

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA

IN RE:

STELERA WIRELESS, LLC,
Debtor.

Case No. 13-13267
(Chapter 11)

**DEBTOR'S EX PARTE APPLICATION FOR
ORDER REGULATING NOTICES, WITH BRIEF**

Stelera Wireless, LLC, the Debtor-In-Possession ("Debtor") moves the Court for an Order regulating noticing requirements with respect to the proceedings within this case pursuant to 11 U.S.C. §§ 105(a), 363 and 365, and Bankruptcy Rules 2002(m) and 9006, 9007. Debtor seeks to establish two notice lists in this case, one consisting of all parties listed on Debtor's mailing matrix, controlling specified motions (the "Complete Notice List"), and another, limited list controlling all other matters in this case (defined below as the "Official Service List"). In support of this Application, Debtor states as follows:

I. JURISDICTION AND STATUTORY PREDICATE

1. Debtor filed its petition under Chapter 11 of the United States Bankruptcy Code ("Code"), on July 18, 2013 (the "Filing Date").
2. Debtor continues to operate its remaining business and manage its affairs as debtor in possession pursuant to 11 U.S.C. §§ 1107 and 1108.
3. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334.
4. This matter presents a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A).
5. Venue is properly in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

6. The statutory predicates for the relief sought herein is 11 U.S.C. 105(a), 363 and 365. In addition, the relief requested in the Motion is appropriate under Bankruptcy Rules 2002(m) and 9006, 9007.¹

II. BACKGROUND

7. Debtor formerly specialized in providing broadband services to consumers and businesses in rural markets in the United States.

8. On or about May 31, 2013, Debtor ceased all internet services and effectively ceased all regular business operations.

9. Debtor had in excess of 5000 customers prior to the time it ceased operations, the vast majority of whom paid monthly for internet service (the “Customers”).

10. Debtor has only one secured debt, a loan (the “Government Loan”) from the United States of America, on behalf of itself and by and through the Department of Agriculture, Rural Utilities Service and the Department of Justice (collectively the “Government”).

11. Debtor granted the Government a first and preferred security interest in the FCC Licenses and all of Debtor’s assets as security for repayment of the Government Loan.

12. Debtor owes in excess of \$24,000,000.00 under the Government Loan.

13. Other than the FCC Licenses, Debtor has no other assets of any significant value.

14. Debtor’s intent is to repay a portion of the secured Government Loan through one or more sales of its FCC Licenses.

15. The contemplated sales will still leave a deficiency owed to the Government of more than \$2,000,000.00, and there will not be any funds for distribution to general, non-priority unsecured creditors.

¹ All references to sections or codes, unless otherwise noted, are made to the United States Bankruptcy Code, 11 U.S.C. §§ 101 et seq. and referred to herein as the “Bankruptcy Code.”

III. RELIEF REQUESTED

16. In excess of 5000 creditors and parties in interest may be entitled to receive notice in this case. As such, notice of all documents filed in this case to each creditor and party in interest would be extremely burdensome and costly to the estate.

17. Debtor requests that the Court enter its Order establishing a limited notice list (the “Official Service List”) to be comprised of:

- (a) Debtor;
- (b) all Debtor’s professionals;
- (c) the Office of the United States Trustee for the Western District of Oklahoma;
- (d) all known or alleged secured creditors;
- (e) the 20 largest unsecured, non-insider creditors of Debtor;
- (f) all known LLC Members of Debtor;
- (g) Verizon and its counsel of record;
- (h) Parties contracting with Debtor as Stalking Horse Bidders;
- (i) the U.S. Department of Agriculture – Rural Utilities Service and its counsel of record;
- (j) all members of any official committee that may be appointed;
- (k) all counsel for, and any professional retained by, any official committee that may be appointed;
- (l) the United States Attorneys’ Office for the Western District of Oklahoma;
- (m) the U.S. Department of Justice;
- (n) the Internal Revenue Service;
- (o) any person who has entered his or her appearance and requested notices in this case pursuant to Bankruptcy Rule 2002;
- (p) any indenture trustee of the Debtor;

- (q) any other governmental entity to the extent required to receive notice under either the Bankruptcy Rules or Local Rules.

18. Debtor will file the Official Service List within three business days after the Order approving this Motion. The Debtor will update the Official Service List to include the name and address of any party in interest, who has made a written request for notice, weekly for the first month after filing of the initial Official Service List (as necessary), then monthly until confirmation of a plan of reorganization (or conversion or dismissal of this case).

19. The Debtor requests that parties have the option to serve the parties on the Official Service List by U.S. mail, e-mail, hand delivery, or facsimile (the choice being in parties' sole discretion).

20. The proceedings with respect to which notice would be limited to the Official Service List shall include all matters covered by Bankruptcy Rule 2002, *with the express exception* of the following:

- (a.) notice of the first meeting of creditors pursuant to § 341 of the Bankruptcy Code;
- (b.) notice of the time fixed for filing objections to, and the hearings to consider any motion seeking approval of a sale of a portion of the Debtor's assets pursuant to section 363 of the Bankruptcy Code, and any bid procedures or related relief with respect to such a sale transaction;
- (c.) the time fixed by the Court, only to the extent this case remains in Chapter 11, for filing proofs of claim pursuant to Bankruptcy Rule 3003(c);
- (d.) the time fixed for filing objections to, and the hearings to consider, approval of a disclosure statement and confirmation of a plan of reorganization;
- (e.) notice and transmittal of ballots for accepting or rejection a plan of reorganization, if any; and
- (f.) any other matter that may be deemed necessary for service to the Complete Service List.

Notice of items (a.) through (f.) immediately above, shall be given to the Complete Service List, which is comprised all parties listed on Debtor's mailing matrix in accordance with Bankruptcy Rule 2002, unless the Court orders, or the Bankruptcy Code prescribes, otherwise.

21. Further, Debtor will provide a written copy of the Order granting this Motion to the Complete Service List.

22. Additionally, the Debtor proposes to seek Court approval to retain American Legal Claim Services, LLC ("ALCS") as its authorized noticing agent in this case. ALCS has agreed to undertake responsibility, in place of the Court Clerk, for all mailings directed by the Court or the United States Trustee, or required by the Bankruptcy Code, the Bankruptcy Rules, or the Local Rules, including the initial notice of Debtor's bankruptcy filing.

23. Further as part of ALCS's proposed retention, all pleadings and other documents filed in this Chapter 11 case shall be available for parties in interest to view free of charge at ALCS's website, with the address of <http://www.americanlegalclaims.com/stelera>. The website shall also contain general case information, access to service lists, a parallel case docket available to the public at no charge, and a list of important dates, including all hearing dates. If Debtor's case is dismissed, the website shall be discontinued. If the Debtor's case is converted to a case under Chapter 7 of the bankruptcy code, the website will be discontinued, but shall for a reasonable period of time provide contact information of the panel Chapter 7 trustee appointed over the converted bankruptcy case.

24. Notice of the availability of said web address, and of such web postings shall be given to all parties on the Complete Service List along with the notice of Debtor's meeting of creditors. A copy of this proposed notice is attached hereto as **Exhibit 1**.

25. Further, upon the granting of this Application, Debtor intends to file Motions:

- (a.) seeking to employ The Christensen Law Group, PLLC as bankruptcy counsel;
- (b.) seeking to employ Mulnix Ogden Hall & Ludlam, PLLC as additional bankruptcy counsel;
- (c.) seeking to employ Wilkinson Barker Knauer, LLP as special FCC counsel;
- (d.) seeking to retain American Legal Claim Services, LLC as noticing agent;
- (e.) seeking to maintain Debtor's pre-petition financial systems and forms;
- (f.) seeking to establish interim compensation procedures for Debtor's professionals;
- (g.) seeking to establish bidding procedures and manner and form of notice for sale of assets; and
- (h.) seeking to sell property free and clear of liens, claims and encumbrances.

26. Debtor's notice to all parties listed on Debtor's mailing matrix, of the web site to be utilized to post pleadings, shall include notice that Debtor intends to file the motions set forth in paragraph 25 above, and that they should frequently check the web address for pleadings that may affect their substantive rights. See, Exhibit 1.

IV. BRIEF IN SUPPORT OF RELIEF REQUESTED

27. There are over six thousand parties in interest in this case. With the large number of creditors and parties in interest, Debtor would be required to expend a substantial portion of its limited cash assets in copying costs, postage charges, and other expenses associated with large mailings. Debtor, therefore, seeks to establish modified noticing requirements as described above.

28. Bankruptcy Rule 2002(m) provides that a Court may “enter orders designating the matters in respect to which, the entity to whom, and the form and manner in which notices shall be sent except as otherwise provided by these rules.”

29. Although the Official Service List would be presumed to satisfy all noticing obligations with respect to all proceedings other than those identified in paragraph 20 above, Debtor proposes to preserve the rights of parties in interest, including Debtor, to request that the Court enter an order broadening or further limiting the Official Service List if the facts and circumstances with respect to a particular proceeding so warrant.

30. The establishment of the above noticing requirements will promote Debtor’s bankruptcy case by preserving extremely limited estate assets that would otherwise be consumed by unnecessary copying, postage and related expenses. This relief will benefit the Debtor’s estate and will not prejudice the rights of any parties in interest.

31. Moreover, requiring the Court Clerk to make all mailings in this case would increase the workload, and impose an unreasonable burden on the resources, of the Clerk. The Debtor is able in this case to relieve the Court Clerk of that responsibility.

32. The requested relief is especially appropriate in this case where Debtor’s only ability to realize any value is through sales of its FCC Licenses, and where said sales will still not allow for any return to unsecured creditors.

33. The Debtor submits that the relief requested is appropriate in this Case to provide adequate notice and is within the Court’s equitable powers under §§ 105(a), 363 and 365, and Bankruptcy Rules 2002(m) and 9006, 9007.

34. Lastly, orders with respect to noticing relate to the routine administration of a case and may be entered on an ex parte basis. Therefore, Debtor requests that the Court grant the relief requested without requiring notice.

V. Prayer

WHEREFORE, Debtor respectfully requests that this Court enter an order regulating notice as described above, and further requests such other and further relief as the Court deems just and equitable.

Respectfully Submitted,

/s/ J. Clay Christensen

J. Clay Christensen
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--and--

/s/ Jeffrey E. Tate

Jeffrey E. Tate (OBA #17150)
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PROPOSED ATTORNEYS FOR DEBTOR

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA

IN RE:

STELERA WIRELESS, LLC,

Debtor.

Case No. 13-13267
(Chapter 11)

NOTICE OF FILING OF BANKRUPTCY BY STELERA WIRELESS, LLC

Please take notice that on July 18, 2013, Stelera Wireless, LLC (“Debtor”) filed a Chapter 11 bankruptcy case in the United States Bankruptcy Court for the Western District of Oklahoma, Case Number 13-13267.

Please take further notice that on July ____, 2013, the Bankruptcy Court entered its Ex Parte Order Granting Debtor’s Ex Parte Application For Order Regulating Notices, With Brief (the “Notice Order”). The Notice Order establishes one service list comprised of all parties listed on the Debtor’s mailing matrix defined therein as the “Complete Service List”. However, the Notice Order also establishes a second, “Official Service List,” that allows Debtor to send notice of certain motions and other matters to *less than* all of the Complete Service List. Consequently, you may not receive notice and/or copies of all pleadings filed in Debtor’s Chapter 11 case directly from Debtor. The proceedings with respect to which notice would be limited to the “Official Service List” shall include all matters covered by Bankruptcy Rule 2002, *with the express exception* of the following:

- (a.) notice of the first meeting of creditors pursuant to § 341 of the Bankruptcy Code;
- (b.) notice of the time fixed for filing objections to, and the hearings to consider any motion seeking approval of a sale of all or substantially all of the Debtor’s assets pursuant to section 363 of the Bankruptcy Code, and any bid procedures or related relief with respect to such a sale transaction;
- (c.) the time fixed by the Court, only to the extent this case remains in Chapter 11, for filing proofs of claim pursuant to Bankruptcy Rule 3003(c);
- (d.) the time fixed for filing objections to, and the hearings to consider, approval of a disclosure statement and confirmation of a plan of reorganization; and
- (e.) notice and transmittal of ballots for accepting or rejection a plan of reorganization, if any.
- (f.) any other matter that may be deemed necessary for service to the Complete Service List.



Notice of items (a.) through (f.) immediately above, shall be given to the Complete Service List in accordance with Bankruptcy Rule 2002, unless the Court orders, or the Bankruptcy Code prescribes, otherwise.

Please take further notice that the Notice Order not only affects whether you receive notices of pleadings, documents and other matters, it also governs any pleadings or other documents you file in the Chapter 11 case. Please read the Notice Order carefully and obtain advice of its effects from an attorney.

A copy of the Notice Order is enclosed with this notice. Also enclosed is an informational notice regarding the time, date and location of Debtor's Meeting of Creditors.

Additionally, all pleadings and other documents filed in Debtor's Chapter 11 case shall be available for you and other parties in interest to view and download online free of charge at the website address of <http://www.americanlegalclaims.com/stelera>. The website shall also contain general case information, access to service lists, a parallel case docket available to the public at no charge, and a list of important dates, including all hearing dates. If the Debtor's case is converted to a case under Chapter 7 of the bankruptcy code, the website will be discontinued, but shall for a reasonable period of time provide contact information of the panel Chapter 7 trustee appointed over the converted bankruptcy case.

Any creditor or party in interest that wishes to receive every notice in this case, and who is not otherwise entitled to such notice pursuant to the Notice Order, may file a notice of appearance (a "Notice of Appearance") and request for service of papers in accordance with Bankruptcy Rules 2002 and 9010(b). Such Notice of Appearance shall include the following information: (a) the party's name and address; (b) the name of the requestor's client, if applicable; (c) an electronic mail (i.e. e-mail) address at which the requesting party may be served; (d) an address by which the requesting party may be served by U.S. mail, hand delivery and overnight delivery; and (e) a facsimile number for the requesting party, notwithstanding Bankruptcy Rules 2002 and 9010(b).

You are further notified of Debtor's intent to very quickly file motions:

- (a.) seeking to employ The Christensen Law Group, PLLC as bankruptcy counsel;
- (b.) seeking to employ Mulinix Ogden Hall & Ludlam, PLLC as additional bankruptcy counsel;
- (c.) seeking to employ Wilkinson Barker Knauer, LLP as special FCC counsel;
- (d.) seeking to retain American Legal Claim Services, LLC as noticing agent;
- (e.) seeking to maintain Debtor's pre-petition financial systems and forms;
- (f.) seeking to establish interim compensation procedures for Debtor's professionals;

- (g.) seeking to establish bidding procedures and manner and form of notice for sale of assets; and
- (h.) seeking to sell property free and clear of liens, claims and encumbrances.

Again, the Notice Order may not require you to receive notice and/or copies of the above described pleadings directly from Debtor. However, all pleadings will be available to you free of charge at the website <http://www.americanlegalclaims.com/stelera>. You should check this website at least once to twice a week for new pleadings, dates and other matters. Further, if you desire a hard copy of any pleading or other document filed in the Chapter 11 case, you may obtain copies free of charge by contacting American Legal Services, LLC at 904-517-1442.

This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation and/or enforcement of the Notice Order.

Notwithstanding any Rule of the Federal Rules of Bankruptcy Procedure to the contrary, the Notice Order took effect immediately upon its entry on July ____, 2013.

NOTICE OF OPPORTUNITY FOR HEARING REGARDING MOTIONS TO BE FILED BY DEBTOR IN THIS CASE

Your rights may be affected by pleadings, orders and other documents filed in this case. You should frequently check the website established in this case to learn of documents and other pleadings filed in Debtor's Chapter 11 case, as well as hearing dates set by the Court. You should read each document and other pleading filed carefully and consult your attorney about your rights and the effect of each document. If you do not want the Court to grant the relief requested in a pleading, or you wish to have your views considered, you must file a written response or objection to the requested relief with the Clerk of the United States Bankruptcy Court for the Western District of Oklahoma, 215 Dean A. McGee Avenue, Oklahoma City, OK 73102, often times no later than 14 days from the date of filing this request for relief. **The 14 day period includes the three (3) days allowed for mailing provided for in Bankruptcy Rule 9006(f).**

The precise deadline to file your written response or objection will be noted in the pleading requesting relief. You should also serve a file-stamped copy of your response or objection to Debtor's counsel Jeffrey E. Tate and parties listed on the Official Service List, which can be found at <http://www.americanlegalclaims.com/stelera>. You must also file a certificate of service with the Bankruptcy Court. If no response or objection is timely filed, the Court may grant the requested relief without a hearing or further notice.

If you have any questions regarding this Notice, you may contact Debtor's counsel at the below addresses:

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PROPOSED ATTORNEYS FOR DEBTOR