale without further approval or order of the Court;

v. if any Sale Notice Party serves on the Kentucky Owl Trustee's counsel a written objection to any such Sale, then the relevant Asset(s) shall only be sold upon withdrawal of such objection, submission of a consensual form of order resolving the objection as between the Kentucky Owl Trustee and the objecting party, upon notice to the Sale Notice Parties, or further order of the Court which may be sought on an emergency basis subject to the Court's availability;

vi. if the terms of a proposed Sale are materially amended after transmittal of the Sale Notice but prior to the Sale Objection Deadline, the Kentucky Owl Trustee shall send a revised Sale Notice to the Sale Notice Parties. The Sale Objection Deadline will be extended such that the Sale Notice Parties will have an additional five (5) days to object in accordance with the Sale Procedures;

vii. any such transactions shall be subject to the terms of the documentation executed in connection with such transaction, which documentation may (but is not required to) include provisions that buyers are taking the Assets "as is" and "where is," without any representations or warranties from the Kentucky Owl Trustee, Fifth Third, Bardstown, or any other party, including without limitation any representation or warranty as to condition, merchantability, fitness for a particular purpose, storage conditions, leakage, evaporation, quality, or compliance with applicable law, and shall be free and clear of all liens, claims, interests, and encumbrances, with any such liens, claims, interests, and encumbrances attaching only to the sale proceeds with the same validity, extent, and priority as immediately prior to the Sale, to the maximum extent permitted by section 363 of the Bankruptcy Code; and

viii. the Kentucky Owl Trustee may consummate a Sale prior to the Sale Objection Deadline if the Sale Notice Parties confirm that they do not object to such Sale; and

ix. each purchaser shall be afforded the protections of section 363(m) of the Bankruptcy Code as a good faith purchaser.

3. Pursuant to section 363(f) of the Bankruptcy Code, any sale of Assets in accordance with this Order shall be free and clear of any liens, claims, encumbrances, and interests (including,

without limitation any liens, claims and interests of Fifth Third and Bardstown), with any such liens, claims, encumbrances and interests to attach to the proceeds of such sale with the same validity, priority, force and effect as such liens, claims, encumbrances and interests had on the sold Assets immediately prior to the Sale, subject to the rights, claims, defenses and obligations, if any, of the Kentucky Owl Trustee and all interested parties with respect to any such asserted liens, claims, encumbrances, and interests.

4. All proceeds of Sales shall be deposited, used, and applied in accordance with the Court's orders governing use of cash collateral entered in the Debtor's chapter 11 case from time to time. Nothing in this Order shall prejudice, limit, or waive Bardstown's right to assert claims, defenses, priorities, or allocation rights with respect to Sale proceeds (including without limitation claims arising from unpaid storage, handling, custody, preservation, insurance, or removal costs, whether arising under contract, statute, or applicable non-bankruptcy law) subject to and to the accordance with Paragraph 7 of this Court's *Twelfth Stipulation and Agreed Order Regarding the Final Order Authorizing Debtors' Use of Cash Collateral and Granting Adequate Protection to Fifth Third Bank, National Association and Related Relief* entered on October 30, 2025.

5. The Kentucky Owl Trustee will use commercially reasonable efforts to avoid any extraordinary operational burdens on Bardstown and other storage handlers in connection with removal of such Assets.

6. The Sale Procedures shall not apply to any sale of Assets to an "insider" or affiliate of the Debtor as that term is defined in section 101(31) of the Bankruptcy Code.

7. These Sales Procedures shall no longer apply to sales of any Assets and shall terminate upon the earlier occurrence of (i) the satisfaction in full of Fifth Third's and Bardstown's secured claims; and (ii) the confirmation of a chapter 11 plan.

8. The absence of a timely objection to the Sale in accordance with the Sale Procedures and the terms of this order shall constitute "consent" under section 363(f)(2) only with respect to liens, claims, encumbrances against, and other interests in, to and against the Assets expressly identified in the applicable Sale Notice.

9. The Kentucky Owl Trustee is authorized and empowered to take and perform all actions necessary to close the Sales, to obtain the proceeds thereof, and implement and effectuate the relief granted in this Order, including, without limitation, executing and delivering any required documents.

10. During the Debtor's chapter 11 case, the Kentucky Owl Trustee will provide to the Sale Notice Parties a written summary report within thirty (30) days after each calendar month (to the extent Sales were consummate in the relevant month) concerning all Sales made pursuant to the Sale Procedures (including the names of the purchasing parties and types and amounts of the Sales). The Kentucky Owl Trustee's reporting obligations with respect Sales shall terminate following the Kentucky Owl Trustee's submission of a report thirty (30) days after confirmation of a chapter 11 plan.

11. The noticing procedures as set forth in this Order and Motion are hereby approved. Within three (3) business days after entry of this Order, the Kentucky Owl Trustee shall serve this order by first-class mail (and / or email as applicable) upon i) the U.S. Trustee; (ii) counsel for the Committee; (ii) counsel to Fifth Third; (iii) Bardstown; (iv) counsel to the Creditors' Committee; and (v) all parties in interest who have formally appeared and requested notice in Kentucky Owl's Chapter 11 Case. On or about the same date, the Kentucky Owl Trustee shall publish this order on the Kentucky Owl Trustee's case information website (located at https://cases.stretto.com/KentuckyOwl). Service of this Order and as applicable, the Sale Notice

on the Sale Notice Parties and publication thereof in the manner described in this Order, to the extent required by the Sale Procedures, constitutes good and sufficient notice of the Sale of the Assets free and clear of any liens, claims, encumbrances, and interests, pursuant to section 363(f) of the Bankruptcy Code. No other or further notice is required.

12. All persons or entities that participate in the sale process shall be deemed to have knowingly and voluntarily submitted to the exclusive jurisdiction of this Court with respect to all matters related to the Sale Procedures.

13. With respect to all Sales consummated pursuant to this Order, this Order is sufficient evidence of the transfer of title to any particular buyer, and the Sales consummated pursuant to this Order will be binding upon and will govern the acts of all persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the property sold pursuant to this Order.

14. Sales shall be deemed authorized pursuant to the terms of this Order and no further or additional waivers of the fourteen-day stay of Bankruptcy Rule 6004(h) shall be required for the Kentucky Owl Trustee to consummate any Sale, subject to compliance with the Sale Procedures.

15. The Sale Procedures shall not apply to the sale, transfer, release or abandonment of any causes of action of the Debtor or the Debtor's estate, and the Kentucky Owl Trustee shall not sell or release any causes of action of the Debtor or the Debtor's estates in connection with any Sale other than with respect to causes of action specifically related to the Asset subject to such Sale (*e.g.* rights of setoff and similar causes of action).

16. All Sales agreed to by the Debtor between the date of the filing of the Motion and the date of this Order are, to the extent that such Sales are consistent with the procedures set forth herein, hereby approved, the Debtor are hereby authorized to take all steps necessary to consummate such Sales, and the findings of fact and conclusions of law in this Order shall apply to such Sales.

17. Nothing contained herein prejudices the rights of the Kentucky Owl Trustee to seek separate authorization for the sale of any asset under section 363 of the Bankruptcy Code or abandonment of any asset under section 554 of the Bankruptcy Code.

18. Nothing in this Order constitutes (a) an admission as to the validity of any claim against the Debtor; (b) a waiver of the Debtor's or any party in interest's rights to dispute the amount of, basis for, or validity of any claim or interest under applicable law or nonbankruptcy law; (c) a promise or requirement to pay any claim; (d) a waiver of the Debtor's or any other party in interest's rights under the Bankruptcy Code or any other applicable law; (e) a request for or granting of approval for assumption of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code; or (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates.

19. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion under the circumstances and the requirements of Bankruptcy Rule 6004(a) and the Bankruptcy Local Rules are satisfied by such notice.

20. Notwithstanding the applicability of Bankruptcy Rule 6004(h) or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

21. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

22. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the Motion or the implementation, interpretation, and enforcement of this Order.

 # # # END OF ORDER # # #

Order submitted by:

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