

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
LAREDO DIVISION**

<b>IN RE:</b>	§	
<b>L.O.G. ENERGY EXPOLRATION, LTD.,</b>	§	<b>CHAPTER 11 CASE</b>
<b>DEBTOR.</b>	§	<b>CASE NO. 13-50114</b>
	§	
	§	
	§	

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**MICHAEL B. SCHMIDT, CHAPTER 11  
TRUSTEE  
PLAINTIFF,**

**v.**

**L.O.G. ENERGY EXPLORATION,  
LTD.; L.O.G. ENERGY  
DEVELOPMENT, LTD.; THOMAS  
ALAN LAMONT; MAST SOUTH  
TEXAS INTERESTS, LP; L.O.G.  
ENERGY MANAGEMENT, LLC; HAL’S  
LANDING, LTD.; HAL’S  
ENTERTAINMENT & MANAGEMENT  
SERVICES, LLC; MAST  
MANAGEMENT, LLC  
DEFENDANTS.**

**ADVERSARY PROCEEDING**

**NO. \_\_\_\_\_**

**PLAINTIFF’S ORIGINAL COMPLAINT AND REQUEST  
FOR DECLARATORY JUDGMENT**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Now comes MICHAEL B. SCHMIDT, CHAPTER 11 TRUSTEE (“Plaintiff or “Trustee”), by and through his undersigned counsel and files this Original Complaint (hereafter “Complaint”) pursuant to Rule 7001 of the Federal Rules of Bankruptcy Procedure, complaining of L.O.G. Energy Exploration, Ltd. (“LOG Exploration” or “Debtor”), L.O.G. Energy Development, Ltd. (“LOG Development”), Thomas Alan Lamont (“Lamont”), Mast South Texas Interests, LP (“Mast”), Mast Management, LLC (“Mast Management”), L.O.G. Energy Management, LLC (“LOG Management”), Hal’s Landing, Ltd. (“Hal’s Landing”), Hal’s

Entertainment & Management Services, LLC (“Hal’s Entertainment & Management”) (collectively, the “Defendants”), and would show the Court as follows:

### **I. JURISDICTION AND VENUE**

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Venue for this adversary proceeding is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409. This is a proceeding to determine the estate’s interest in certain property, for damages for fraud, and for the recovery of fraudulent transfers, and thus, is a core proceeding pursuant to 28 U.S.C. §§ 157(b) (2) (A), (H) and (O).

### **II. PARTIES**

2. Plaintiff is the Court appointed Chapter 11 Trustee (the “Trustee”) in the above referenced bankruptcy case. He was appointed by Court Order dated October 10, 2013.

3. Defendant, L.O.G. Energy Exploration, Ltd. is a Texas limited partnership in good standing with the Secretary of the State of Texas, and may be served with process in this action by mailing first class mail, postage prepaid, a true and correct copy of this Original Complaint to its registered agent Alison White Haynes at 6909 Springfield Avenue, Suite 200, Laredo, Texas 78041, with a copy to its attorney of record, William B. Kingman, 4040 Broadway, Suite 450, San Antonio, Texas 78209.

4. Defendant, L.O.G. Energy Development, Ltd. is a Texas limited partnership in good standing with the Secretary of the State of Texas, and may be served with process in this action by mailing first class mail, postage prepaid, a true and correct copy of this Original Complaint to its registered agent Alison White Haynes at 6909 Springfield Avenue, Suite 200, Laredo, Texas 78041, with a copy to its attorney of record Eric B. Terry, 2161 NW Military Highway, San Antonio, Texas 78213.

5. Defendant, Thomas Alan Lamont is an individual residing in the State of Texas, and may be served with process in this action by mailing first class mail, postage prepaid, a true and correct copy of this Original Complaint to 104 Azinger, Laredo, Texas 78045, with a copy to his attorney of record Eric B. Terry, 2161 NW Military Highway, San Antonio, Texas 78213.

6. Defendant, Mast South Texas Interests, LP is a Texas limited partnership not in good standing with the Secretary of the State of Texas, and may be served with process in this action by mailing first class mail, postage prepaid, a true and correct copy of this Original Complaint to its registered agent Thomas A. Lamont at 7615 North Bartlett Avenue, Laredo, Texas 78041.

7. Defendant, L.O.G. Energy Management, LLC is a Texas limited liability company in good standing with the Secretary of the State of Texas, and may be served with process in this action by mailing first class mail, postage prepaid, a true and correct copy of this Original Complaint to its registered agent Alison White Haynes at 6909 Springfield Avenue, Suite 200, Laredo, Texas 78041.

8. Defendant, Hal's Landing, Ltd. is a Texas limited partnership in good standing with the Secretary of the State of Texas, and may be served with process in this action by mailing first class mail, postage prepaid, a true and correct copy of this Original Complaint to its registered agent Alison White Haynes at 6909 Springfield Avenue, Suite 200, Laredo, Texas 78041.

9. Defendant, Hal's Entertainment & Management Services, LLC is a Texas limited liability company in good standing with the Secretary of the State of Texas, and may be served with process in this action by mailing first class mail, postage prepaid, a true and correct copy of

this Original Complaint to its registered agent Alison White Haynes at 6909 Springfield Avenue, Suite 200, Laredo, Texas 78041.

10. Defendant, Mast Management, LLC, is a Texas limited liability company in good standing with the Secretary of State of Texas, and may be served with process in this action by mailing first class mail, postage prepaid, a true and correct copy of this Original Complaint to its registered agent Alison White Haynes at 6909 Springfield Avenue, Suite 200, Laredo, Texas 78041.

### **III. GENERAL BACKGROUND AND FACTS**

#### ***A. Debtor and Related Entity Operations.***

11. LOG Development and the Debtor each filed partnership documents with the secretary of the State of Texas on December 20, 2006. Prior to December, 2006, Lamont and a business partner were involved in Ricochet Energy, Inc. ("Ricochet") and its related entities (collectively, the "Ricochet Entities"). In 2006, Lamont and his business partner had reached an impasse with respect to the Ricochet Entities. As a result of the impasse, Lamont and his business partner split. As part of the business split, the Ricochet Entities transferred one half of their working interest in approximately 70-80 wells, a dozen leases, and undeveloped prospects to LOG Development (Lamont set up LOG Development and the Debtor in anticipation of his split from the Ricochet Entities). Additionally, the Ricochet Entities caused a small amount of royalty interests to be transferred to LOG Energy Investments, Ltd. (not a defendant in this suit). As part of the business split, Lamont personally received the entire ownership interest of Hal's Landing, Hal's Entertainment & Management and Hal's Entertainment, Ltd., which owns and operates a dining and entertainment establishment in Laredo, Texas; these entities are not involved in the oil and gas industry.

12. Initially, after the business split, Ricochet continued operating the wells and leases in which LOG Development owned a one half working interest. LOG Development received income from its working interests and royalty interests received from the Ricochet entities, but did not operate any of the wells.

13. Upon information and belief, Lamont formed the Debtor for the purposes of operating oil and gas properties. Lamont is the manager of the Debtor and prior to the Trustee's appointment was responsible for making all decisions on behalf of the Debtor. The general partner of the Debtor is LOG Management, and Lamont and his wife are the limited partners of the Debtor. Lamont and his wife are the members and directors of LOG Management. The Debtor has never had employees; however, LOG Management staffed as many as five employees prior to the Petition Date, June 14, 2013. Upon information and belief, LOG Management was formed for the purpose of developing oil and gas prospects and marketing those prospects to investors. The Debtor was tasked with operating those wells after they were drilled.

14. Upon information and belief, the Debtor's sources of income were from operating fees that working interest owners paid for drilling or completing a well (operating) and revenue from the sale of oil and gas and condensate products (revenue) attributable to its interests and non-operators' interests to outside third parties. Some of this revenue was subject to joint operating agreements between the Debtor and the working interest partners on certain wells. However, the Debtor did not execute a joint operating agreement with the working interest partners on many of the wells the Debtor operated. Upon information and belief, the Debtor issued joint interest billing ("JIB") statements to the working interest partners on a monthly basis to collect each working interest partners' proportionate share of the costs associated with a particular well. Upon information and belief, numerous working interest partners fell behind on

their JIB payments to the Debtor resulting in significant debts owed to the Debtor. Upon information and belief, the Debtor continued to make monthly production revenue payments to some working interest partners despite the unpaid JIB's.

***B. Transfers to Insider Entities***

15. Upon information and belief, the Debtor made numerous transfers to partnerships or other entities with common or related ownership. Upon information and belief, the funds to make these transfers came from funds that the Debtor was required by law to hold in "suspense" on behalf of production royalty owners that could not be located or on behalf of working interest partners. Upon information and belief, the Debtor never actually segregated these "suspense" funds from its "revenue" bank account. The comingled "suspense" funds were transferred from the Debtor's revenue account to Development, Hal's Landing, and Mast. Hereafter, the term "suspense" will be used to refer to the funds which the Debtor received but did not remit to royalty owners or working interest owners; these funds were also required to be held in a segregated account. *See generally*, Texas Natural Resources Code §91.401, *et seq.*

16. The Debtor claims that it loaned these "suspense" funds to these partnerships with the expectation that the "borrowers" would repay the Debtor. Upon information and belief, between 2009 and 2011, the Debtor transferred \$815,000 of "suspense" funds to Development from the Debtor's revenue account. On July 6, 2012, after the funds had already been transferred, Lamont signed a promissory note on behalf of Development, promising to repay the funds to the Debtor over time. Upon information and belief, Development has not made any payments back to the Debtor. These funds should have been held in trust by the Debtor for the benefit of royalty interest owners or working interest owners.

17. Upon information and belief, from 2009 to 2011, the Debtor transferred \$2,255,305.25 of “suspense” funds to Hal’s Landing from the Debtor’s revenue account. On July 6, 2012, after the funds had already been transferred, Lamont signed a promissory note on behalf of Hal’s Landing, promising to repay the funds over time. Upon information and belief, Hal’s Landing has not made any payments back to the Debtor. These funds should have been held in trust by the Debtor for the benefit of royalty interest owners or working interest owners.

18. Upon information and belief, the Debtor transferred funds that were held in “suspense” for the benefit of royalty owners and or working interest owners to Mast. Upon information and belief, Mast has not made any payments back to the Debtor. These funds should have been held in trust by the Debtor for the benefit of royalty interest owners or working interest owners.

***C. Debtor’s Transfers to Working Interest Partners***

19. As previously mentioned, the Debtor received revenue from the sale of oil and gas and condensate product. The Debtor deposited these funds into the “revenue” bank account. Upon information and belief, at the end of each month, the Debtor sent JIB invoices to all working interest owners to collect the working interest owners’ proportionate share of costs associated with each well. The collected JIB funds were deposited into the Debtor’s “operating” account. The Debtor would then pay each working interest owner its proportionate share of production revenue from the proceeds collected in the “revenue” account.

20. Many of the Debtor’s working interest partners became delinquent on their monthly JIB payments to the Debtor. Despite the unpaid JIB liabilities, the Debtor continued making production revenue payments to those working interest owners with outstanding JIB liability. The Debtor was required by law to withhold the monthly production revenue payments

to working interest owners with outstanding JIB obligations and apply or offset those funds to the delinquent working interest partners' JIB liability. Therefore, the Debtor should have withheld the production payments to working interest partners and paid them into the Debtor's operating account to pay the operating costs. A significant amount of those costs went unpaid and are now borne by the Debtor's creditors in its bankruptcy proceeding.

21. From 2009 through the Petition Date, the Debtor continued making monthly working interest revenue payments to Development, Mast, and Montecristo even though each of these entities had outstanding and unpaid JIB liability to the Debtor. Upon information and belief, the Debtor made these transfers during times when it was insolvent.

22. Additionally, upon information and belief, immediately after the Debtor filed for Chapter 11 protection, the Debtor, at Lamont's instruction, "reduced" LOG Development and Mast's JIB liability to the Debtor. Upon information and belief, Lamont instructed the Debtor's bookkeeper to simply erase from the ledger significant sums of accounts receivable both Mast and LOG Development owed to the Debtor. The Debtor utilized Wolfepak software to track income and divide revenue and expenses among the working interest partners. Upon information and belief, immediately after responding to requests for production under a Rule 2004 examination of the Debtor, Lamont instructed his bookkeeper to make those fraudulent erasures. The end result is that the Debtor's records, vis-à-vis Wolfepak show a significant reduction in JIB liability of Mast and LOG Development. Upon information and belief, at Lamont's instruction, the Debtor wrote down Development's JIB liability to the Debtor by over \$3 million. Upon information and belief, the Debtor never withheld working interest revenue payments to Development or Mast on account of unpaid JIB liability to the Debtor.

***D. Lamont's Involvement***



23. The Debtor is a Texas limited partnership. Its general partner is LOG Management, and its limited partners are Lamont and his wife. LOG Management is a Texas limited liability company. Lamont and his wife are the only two members and directors of LOG Management. Apparently, only Lamont controlled the day-to-day operations of the Debtor and was responsible for making decisions on behalf of the Debtor.

24. Development is also Texas limited partnership. Its general partner is also LOG Management, and its limited partners are Lamont and his wife. Again, Lamont controlled the day-to-day operations of Development and was responsible for making decisions on behalf of Development.

25. Mast is a Texas limited partnership. Its registered agent is Lamont. Its general partner is Mast Management. Lamont and his wife are the two sole members and directors of Mast Management. Upon information and belief, only Lamont controlled the day-to-day operations of Mast and was responsible for making decisions on behalf of Mast. Lamont has also testified that —somehow—Mast is a trust or its partnership interests are held in trust for the benefit of his two children; Lamont has stated that he is the trustee.

26. Hal's Landing is a Texas limited partnership. Its general partner is Hal's Entertainment & Management. Lamont and his wife are the two sole members and directors of Hal's Entertainment & Management. Upon information and belief, only Lamont controlled the day-to-day operations of Hal's Landing, and only Lamont was responsible for making decisions on behalf of Hal's Landing.

27. Lamont was the operations manager, officer and director of the Debtor, Development, Hal's Landing and Mast and the general partners for each of the partnerships. As the responsible person for these entities, he used them in concerted efforts for his personal

benefit. With little to no corporate oversight, Lamont manipulated corporate accounting records, improperly transferred funds, and paid working interest owners to the detriment of other creditors, in an attempt to keep his partnerships solvent.

#### **IV. CLAIMS**

##### **A. Claims against L.O.G. Energy Exploration, Ltd. and LOG Energy Management, LLC**

##### **COUNT I – FRAUDULENT TRANSFER**

28. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

29. 11 U.S.C. § 548(a) provides, in pertinent part, that:

“The trustee may avoid any transfer (including any transfer to or for the benefit of an insider under an employment contract) of an interest of the debtor in property, or any obligation . . . incurred by the debtor, that was made or incurred on or within 2 years before the date of the filing of the petition, if the debtor voluntarily or involuntarily—

(A) made such transfer or incurred such obligation with the actual intent to hinder, delay, or defraud any entity to which the debtor was or became, on or after the date that such transfer was made or such obligation was incurred, indebted; or

(B)(i) received less than a reasonably equivalent value in exchange for such transfer or obligation; and

(ii)(I) was insolvent on the date that such transfer was made or such obligation was incurred, or became insolvent as a result of such transfer or obligation;

(II) was engaged in business or a transaction, or was about to engage in business or a transaction, for which any property remaining with the debtor was an unreasonably small capital;

(III) intended to incur, or believed that the debtor would incur, debts that would be beyond the debtor’s ability to pay as such debts matured; or

(IV) made such transfer to or for the benefit of an insider, or incurred such obligation to or for the benefit of an insider, under an employment contract and not in the ordinary course of business.”

11 U.S.C. § 548(a)(1).

30. Alternatively, pursuant to 11 U.S.C. § 544(b), the Trustee may assert rights under the Texas Uniform Fraudulent Transfer Act (“UFTA”), which states in relevant part:

- (a) A transfer made or obligation incurred by a debtor is fraudulent as to a creditor, whether the creditor’s claim arose before or within a reasonable time after the transfer was made or the obligation was incurred, if the debtor made the transfer or obligation:
  - (1) with the actual intent to hinder, delay or defraud any creditor of the debtor; or
  - (2) without receiving a reasonably equivalent value in exchange for the transfer or obligation, and the debtor:
    - (A) was engaged or was about to engage in a business or a transaction for which the remaining assets of the debtor were unreasonably small in relation to the business or transaction; or
    - (B) intended to incur, or believed or reasonably should have believed that the debtor would incur, debts beyond the debtor’s ability to pay as they became due.

Tex. Bus. & Comm. Code § 24.005

TUFTA is incorporated by 11 U.S.C. § 544. Under the TUFTA, Plaintiff can avoid fraudulent transfers occurring within four (4) years prior to the Petition Date. Tex. Bus. & Comm. Code § 24.010.

31. Between 2009 and 2011, the Debtor and LOG Management transferred \$815,000 to LOG Development. Upon information and belief, these funds were “suspense” funds that the Debtor and LOG Management comingled in its revenue account. The Debtor and LOG Management then attempted to disguise this transfer<sup>1</sup> as a loan by drafting a note dated July 6, 2012 between the Debtor and LOG Development for the repayment of the \$815,000 transferred. The note was drafted and signed after the money was transferred to LOG Development. Upon

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<sup>1</sup> While the singular “transfer” is used in this Complaint, more than one “transfer” occurred as the transfer or Defendants, and in particular, Lamont., felt that the transferee Defendants needed cash.

information and belief, LOG Development has not made any payments back to the Debtor on account of this transfer.

32. LOG Development is an insider of the Debtor and shares common ownership with the Debtor.

33. Pursuant to 11 U.S.C. § 548, this transfer constitutes an avoidable fraudulent transfer. LOG Development did not give consideration for the \$815,000 transferred, and the Debtor and LOG Management were insolvent at the time of the transfer (or transfers) or, alternatively, became insolvent as a result of the transfer. Debtor and LOG Management made the transfer with the intent to hinder, delay or defraud its creditors. Furthermore, this transfer is recoverable from LOG Development under 11 U.S.C. § 550 as LOG Development was the initial transferee of the cash transfer.

34. Alternatively, pursuant to the TUFTA, this transfer constitutes an avoidable fraudulent transfer. TUFTA may be asserted by the Trustee under 11 U.S.C. § 544. The Debtor and LOG Management made the transfer with the actual intent to delay, hinder or defraud its creditors and did not receive any value from LOG Development in exchange of the transfer. Numerous badges of fraud are present in the Debtor's and LOG Management's conduct which allows the Court to find actual intent. This transfer may be avoided pursuant to § 24.008(1) of the TUFTA.

## **COUNT II – FRAUDULENT TRANSFER**

35. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

36. Between 2009 and 2011, the Debtor and LOG Management transferred \$2,255,305.25 to Hal's Landing. Upon information and belief these funds were "suspense"

funds that the Debtor and LOG Management comingled in its revenue account. The Debtor and LOG Management then attempted to disguise this transfer as a loan by drafting a note dated July 6, 2012 between the Debtor and Hal's Landing for the repayment of the \$2,255,305.25 transfer. The note was drafted and signed after the money was transferred to Hal's Landing. Upon information and belief, Hal's Landing has not made any payments to the Debtor and LOG Management on account of this transfer.

37. Lamont is the individual in control<sup>2</sup> of the Debtor, LOG Management and Hal's Landing.

38. Pursuant to 11 U.S.C. § 548, this transfer constitutes an avoidable fraudulent transfer. Hal's Landing did not give consideration for the \$2,255,305.25 transfer, and the Debtor and LOG Management were insolvent at the time of the transfer or alternatively, became insolvent as a result of the transfer. Debtor and LOG Management made the transfer with the intent to hinder, delay or defraud its creditors. Furthermore, this transfer is recoverable from Hal's Landing under 11 U.S.C. § 550 as Hal's Landing was the initial transferee of the cash transfer.

39. Alternatively, pursuant to the TUFTA, this transfer constitutes an avoidable fraudulent transfer. TUFTA may be asserted by the Trustee under 11 U.S.C. § 544. The Debtor and LOG Management made the transfer with the actual intent to delay, hinder or defraud its creditors and did not receive any value from Hal's Landing in exchange of the transfer. Numerous badges of fraud are present in the Debtor's and LOG Management's conduct which

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<sup>2</sup> Lamont directly or indirectly controlled all of the Defendant entities. He was a director, the senior officer, or managing member or controlled the entities which were the managing members or general partners of the various Defendants.

allows the Court to find actual intent. This transfer may be avoided pursuant to § 24.008(1) of the TUFTA.

### **COUNT III – FRAUDULENT TRANSFER**

40. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

41. The Debtor and LOG Management, by issuing instructions to the bookkeeper, caused LOG Development's JIB liability to be decreased by over \$3 million even though LOG Development did not make any payments or provide any value to the Debtor and LOG Management that would support the decrease in JIB liability. Upon information and belief, the Debtor's and LOG Management's management instructed the bookkeeper to make an accounting entry in the Debtor's accounting records managed through Wolfpacke software that erased over \$3 million in JIB's recorded in the Debtor's books.

42. Upon information and belief, this transfer took place in August, 2013.

43. Pursuant to 11 U.S.C. § 548, this transfer constitutes an avoidable fraudulent transfer. LOG Development did not give consideration for the \$3 million in JIB liability reduction, and the Debtor and LOG Management were insolvent at the time of the transfer or alternatively, became insolvent as a result of the transfer. Debtor and LOG Management made the transfer with the intent to hinder, delay or defraud its creditors. Furthermore, this transfer is recoverable from LOG Development under 11 U.S.C. § 550 as LOG Development was the beneficial transferee of the transfer.

44. Alternatively, pursuant to the TUFTA, this transfer constitutes an avoidable fraudulent transfer. TUFTA may be asserted by the Trustee under 11 U.S.C. § 544. The Debtor and LOG Management made the transfer with the actual intent to delay, hinder or defraud its

creditors and did not receive any value from LOG Development in exchange of the transfer. Numerous badges of fraud are present in the Debtor's and LOG Management's conduct which allows the Court to find actual intent. This transfer may be avoided pursuant to § 24.008(1) of the TUFTA.

#### **COUNT IV – FRAUDULENT TRANSFER**

45. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

46. The Debtor and LOG Management, through its bookkeeper, caused Mast's liability to be decreased even though Mast did not pay its outstanding JIB's or provide any value to the Debtor and LOG Management that would support the decrease in JIB liability. Upon information and belief, the Debtor's and LOG Management's management instructed the bookkeeper to make an accounting entry in the Debtor's accounting records managed through Wolfpacke software that erased JIB liability recorded in the Debtor's books.

47. Upon information and belief, this transfer took place in August, 2013.

48. Pursuant to 11 U.S.C. § 548, this transfer constitutes an avoidable fraudulent transfer. Mast did not give consideration for the reduction in its JIB liability, and the Debtor and LOG Management were insolvent at the time of the transfer or alternatively became insolvent as a result of the transfer. Debtor and LOG Management made the transfer with the intent to hinder, delay or defraud its creditors. Furthermore, this transfer is recoverable from Mast under 11 U.S.C. § 550, for Mast was the beneficial transferee of the transfer.

49. Alternatively, pursuant to the TUFTA, this transfer constitutes an avoidable fraudulent transfer. TUFTA may be asserted by the Trustee under 11 U.S.C. § 544. The Debtor and LOG Management made the transfer with the actual intent to delay, hinder or defraud its

creditors and did not receive any value in exchange of the transfer. Numerous badges of fraud are present in the Debtor's and LOG Management's conduct which allows the Court to find actual intent. This transfer may be avoided pursuant to § 24.008(1) of the TUFTA.

#### **COUNT V – FRAUDULENT TRANSFER**

50. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

51. From 2009 through the Petition Date, the Debtor and LOG Management made monthly production revenue payments to LOG Development on account of LOG Development's working interest in certain wells. Upon information and belief, during this time period, LOG Development did not timely pay its corresponding JIB obligations for the wells on which it received monthly production revenue payments.

52. Upon information and belief, despite the fact that LOG Development did not pay its monthly JIB obligations to the Debtor, the Debtor and LOG Management continued to pay LOG Development its portion of the production revenue payments. In 2012 alone, LOG Development received over \$500,000 in working interest production revenue payments. During this time, LOG Development owed JIB payments to the Debtor, and the Debtor and LOG Management should have withheld revenue payments or offset these payments against LOG Development's outstanding JIB liability.

53. Instead, the Debtor and LOG Management fraudulently transferred funds from 2009 through the Petition Date to LOG Development. The Debtor and LOG Management had actual knowledge from its own records that LOG Development had outstanding JIB liability at the time the Debtor and LOG Management made production revenue payments to LOG Development.



54. Pursuant to 11 U.S.C. § 548, these transfers constitute avoidable fraudulent transfers. LOG Development did not give consideration for the production revenue payments while its JIB liability to the Debtor remained. The Debtor and LOG Management were insolvent at the time of the transfer or alternatively became insolvent as a result of the transfer. Debtor and LOG Management made the transfers with the intent to hinder, delay or defraud its creditors. Furthermore, these transfers are recoverable from LOG Development under 11 U.S.C. § 550 as LOG Development was the beneficial transferee of the transfer.

55. Alternatively, pursuant to the TUFTA, these transfers constitute avoidable fraudulent transfers. TUFTA may be asserted by the Trustee under 11 U.S.C. § 544. The Debtor and LOG Management made the transfers with the actual intent to delay, hinder or defraud its creditors and did not receive any value in exchange of the transfer. Numerous badges of fraud are present in the Debtor's and LOG Management's conduct which allows the Court to find actual intent. These transfers may be avoided pursuant to § 24.008(1) of the TUFTA.

#### **COUNT VI – FRAUDULENT TRANSFER**

56. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

57. From 2009 through the Petition Date, the Debtor and LOG Management made monthly production revenue payments to Mast on account of Mast's working interest in certain wells. Upon information and belief, during this time period, Mast did not timely pay its corresponding JIB obligations for the wells on which it received monthly production revenue payments.

58. Upon information and belief, despite the fact that Mast did not pay its monthly JIB obligations to the Debtor, the Debtor and LOG Management continued to pay Mast its

portion of the production revenue payments. During this time, Mast owed JIB payments to the Debtor, and the Debtor and LOG Management should have withheld revenue payments or offset these payments against Mast's outstanding JIB liability.

59. Instead, the Debtor and LOG Management fraudulently transferred funds from 2009 through the Petition Date to Mast. The Debtor and LOG Management had actual knowledge from its own records that Mast had outstanding JIB liability at the time the Debtor and LOG Management made production revenue payments to Mast.

60. Pursuant to 11 U.S.C. § 548, these transfers constitute avoidable fraudulent transfers. Mast did not give consideration for the production revenue payments while its JIB liability to the Debtor remained. The Debtor and LOG Management were insolvent at the time of the transfers or alternatively, became insolvent as a result of the transfers. Debtor and LOG Management made the transfers with the intent to hinder, delay or defraud its creditors. Furthermore, these transfers are recoverable from Mast under 11 U.S.C. § 550, for Mast was the beneficial transferee of the transfers.

61. Alternatively, pursuant to the TUFTA, these transfers constitute avoidable fraudulent transfers. TUFTA may be asserted by the Trustee under 11 U.S.C. § 544. The Debtor and LOG Management made the transfers with the actual intent to delay, hinder or defraud its creditors and did not receive any value in exchange of the transfer. Numerous badges of fraud are present in the Debtor's and LOG Management's conduct which allows the Court to find actual intent. These transfers may be avoided pursuant to § 24.008(1) of the TUFTA.

#### **COUNT VII – BREACH OF FIDUCIARY DUTY**

62. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

63. The elements for breach of fiduciary duty are: 1) the plaintiff and defendant had a fiduciary relationship, 2) the defendant breached its fiduciary duty to the plaintiff, and 3) the defendant's breach resulted in a) injury to the plaintiff, or b) benefit to the defendant.

64. The Debtor and LOG Management had a fiduciary duty to creditors to act in the best interest of the creditor. As the Chapter 11 trustee, Plaintiff steps into the shoes of the creditors of the Debtor and asserts the claims for breach of fiduciary duty on behalf of the Debtor's creditors.

65. The Debtor and LOG Management, through its bookkeeper, caused LOG Development's JIB liability and the Debtor's corresponding receivable to be decreased by over \$3 million, even though LOG Development did not pay this amount or provide any value to the Debtor or LOG Management that would support the decrease in JIB liability.

66. This act resulted in over \$3 million in lost revenue that would have been used to pay creditors, and alternatively, benefitted LOG Development by decreasing its liabilities by over \$3 million.

#### **COUNT VII – BREACH OF FIDUCIARY DUTY**

67. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

68. The Debtor and LOG Management had a fiduciary duty to creditors to act in their best interest. The Plaintiff steps into the shoes of the creditors of the Debtor and assumes the claims for breach of fiduciary duty on behalf of the Debtor's creditors.

69. The Debtor and LOG Management, through its bookkeeper, caused Mast's JIB liability to be decreased even though Mast did not make any JIB payments or provide any value to the Debtor and LOG Management that would support the decrease in JIB liability.

70. This act resulted in lost revenue that would have been used to pay creditors, and alternatively, benefitted Mast by decreasing its liabilities.

#### **COUNT IX – POSTPETITION TRANSFER**

71. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

72. As alleged previously, the Debtor and LOG Management transferred over \$3 million to LOG Development by forgiving receivables that LOG Development owed to the Debtor. LOG Development did not provide any value or consideration for the Debtor's and LOG Management's "forgiving" over \$3 million of liability to the Debtor.

73. This transfer occurred in August of 2013, months after the Petition Date and shortly after one of the Debtor's creditors noticed the Debtor for a Rule 2004 examination and served the Debtor with a Subpoena Duces Tecum.

74. 11 U.S.C. § 549 allows a trustee to avoid a transfer of property of the estate that occurs after the commencement of the case.

75. The receivable was property of the estate. It was transferred to LOG Development for no value or consideration and therefore is avoidable under 11 U.S.C. § 550.

#### **B. Claims against L.O.G. Energy Development, Ltd. and LOG Energy Management, LLC**

#### **COUNT I – FRAUDULENT TRANSFER**

76. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

77. As alleged herein, LOG Development and LOG Management was the recipient of a fraudulent transfer in the amount of \$815,000 from the Debtor received between 2009 and 2011.

78. Pursuant to 11 U.S.C. § 550, Plaintiff may recover this transfer from LOG Development and LOG Management, the initial transferee of the \$815,000 transfer.

79. Pursuant to the TUFTA, Plaintiff may recover this transfer from LOG Development and LOG Management under § 24.008 made applicable to this proceeding by 11 U.S.C. § 544.

### **COUNT II – FRAUDULENT TRANSFER**

80. As alleged herein, LOG Development and LOG Management was the recipient of a fraudulent transfer in the amount of over \$3 million when the Debtor improperly wrote off LOG Development's JIB liability from the Debtor's books in August, 2013.

81. Pursuant to 11 U.S.C. § 550, Plaintiff may recover this transfer from LOG Development and LOG Management, the initial transferee of the transfer.

82. Pursuant to the TUFTA, Plaintiff may recover this transfer from LOG Development and LOG Management under § 24.008 made applicable to this proceeding by 11 U.S.C. § 544.

### **COUNT III – FRAUDULENT TRANSFER**

83. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

84. As alleged herein, LOG Development and LOG Management continued to receive working interest production revenue payments despite the fact it was not paying its

monthly JIB payments. These payments constitute fraudulent transfers from the Debtor to LOG Development and LOG Management.

85. Pursuant to 11 U.S.C. § 550, Plaintiff may recover these transfers from LOG Development and LOG Management, the initial transferee of the transfer.

86. Pursuant to the TUFTA, Plaintiff may recover these transfers from LOG Development and LOG Management under § 24.008 made applicable to this proceeding by 11 U.S.C. § 544.

#### **COUNT IV – POSTPETITION TRANSFER**

87. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

88. As alleged herein, LOG Development and LOG Management was the recipient of a post-petition transfer in the amount of over \$3 million when the Debtor improperly wrote off LOG Development's JIB liability from the Debtor's books in August, 2013.

89. Pursuant to 11 U.S.C. § 550, Plaintiff may recover this transfer from LOG Development and LOG Management, the initial transferee of the transfer.

#### **C. Claims against Hal's Landing, Ltd. and Hal's Entertainment & Management Services, LLC**

#### **COUNT I – FRAUDULENT TRANSFER**

90. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

91. As alleged, between 2009 and 2011, the Debtor made fraudulent transfers to Hal's Landing and Hal's Entertainment & Management the amount of at least \$2,255,305.25.

92. Pursuant to 11 U.S.C. § 550, Plaintiff may recover this transfer from Hal's Landing and Hal's Entertainment & Management, the initial transferees of the \$2,255,305.25 transfer.

93. Pursuant to the TUFTA, Plaintiff may recover this transfer from Hal's Landing and Hal's Entertainment & Management under § 24.008 made applicable to this proceeding by 11 U.S.C. § 544.

**D. Claims against Mast South Texas Interests, LP and Mast Management, LLC**

**COUNT I – FRAUDULENT TRANSFER**

94. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

95. As alleged herein, Mast and Mast Management continued to receive working interest production revenue payments despite the fact the monthly JIB payments were neither deducted nor paid. These payments constitute fraudulent transfers from the Debtor to Mast and Mast Management. In the alternative, the Debtor may recover the net difference between the revenue payments and the JIB obligations.

96. Pursuant to 11 U.S.C. § 550, Plaintiff may recover the value of these transfers from Mast and Mast Management, the initial transferees.

97. Pursuant to the TUFTA, Plaintiff may recover these transfers from Mast and Mast Management under § 24.008 made applicable to this proceeding by 11 U.S.C. § 544.

**COUNT II – FRAUDULENT TRANSFER**

98. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

99. As alleged herein, Mast and Mast Management were the recipient of a fraudulent transfer in the value of the amount the Debtor improperly wrote off Mast's JIB liability from the Debtor's books in August, 2013.

100. Pursuant to 11 U.S.C. § 550, Plaintiff may recover this transfer from Mast and Mast Management, the initial transferees of the transfer.

101. Pursuant to the TUFTA, Plaintiff may recover this transfer from Mast and Mast Management under § 24.008 made applicable to this proceeding by 11 U.S.C. § 544.

### **COUNT III – POSTPETITION TRANSFER**

102. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

103. As alleged herein Mast and Mast Management were the recipients of a fraudulent transfer in the value of the amount the Debtor improperly wrote off Mast's JIB liability from the Debtor's books in August, 2013.

104. Pursuant to 11 U.S.C. § 550, Plaintiff may recover this transfer from Mast and Mast Management, the initial transferee of the transfer.

#### **E. Claims against Thomas Alan Lamont**

### **COUNT I – FRAUD**

105. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

106. The elements for common law fraud are: 1) the defendant made a representation to plaintiff, 2) the representation was material, 3) the representation was false, 4) when the defendant made the representation, a) the representation was false, or b) made the representation recklessly, as a positive assertion, and without knowledge of its truth, 5) the defendant made the



representation with the intent that the plaintiff act on it, 6) the plaintiff relied on the representation, and 7) the representation caused the plaintiff injury.

107. Lamont is liable for common law fraud when he caused the Debtor to improperly write off over \$3 million worth of receivables owed from LOG Development to the Debtor. In response to a subpoena duces tecum issued under Fed. R. Bankr. P. 2004 by Baker Hughes, a creditor of the Debtor, Lamont instructed the Debtor's bookkeeper to decrease LOG Development's JIB amount owed to the Debtor by over \$3 million.

108. In documents produced pursuant to the 2004 examination, the Debtor represented that LOG Development owed the Debtor \$4,616,520.80 as of October 31, 2012. Then, in the August, 2013 monthly operating report filed by the Debtor, it represents that LOG Development's JIB liability to the Debtor was \$28,787.13. Upon information and belief, LOG Development did not make any payments to the Debtor from October 31, 2012 through August, 2013. Only after the 2004 examinations of the Debtor and other parties, did the Debtor amend the August, 2013 monthly operating report to indicate a JIB liability of LOG Development greater than \$28,787.13.

109. These representations are material in that they involve a discrepancy of over \$3 million in estate assets that vanished overnight without any payment or consideration from LOG Development.

110. These representations are false.

111. Lamont knew that LOG Development had not made any payments to the Debtor that would reduce the JIB liability and that erasing the receivable on the Debtor's books was a false representation.

112. Lamont made this representation so that the Debtor's creditors would rely on the misrepresentation that LOG Development owed far less to the Debtor than it actually did. The creditors relied on the representation.

113. Creditors were injured by the representation. The representation materially diminished an asset of the estate which could be used to pay creditors.

**COUNT II – FRAUD**

114. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

115. Lamont is liable for common law fraud when he caused the Debtor to improperly write off over receivables owed from Mast to the Debtor. In response to a subpoena duces tecum issued under Fed. R. Bankr. P. 2004 by Baker Hughes, a creditor of the Debtor, Lamont instructed the Debtor's bookkeeper to adjust Mast's JIB amount owed to the Debtor.

116. In documents produced pursuant to the 2004 examination, the Debtor represented that Mast owed the Debtor \$376,314.43 as of October 31, 2012. Then in the August, 2013 monthly operating report filed by the Debtor, it represents that Mast's JIB liability to the Debtor was \$32,228.44. Upon information and belief, Mast did not make any payments to Debtor from October 31, 2012 through August, 2013.

117. These representations are material in that they involve a discrepancy of over \$300,000 in estate assets that vanished overnight without any payment or consideration from Mast.

118. These representations are false.

119. Lamont knew that Mast had not made any payments to the Debtor that would reduce the JIB liability, and that erasing the receivable on the Debtor's books was a false representation.

120. Lamont made this representation so that the Debtor's creditors would rely on the misrepresentation that Mast owed far less to the Debtor than it actually did. The creditors relied on the representation.

121. Creditors were injured by the representation. The representation materially diminished an asset of the estate which could be used to pay creditors.

### **COUNT III – BREACH OF FIDUCIARY DUTY**

122. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

123. As the limited partner and member/director of the general partner of the Debtor, Lamont was the responsible party for the Debtor. He handled the operations of the Debtor and owed a fiduciary duty to the Debtor and its creditors.

124. Lamont breached his fiduciary duty to the Debtor and its creditors when he caused the Debtor to transfer \$815,000 to LOG Development between 2009 and 2011. Lamont then attempted to disguise this transfer as a loan by drafting a note dated July 6, 2012 between the Debtor and LOG Development for the repayment of the \$815,000 transfer. The note was drafted and signed after the money was transferred to LOG Development. Lamont signed the note on behalf of LOG Development, the "borrower." Upon information and belief, LOG Development has not made any payments back to the Debtor on account of this transfer.

125. The Debtor and its creditors were injured by the improper transfer of cash, in that the Debtor had fewer resources to operate and creditors had fewer resources from which to collect.

#### **COUNT IV – BREACH OF FIDUCIARY DUTY**

126. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

127. As the limited partner and member/director of the general partner of the Debtor, Lamont was the responsible party for the Debtor. He handled the operations of the Debtor and owed a fiduciary duty to the Debtor and its creditors.

128. Lamont breached his fiduciary duty to the Debtor and its creditors when he caused the Debtor to transfer \$2,255,305.25 to Hal's Landing between 2009 and 2011. Lamont then attempted to disguise this transfer as a loan by drafting a note dated July 6, 2012 between the Debtor and Hal's Landing for the repayment of the \$2,255,305.25 transfer. The note was drafted and signed after the money was transferred from Debtor to Hal's Landing. Lamont signed the note on behalf of Hal's Landing, the "borrower." Upon information and belief, Hal's Landing has not made any payments back to the Debtor on account of this transfer.

129. The Debtor and its creditors were injured by the improper transfer of cash, in that the Debtor had fewer resources to operate and creditors had fewer resources from which to collect.

#### **COUNT V – BREACH OF FIDUCIARY DUTY**

130. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

131. Lamont breached his fiduciary duty to the Debtor and its creditors when he caused LOG Development's JIB liability to the Debtor be decreased by over \$3 million even though LOG Development did not pay this amount or provide any value to the Debtor that would support the decrease in JIB liability. This breach resulted in material harm to the Debtor in the form of losing over \$3 million in assets. Upon information and belief, Lamont instructed the Debtor's bookkeeper to make an accounting entry in the Debtor's accounting records managed through Wolfpacke software that erased over \$3 million in JIB's recorded in the Debtor's books.

132. Upon information and belief, this transfer took place in August, 2013.

#### **COUNT VI – BREACH OF FIDUCIARY DUTY**

133. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

134. Lamont breached his fiduciary duty to the Debtor and its creditors when he caused Mast's JIB liability to the Debtor be decreased even though Mast did not pay or provide any value to the Debtor that would support the decrease in JIB liability. This breach resulted in material harm to the Debtor in the form of losing material assets. Upon information and belief, Lamont instructed the Debtor's bookkeeper to make an accounting entry in the Debtor's accounting records managed through Wolfpacke software that decreased the amount of JIB's recorded in the Debtor's books.

135. Upon information and belief, this transfer took place in August, 2013.

#### **COUNT VII – BREACH OF FIDUCIARY DUTY**

136. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

137. From 2009 through the Petition Date, the Debtor, at the instruction of Lamont, made monthly production revenue payments to LOG Development on account of LOG Development's working interest in certain wells. Upon information and belief, during this time period, LOG Development did not timely pay its corresponding JIB obligations for the wells on which it received monthly production revenue payments.

138. Upon information and belief, despite the fact that LOG Development did not pay its monthly JIB obligations to the Debtor, the Debtor, at Lamont's instruction, continued to pay LOG Development its working interest portion of the production revenue payments. In 2012 alone, LOG Development received over \$500,000 in working interest production revenue payments. During this time, LOG Development owed JIB payments to the Debtor, and Lamont should have instructed the Debtor to withhold revenue payments or offset these payments against LOG Development's outstanding JIB liability.

139. Instead, the Debtor, at Lamont's instruction, transferred funds from 2009 through the Petition Date to LOG Development. These transfers constitute breaches of fiduciary duty that Lamont owed to the Debtor and its creditors. The Debtor and its creditors were injured by the amount of the monthly production revenue payments LOG Development received from 2009 through the Petition Date.

#### **COUNT VIII – BREACH OF FIDUCIARY DUTY**

140. Plaintiff repeats and re-alleges each of the allegations of the foregoing paragraphs as if they were fully set forth herein.

141. From 2009 through the Petition Date, the Debtor, at the instruction of Lamont, made monthly production revenue payments to Mast on account of Mast's working interest in certain wells. Upon information and belief, during this time period, Mast did not timely pay its

corresponding JIB obligations for the wells on which it received monthly production revenue payments.

142. Upon information and belief, despite the fact that Mast did not pay its monthly JIB obligations to the Debtor, the Debtor, at Lamont's instruction, continued to pay Mast its working interest portion of the production revenue payments. During this time, Mast owed JIB payments to the Debtor, and Lamont should have instructed the Debtor to withhold revenue payments or offset these payments against Mast's outstanding JIB liability.

143. Instead, the Debtor, at Lamont's instruction, transferred funds from 2009 through the Petition Date to LOG Development. These transfers constitute breaches of fiduciary duty that Lamont owed to the Debtor and its creditors. The Debtor and its creditors were injured by the amount of the monthly production revenue payments Mast received from 2009 through the Petition Date.

**F. Claims against LOG Energy Management, LLC, Hal's Entertainment & Management Services, LLC, Mast Management, LLC and Thomas Alan Lamont**

**COUNT I**

144. Lamont and his wife are the members and directors of LOG Management. LOG Management is the general partner of the Debtor and LOG Development.

145. Lamont and his wife are the members and directors of Hal's Landing Entertainment & Management. Hal's Landing Entertainment & Management is the general partner of Hal's Landing.

146. Lamont and his wife are the members and directors of Mast Management. Mast Management is the general partner of Mast.

147. The corporate veil of LOG Management, Hal's Landing Entertainment & Management and Mast Management, should be pierced as these entities are alter egos and have been used as a sham to perpetrate fraud on Plaintiff. Upon information and belief, LOG Management, Hal's Entertainment & Management and Mast Management were organized and operated as a mere tool or business conduit of the Debtor, LOG Development, Hal's Landing, Mast and Lamont. At all times, these entities were run by and for the benefit of Lamont, the Debtor, LOG Development, Hal's Landing and Mast and are the agents and instrumentalities through which they conducted business. Thus LOG Management, Hal's Entertainment & Management and Mast Management were nothing more than alter egos of Lamont.

148. Lamont had control over LOG Management and Hal's Entertainment & Management, and instructed them to commingle funds and to divert funds from the Debtor to LOG Development, Hal's Landing and Mast.

149. A finding of alter-ego is appropriate where the entity is used as a mere tool or business conduit of another entity or individual. Alter-ego is shown from the total dealings of the entity and the individual. Courts have generally described alter-ego indicia as follows: (a) whether the corporation has been used for personal purposes; (b) the amount of financial interest, ownership and control the individual maintains over the corporation; (c) the degree to which corporate formalities have been kept; and (d) the degree to which corporate and individual property have been kept separate.

150. To perpetuate fraud, fraudulent transfers and breach of fiduciary duties on Plaintiff, Lamont siphoned corporate revenues to his own benefit and to the benefit of other insiders. In addition, Lamont had Hal's Landing and the Debtor issue promissory notes to try to cover up the insider transfers.



151. The Trustee requests that declaratory judgment - - pursuant to Fed. R. Civ. P. 57 and 28 U.S.C. § 2201, be entered declaring that LOG Management, Hal's Entertainment & Management and Mast Management are alter egos of Lamont and as such, all liability against LOG Management, Hal's Entertainment & Management and Mast Management should be determined to be the liability of Lamont.

**V. RECOVERY OF ATTORNEY'S FEES AND EXPENSES  
AND EXEMPLARY DAMAGES**

152. Plaintiff requests recovery of his reasonable and necessary attorney's fees and out-of-pocket expenses incurred in connection with the prosecution of this lawsuit. Attorney's fees and expenses may be recovered under TUFTA at §24.013.

153. Plaintiff is also entitled to attorney's fees pursuant to the Texas Natural Resources Res. Code §91.402 for reasonable attorney's fees incurred in litigation concerning recovery of suspense funds.

154. Furthermore, Plaintiff requests the Court award exemplary damages under Texas Civil Practice & Remedies Code § 41.003.

WHEREFORE, PREMISES CONSIDERED, Plaintiff prays that the Court enter a judgment against Defendants as follows:

- (1) set aside the fraudulent transfers from the Debtor to LOG Development and/or LOG Management;
- (2) set aside the fraudulent transfers from the Debtor to Hal's Landing and/or Hal's Entertainment & Management;
- (3) set aside the fraudulent transfers from the Debtor to Mast and/or Mast Management;
- (4) set aside the post-petition transfers from the Debtor to LOG Development and/or LOG Management;

- (5) set aside the post-petition transfers from the Debtor to Mast and/or Mast Management;
- (6) enter judgment against the Debtor, Lamont, and/or LOG Management for breach of fiduciary duty for an amount to be determined by the Court;
- (6) enter judgment against Lamont for fraud for an amount to be determined by the Court;
- (7) declare that Lamont is the alter ego of LOG Management, Hal's Entertainment & Management and Mast Management;
- (8) award pre-judgment interest as allowed by law; award post-judgment interest at the highest prevailing rate from date of judgment until paid; award all costs of court and reasonable attorney's fees as provided by statute;
- (9) and for such other relief, at law or equity, to which the Trustee may be justly entitled.

Dated: July 28, 2014

Respectfully submitted,

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