

Exhibit III-7. Sample Order Regarding Estimation of Claims Through Summary Trial

**United States Bankruptcy Court, E.D. Missouri,
Eastern Division.
In re APEX OIL COMPANY, et al., Debtors.
In re UNITED STATES of America
DEPARTMENT OF ENERGY, Claimant.
Bankruptcy Nos. 87-03804-BSS, 87-03818-BSS, and 87-03805-BSS.**

October 3, 1988.

Pursuant to *Rule 16 of the Federal Rules of Civil Procedure*, as incorporated by Bankruptcy Rule 7016, and *11 U.S.C. § 502(c)*, the Court hereby orders that the following summary trial procedures shall apply for estimation of the above cited Claims:

Pretrial Procedures

I. Stipulation

1. The Claimant and Objectors shall meet, identify and stipulate in writing to the primary components of the Claims.
2. Components listed shall be identified by Roman Numerals.
3. This list shall be filed with the Court on or before October 14, 1988.
4. If the parties are unable to agree upon all of the components comprising the Claims, they shall file with the Court and serve upon the Examiner such stipulated list of components which have been agreed upon. Additionally each party and the Examiner shall file with the Court a concise list of components they believe should be included as comprising the Claims. Each party and the Examiner shall simultaneously file with the Court a memorandum in support of their respective lists, which shall not exceed two (2) pages (including exhibits) per proposed component. The memorandum in entirety (including the list and exhibits) may not exceed ten (10) pages. All lists and memoranda under this paragraph shall be filed with the Court on or before October 19, 1988.

II. Statement of Claim

5. Claimant shall identify with particularity all the elements of each component, in a numbered list. This list shall be filed with the Court and served upon opposing counsel and the Examiner no later than October 28, 1988.
6. Each element of Claimant's list should refer to the specific regulations upon which the element is based.

III. Objections

7. The Objectors shall jointly file a Response to the Claimant's list by either admitting or denying each element. With respect to each denial, the Objectors shall state the reason for such denial. The Objectors shall also admit or deny the applicability of the specified regulation. This Response is to be filed with the Court and served on opposing counsel and the Examiner no later than November 9, 1988.

8. Any element of Claimant's list not specifically objected to shall be deemed admitted for purposes of this estimation proceeding.

IV. Discovery

9. All parties shall be permitted to utilize full discovery procedures pursuant to *Rules 27-37 of the Federal Rules of Civil Procedure*, except that the total number of interrogatories propounded to each party shall be limited to twenty (20) pursuant to Rule 8(A) of the United States District Court Rules for the Eastern District of Missouri.

10. On or before November 16, 1988, all parties shall file with the Court a list of witnesses to be called to testify at the estimation trial. All persons identified as witnesses shall attend the trial regardless of whether he or she is called to testify by the offering party.

11. No witnesses other than those listed may testify at the estimation trial.

12. On or before December 14, 1988, all parties shall file with the Court and serve on opposing counsel their proposed findings of fact and proposed conclusions of law. Each shall be listed under the component of the Claims to which it applies.

13. On or before December 14, 1988, each party shall file with the Court and serve upon opposing counsel and the Examiner a trial brief, not to exceed 30 pages in length (including exhibits).

14. On December 14, 1988, each party shall file with the Court a written list of the components comprising the claim (see paragraphs 1 and 4 above). Each party shall assign to each component a value which they believe represents the allowed amount of such component, plus interest, if any, which may have accrued.

15. Any objections to discovery (e.g., interrogatories, requests, etc.) shall be made within five (5) business days of receipt of such discovery requests and parties will be available for expedited hearings to resolve such objections.

V. Examiner

16. The Examiner shall receive and monitor all written discovery and attend all depositions and meetings between the parties. The Examiner shall also attend the estimation trial.

17. The Examiner is charged with facilitating compliance with this Order within the context of his role as mediator. He shall continue his efforts to encourage settlement of this matter.

Trial Procedures

VI. Trial Structure

18. The estimation trial shall commence on December 21, 1988.

19. Claimant shall have a total of six (6) hours to present its case to the Court. The Objectors (collectively) shall have a total of six (6) hours to present their case to the Court.

20. The oral presentation shall be organized in the manner of a typical trial:

A. Each party shall make an opening statement and then present their respective case-in-chief in accordance with paragraph 21 below.

B. The attorneys may identify available witnesses, comment on any evidence and quote directly from depositions, interrogatories, requests for admissions, documentary evidence, and sworn statements of potential witnesses (hereinafter "Attorney Presentation"). However, witnesses' testimony or documentary evidence may not be referred to unless the reference is based upon one of the products of the various discovery procedures or upon a written sworn statement of the witnesses if such witness is in the Courtroom.

C. Each party may present testimony through witnesses.

D. Objections to Attorney Presentations will be received based upon counsel going beyond the limits of propriety in presenting statements as to evidence of argument thereon. All evidence presented or described by counsel shall be admissible if it has any tendency to make the existence of any fact that is of consequence to the determination of the action more probable or less probable than it would be without evidence, except that counsel may not introduce evidence if its probative value is substantially outweighed by the danger of undue prejudice or confusion of the issues.

21. The parties are free to divide their allotted time among the above segments as they see fit, but in no event shall the total time allotted to each party exceed six (6) hours.

22. Each party will have 45 minutes additional time within which to make any concluding remarks.

23. Each party must be represented at trial by an individual with full settlement authority and a thorough knowledge of the case. This individual must be present throughout the estimation trial. This requirement can be waived only by order of the Court and upon a showing of extraordinary circumstances.

24. Objectors shall number their trial exhibits with Arabic numbers. Claimants shall number their exhibits with letters. Joint exhibits shall be marked in Roman numerals. The parties shall exchange copies of their binders (identified in paragraph 25 below) and shall provide the Court with three (3) copies of each set, on or before December 14, 1988.

25. All exhibits shall be organized in the following manner:
- A. All evidence supporting a component shall be bound together in a binder and identified by a Roman numeral corresponding to the Roman numeral assigned to that component under paragraph two (2) above.
 - B. Each binder shall be organized by the element of each component. Each binder shall contain an index listing the evidence therein and listing the proposed findings of fact and conclusions of law which each exhibit supports. Binders shall be filed with the Court on or before December 14, 1988.
 - C. Each binder shall contain a brief statement, not to exceed five (5) pages, summarizing the evidence therein.
 - D. Claimant's binders shall be under red cover.
 - E. Objectors' binders shall be under blue cover.
 - F. Portions of exhibits extrinsic to the element of a component shall be eliminated from the binder (e.g., only that portion of an affidavit, deposition or document supporting an element may be included in the binder).
26. Any pleading submitted shall bear the style as set forth on page one of this Order.
27. The Court reserves the right to order specific supplemental procedures, modification of these procedures or other relief for particular claims upon written motion of any party involved in the hearing of such claims.