

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW MEXICO

In re:

ROMAN CATHOLIC CHURCH OF THE DIOCESE
OF GALLUP, a New Mexico corporation sole,

Debtor.

Chapter 11

Case No. 13-13676-t11

APPLICATION OF THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS FOR ENTRY OF AN ORDER, PURSUANT
TO 11 U.S.C. §§ 327 AND 1103, AND FED. R. BANKR. P. 2014,
AUTHORIZING AND APPROVING THE EMPLOYMENT AND
RETENTION OF PACHULSKI STANG ZIEHL & JONES LLP AS
COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS EFFECTIVE JANUARY 6, 2014

TO: THE HONORABLE DAVID T. THUMA
UNITED STATES BANKRUPTCY JUDGE:

The Official Committee of Unsecured Creditors (the “Committee”) appointed in the above-captioned Case under chapter 11 of Title 11 of the United States Code (as amended, the “Bankruptcy Code”), hereby submits this application (the “Application”) for the entry of an order authorizing and approving the retention and employment of Pachulski Stang Ziehl & Jones LLP (“PSZJ” or the “Firm”) as counsel to the Committee in connection with the Debtor’s Case, *effective January 6, 2014*, pursuant to sections 327 and 1103 of the Bankruptcy Code and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). In support of the relief sought in the Application, the Committee submits the declaration of James I. Stang, a partner of the Firm (the “Stang Declaration”), attached hereto as **Exhibit A** and incorporated herein by reference for all purposes. In further support of its Application, the Committee respectfully states as follows:

Jurisdiction and Venue

1. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue of this proceeding and this Application is properly in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory bases for the relief requested herein are sections 327 and 1103 of the Bankruptcy Code, and Bankruptcy Rule 2014.

Background

3. On November 12, 2013 (the "Petition Date"), the Debtor commenced its Chapter 11 Case (the "Case") by filing a voluntary petition for relief under Chapter 11 of Title 11, United States Code (the "Code"). Pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code, the Debtor continues to operate as debtor in possession.

4. On December 17, 2013 the United States Trustee for Region 20 (the "U.S. Trustee") appointed seven members to the Committee.

Relief Requested

5. By this Application, the Committee respectfully requests that the Court enter an order, substantially in the form annexed hereto as **Exhibit B**, pursuant to sections 327 and 1103 of the Bankruptcy Code, and Bankruptcy Rule 2014, authorizing the Committee to employ and retain the Firm as its counsel in this Case. The Committee seeks to retain the Firm effective January 6, 2014.

Services to be Provided

6. The Committee desires to retain PSZJ, at the expense of the Debtor's estate, to render professional services as required by the Committee, including, but not limited to, the following:

- assisting, advising and representing the Committee in its consultations with the Debtor regarding the administration of this Case;
- assisting, advising and representing the Committee in analyzing the Debtor's assets and liabilities, investigating the extent and validity of liens or other interests in the Debtor's property and participating in and reviewing any proposed asset sales, any asset dispositions, financing arrangements and cash collateral stipulations or proceedings;
- reviewing and analyzing all applications, motions, orders, statements of operations and schedules filed with the Court by the Debtor or third parties, advising the Committee as to their propriety, and, after consultation with the Committee, taking appropriate action;
- preparing necessary applications, motions, answers, orders, reports and other legal papers on behalf of the Committee;
- representing the Committee at hearings held before the Court and communicate with the Committee regarding the issues raised, as well as the decisions of the Court;
- performing all other legal services for the Committee which may be necessary and proper in this Case and any related proceeding(s);
- representing the Committee in connection with any litigation, disputes or other matters that may arise in connection with this Case or any related proceeding(s);
- assisting, advising and representing the Committee in any manner relevant to reviewing and determining the Debtor's rights and obligations under leases and other executory contracts;

- assisting, advising and representing the Committee in investigating the acts, conduct, assets, liabilities and financial condition of the Debtor, the Debtor's operations and the desirability of the continuance of any portion of those operations, and any other matters relevant to this Case;
- assisting, advising and representing the Committee in its participation in the negotiation, formulation and drafting of a plan of liquidation or reorganization;
- assisting, advising and representing the Committee on the issues concerning the appointment of a trustee or examiner under section 1104 of the Bankruptcy Code;
- assisting, advising and representing the Committee in understanding its powers and its duties under the Bankruptcy Code and the Bankruptcy Rules and in performing other services as are in the interests of those represented by the Committee;
- assisting, advising and representing the Committee in the evaluation of claims and on any litigation matters, including avoidance actions; and
- providing such other services to the Committee as may be necessary in this Case or any related proceeding(s).

Terms of Retention

7. Subject to Court approval in accordance with section 330(a) of the Bankruptcy Code and any applicable Orders of this Court, compensation will be payable to PSZJ on an hourly basis, plus reimbursement of actual, necessary expenses and other charges incurred by PSZJ. Due to the unique circumstances of this Case, the Firm proposes charging hourly rates which are substantially below its regular hourly rates. The Firm proposes to charge \$650 per hour for professionals working on the Case and regular hourly rates of \$175-\$255 for paralegals;

provided that the Firm will seek interim compensation at the hourly rate of \$500 (no PSZJ professional expected to be working on the Case has a regular hourly rate below \$500 per hour) and, subject to the Committee's approval, will seek final compensation at the hourly rate of \$650 for professionals working on the Case. For the avoidance of any doubt, the Firm will not apply for final compensation at an hourly rate in excess of \$500 unless the Committee agrees.

8. It is PSZJ's policy to charge its clients in all areas of practice for all other expenses incurred in connection with the client's Case. The expenses charged to clients include, among other things, telephone and telecopier toll and other charges, mail and express mail charges, special or hand delivery charges, document retrieval, photocopying charges, charges for mailing supplies (including, without limitation, envelopes and labels) provided by PSZJ to outside copying services for use in mass mailings, travel expenses, expenses for "working meals," computerized research, transcription costs, as well as non-ordinary overhead expenses such as secretarial and other overtime. PSZJ will charge the Committee for these expenses in a manner and at rates consistent with charges made generally to PSZJ's other clients, and all amendments and supplemental standing orders of the Court. PSZJ believes that it is more appropriate to charge these expenses to the clients incurring them than to increase its hourly rates and spread the expenses among all clients.

9. During this Case, individual Committee members may pay out of pocket for certain expenses related to their service as Committee members (any such expenses "Committee Members' Expenses"). To alleviate any problems that may arise for Committee members on account of any delay in seeking and obtaining reimbursement for such expenses, PSZJ proposes to pay such expenses directly or reimburse Committee members for any such

expenses and then add such expenses to the Firm's invoices in this Case. Such expenses shall be allowable to the Firm on the same basis as other expenses incurred by the Firm in this Case.

No Adverse Interest and Disclosure of Connections

10. The Committee believes that PSZJ does not hold or represent any interest that is adverse to the Committee and the Debtor's estate and does not hold or represent any interest adverse to and has no connection with the Committee, the Debtor, its creditors or any party in interest herein in the matters upon which PSZJ is to be retained, except as set forth in the Stang Declaration. Therefore, to the best of the Committee's knowledge, PSZJ is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code.

11. The Stang Declaration, executed by James I. Stang, a partner of PSZJ, and attached as **Exhibit A** to this Application, verifies that neither PSZJ nor any of its attorneys has any connection with any party in interest, or their attorneys or accountants, other than as set forth in the Stang Declaration.

12. Except as provided in the Stang Declaration, to the best of the Committee's knowledge, neither PSZJ, nor any of its attorneys, hold or represent any interest adverse to the Committee or the Debtor's estate in the matters on which they are to be retained. The Committee submits that its proposed employment of PSZJ is in the best interests of the Committee, the Debtor, and its estate and creditors.

13. To the best of the Committee's knowledge, and except as disclosed in the Stang Declaration, PSZJ has had no other prior connection with the Debtor, its creditors or any other party in interest. Upon information and belief, PSZJ does not hold or represent any interest adverse to the Debtor's estate or the Committee in the matters upon which it has been and is to be engaged.

14. PSZJ may represent, or may have represented, debtors, creditors' committees, or trustees in Cases or proceedings against creditors of the Debtor that are unrelated to this Case. However, those matters do not present a conflict in this Case.

15. The Firm has represented, represents, and in the future will likely represent debtors and creditors' committees in Cases unrelated to the Debtor and this Case wherein one or more of the firms representing the members of the Committee or other parties in interest serve as or will serve professionals.

Notice

16. Notice of this Application has been given to the U.S. Trustee; counsel to the Debtor and all parties that filed a notice of appearance in this Case as of the date hereof. In light of the nature of the relief requested herein, the Committee submits that no other or further notice is required.

No Prior Request

17. No prior application for the relief sought herein has been made to this or any other court.

WHEREFORE, the Committee requests that this Court enter an order in this Case substantially in the form attached hereto as **Exhibit B** approving the employment of Pachulski Stang Ziehl & Jones LLP, as counsel to the Committee effective January 6, 2014 in this Case, and granting such other and further relief as is just and proper.

Dated: January 7, 2014

PACHULSKI STANG ZIEHL & JONES LLP

/s/ James I. Stang

James I. Stang, Esq.
10100 Santa Monica Boulevard, 13th Floor
Los Angeles, California 90067
Telephone: (310) 277-6910
Facsimile: (310) 201-0760
Email: jstang@pszjlaw.com

Proposed Counsel for the Official Committee of
Unsecured Creditors of the Roman Catholic Church
of the Diocese of Gallup, a New Mexico corporation sole

CERTIFICATE OF SERVICE

Pursuant to F.R.C.P. 5(b)(3), F.R.B.P. 9036 and NM LBR 9036-1(b), I hereby certify that service of the foregoing “Notice of Objection Deadline for the Debtor’s Application for an Order Authorizing the Employment of Pachulski Stang Ziehl & Jones as Counsel to the Official Committee of Unsecured Creditors” will be made on January 7, 2014 as follows:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

Ronald Andazola on behalf of U.S. Trustee United States Trustee - ronald.andazola@usdoj.gov

Susan Gayle Boswell on behalf of Debtor Bishop of the Roman Catholic Church of the Diocese of Gallup; susan.boswell@quarles.com,
kelly.webster@quarles.com;brian.lestyk@quarles.com;docketaz@quarles.com

Susan Gayle Boswell on behalf of Debtor Roman Catholic Church of the Diocese of Gallup
susan.boswell@quarles.com,
kelly.webster@quarles.com;brian.lestyk@quarles.com;docketaz@quarles.com

Robert M. Charles, Jr. on behalf of Creditor Catholic Peoples Foundation
RCharles@LRRLaw.com, BankruptcyNotices@LRRLaw.com

J. Daryl Dorsey on behalf of Interested Party Southwest Indian Foundation, Inc.
jdd@tblaw.com

Richard T. Fass on behalf of Creditor John Doe - bmccormick@perdueandkidd.com,
dkidd@perdueandkidd.com;bmccormick@perdueandkidd.com;dkurc@perdueandkidd.com

Richard T. Fass on behalf of Creditor John Doe - rfass@perdueandkidd.com,
dkidd@perdueandkidd.com;bmccormick@perdueandkidd.com;dkurc@perdueandkidd.com

Elizabeth Sarah Fella on behalf of Debtor Bishop of the Roman Catholic Church of the Diocese of Gallup - elizabeth.fella@quarles.com

Elizabeth Sarah Fella on behalf of Debtor Roman Catholic Church of the Diocese of Gallup
elizabeth.fella@quarles.com

Susan M. Freeman on behalf of Creditor Catholic Peoples Foundation -
SFreeman@LRRLaw.com

Bonnie Bassan Gandarilla on behalf of Interested Party Southwest Indian Foundation, Inc.
mbglaw@swcp.com, bbg11usc@swcp.com

Justin J. Henderson on behalf of Creditor Catholic Peoples Foundation
JHenderson@LRRLaw.com

Charles R. Hughson on behalf of Creditor St. Bonaventure Indian Mission & School
crhughso@rodey.com, jcmedfor@rodey.com

Steven D Jerome on behalf of Creditor Roman Catholic Church of the Diocese of Phoenix
sjerome@swlaw.com, mminnick@swlaw.com;docket@swlaw.com

Dennis E Jontz on behalf of Creditor Catholic Peoples Foundation
DJontz@LRRLaw.com, jhenderson@lrrlaw.com;mlucero@lrrlaw.com

Christopher R Kaup on behalf of Interested Party Southwest Indian Foundation, Inc.
crk@tblaw.com, ramchugh@tblaw.com

Donald Hamilton Kidd on behalf of Creditor John Doe
dkidd@perdueandkidd.com

Leonard K Martinez-Metzgar on behalf of U.S. Trustee United States Trustee
leonard.martinez-metzgar@usdoj.gov

George M Moore on behalf of Interested Party Southwest Indian Foundation, Inc.
mbglaw@swcp.com, gmm11usc@swcp.com

Stephanie L Schaeffer on behalf of Debtor Bishop of the Roman Catholic Church of the
Diocese of Gallup
sschaeffer@walkerlawpc.com, keggleston@walkerlawpc.com

Stephanie L Schaeffer on behalf of Debtor Roman Catholic Church of the Diocese of Gallup
sschaeffer@walkerlawpc.com, keggleston@walkerlawpc.com

James I. Stang on behalf of Creditor Committee Official Committee of Unsecured Creditors
jstang@pszjlaw.com

United States Trustee
ustpreion20.aq.ecf@usdoj.gov

Douglas R Vadnais on behalf of Creditor The Bank of Colorado d/b/a Pinnacle Bank
drv@modrall.com, doloress@modrall.com

Thomas D Walker on behalf of Debtor Bishop of the Roman Catholic Church of the Diocese of
Gallup - twalker@walkerlawpc.com, mwells@walkerlawpc.com;
sroybal@walkerlawpc.com;keggleston@walkerlawpc.com;sschaeffer@walkerlawpc.com

Thomas D Walker on behalf of Debtor Roman Catholic Church of the Diocese of Gallup
twalker@walkerlawpc.com, mwells@walkerlawpc.com; sroybal@walkerlawpc.com;
keggleston@walkerlawpc.com;sschaeffer@walkerlawpc.com

Lori Lee Winkelman on behalf of Debtor Bishop of the Roman Catholic Church of the Diocese
of Gallup - lori.winkelman@quarles.com, amelia.valenzuela@quarles.com

Lori Lee Winkelman on behalf of Debtor Roman Catholic Church of the Diocese of Gallup
lori.winkelman@quarles.com, amelia.valenzuela@quarles.com

2. SERVED BY UNITED STATES MAIL:

U.S. Trustee
P.O. Box 608
Albuquerque, NM 87103
ustpreregion20.aq.ecf@usdoj.gov

Christopher G. Linscott
Keegan, Linscott & Kenon, PC
33 North Stone Avenue, Suite 1100
Tucson, AZ 85701

Robert P. Warburton
Stelzner Law Firm
PO Box 528
Albuquerque, NM 87103

PACHULSKI STANG ZIEHL & JONES LLP

By: /s/ James I. Stang
James I. Stang

EXHIBIT A

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW MEXICO**

In re:

ROMAN CATHOLIC CHURCH OF THE DIOCESE
OF GALLUP, a New Mexico corporation sole,

Debtor.

Chapter 11

Case No. 13-13676-t11

**DECLARATION OF JAMES I. STANG IN SUPPORT OF APPLICATION
OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR
ENTRY OF AN ORDER, PURSUANT TO 11 U.S.C. §§ 327 AND 1103, AND
FED. R. BANKR. P. 2014, AUTHORIZING AND APPROVING THE
EMPLOYMENT AND RETENTION OF PACHULSKI STANG ZIEHL &
JONES LLP AS COUNSEL TO THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS EFFECTIVE JANUARY 6, 2014**

JAMES I. STANG, declares under penalty of perjury as follows:

1. I am a partner with the firm of Pachulski Stang Ziehl & Jones LLP (“PSZJ” or the “Firm”), and maintain an office at 10100 Santa Monica Boulevard, 13th Floor, Los Angeles, CA 90067. I am duly admitted to practice law in the State of California and the United States District Courts for the Southern, Eastern, Central and Northern Districts of California. I am authorized to submit this declaration (the “Declaration”) in support of the *Application of the Official Committee of Unsecured Creditors for Entry of an Order, Pursuant to 11 U.S.C §§ 327 and 1103, and Fed. R. Bankr. P. 2014, Authorizing and Approving the Employment and Retention of Pachulski Stang Ziehl & Jones LLP pro hac vice as Counsel to the Official Committee of Unsecured Creditors Effective January 6, 2014* (the “Application”).¹

2. Neither I, the Firm, nor any partner, of counsel, or associate thereof, insofar as I have been able to ascertain, has any connection with the Committee, the Debtor, its

¹ Capitalized terms not otherwise defined herein shall have the meanings and definitions ascribed to such terms in the Application.

creditors or any other parties in interest herein, their respective attorneys and accountants, the U.S. Trustee, or any person employed in the office of the U.S. Trustee, except as set forth herein.

3. The Firm has made the following investigation of disinterestedness prior to submitting this Declaration. The Firm has undertaken a full and thorough review of its computer database, which contains the names of clients and other parties interested in particular matters. The Firm requires all of its professionals, before accepting the representation of a new client, or the representation of an existing client in a new matter, to perform a conflicts check through the Firm's database and to enter conflict information regarding new clients or new matters into that database. Thus, a review of said computerized database should reveal any and all actual or potential conflicts of interest with respect to any given representation. In particular, an employee of the Firm, under my supervision, entered the name of the Debtor, the creditors of the Debtor as disclosed by it in filings with the Court, counsel to the creditors of the Debtor as disclosed by the Debtor's in Court filings, and the U.S. Trustee through the Firm's database

4. Based on the results of the Firm's search of its database, it appears that PSZJ does not hold or represent any interest adverse to and has no connection, subject to the disclosures set forth below, with the Debtor herein, its creditors, the Committee, the U.S. Trustee or any party in interest herein in the matters upon which PSZJ is to be retained, and is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code.

5. PSZJ and certain of its partners, of counsel, and associates represented, represent and in the future may represent creditors of the Debtor in connection with matters unrelated to the Debtor and this Case. At this time, the Firm is not aware of any such representations except as noted herein. If the Firm identifies any further such representations, the Firm shall make further disclosures as may be appropriate at that time.

6. The Firm has represented, represents, and in the future will likely represent debtors and creditors' committees in Cases unrelated to the Debtor and this Case wherein one or more of the firms representing the members of the Committee or other parties in interest serve as or will serve professionals.

7. Since 2004, the Firm has represented creditors committees in chapter 11 Cases involving the following entities affiliated with the Roman Catholic Church: Diocese of Spokane (Washington); Diocese of Davenport (Iowa); Diocese of San Diego (California); Diocese of Fairbanks (Alaska); Diocese of Wilmington (Delaware); Society of Jesus, Oregon Province (a five state Province); Archdiocese of Milwaukee (Wisconsin), The Christian Brothers' Institute and The Christian Brothers of Ireland, Inc.. The Firm also is consulting with counsel for sexual abuse survivors with claims against another Catholic diocese and the survivors are negotiating a settlement with the diocese. Given the confidentiality of the negotiations, I am not allowed to identify the name of the diocese. .

8. John Manly, counsel to several sexual abuse claimants in this Case (including Committee members) has represented sexual abuse claimants in Cases where the Firm has served as committee counsel. To the best of my knowledge, none of Mr. Manly's clients in those other Cases are creditors in this Case.

9. Since May 2012, the Firm consulted with John Manly and Robert Pastor (Mr. Manly's co-counsel representing sex abuse claimants in this Case) regarding this Case. The consultation included a meeting with the Debtor and certain of its professionals in 2012, occasional conference calls prior to the commencement of the Case, appearance at two hearings before the Bankruptcy Court and appearance at the first meeting of creditors. Since the commencement of the Case, I also have had several conversations with Richard Fass, counsel to

sex abuse claimants in this Case. Neither I nor the Firm has received or requested any compensation for any of the consultations, appearances or conversations.

10. The Firm periodically donates funds to organizations that advocate on behalf of sexual abuse victims and crime victims.

11. Based on the foregoing, PSZJ believes that it can represent the Committee in all of the matters for which the Committee seeks to retain the Firm.

12. PSZJ is a “disinterested person” as that term is defined in section 101(14) of the Bankruptcy Code in that the Firm, its partners, of counsel and associates:

- are not creditors, equity security holders or insiders of the Debtor;
- are not and were not, within two (2) years before the Petition Date, a director, officer, or employee of the Debtor;
- are not and were not, within three (3) years before the Petition Date, an investment banker for a security of the Debtor, or an attorney for such investment banker in connection with the offer, sale or issuance of any security of the Debtor; and
- do not have an interest materially adverse to the interests of the Debtor’s estates or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtor, or for any other reason, except as disclosed herein.

13. The Firm has not received any retainer from the Debtor or the Committee, nor has the Firm received any payment or promise of payment, during the one-year period prior to the Petition Date. No compensation has been paid or promised to be paid from a source other than the Debtor’s estate in this Case. No promises have been received by the Firm nor by any

partners, of counsel or associate thereof as to compensation in connection with this Case other than in accordance with the provisions of the Bankruptcy Code. The Firm has no agreement with any other entity to share with such entity any compensation received by the Firm in connection with this Case, except among the partners, of counsel, and associates of the Firm. Neither the Committee nor any of its representatives are or will be liable for fees or costs incurred by the Firm in its representation of the Committee.

14. Subject to Court approval in accordance with section 330(a) of the Bankruptcy Code and any applicable Orders of this Court, compensation will be payable to PSZJ on an hourly basis, plus reimbursement of actual, necessary expenses and other charges incurred by PSZJ. Due to the unique circumstances of this Case, the Firm proposes charging hourly rates which are substantially below its regular hourly rates. The Firm proposes to charge \$650 per hour for professionals working on the Case and regular hourly rates of \$175-\$255 for paralegals; provided that the Firm will seek interim compensation at the hourly rate of \$500 (no PSZJ professional expected to be working on the Case has a regular hourly rate below \$500 per hour) and, subject to the Committee's approval, will seek final compensation at the hourly rate of \$650 for professionals working on the Case. For the avoidance of any doubt, the Firm will not apply for final compensation at an hourly rate in excess of \$500 unless the Committee agrees.

15. It is the Firm's policy to charge its clients in all areas of practice for all other expenses incurred in connection with the client's Case. The expenses charged to clients include, among other things, telephone and telecopier toll and other charges, mail and express mail charges, special or hand delivery charges, document retrieval, photocopying charges, charges for mailing supplies (including, without limitation, envelopes and labels) provided by the Firm to outside copying services for use in mass mailings, travel expenses, expenses for

“working meals,” computerized research, transcription costs, as well as non-ordinary overhead expenses such as secretarial and other overtime. The Firm will charge the Committee for these expenses in a manner and at rates consistent with charges made generally to the Firm’s other clients and all amendments and supplemental standing orders of the Court. The Firm believes that it is more appropriate to charge these expenses to the clients incurring them than to increase the hourly rates and spread the expenses among all clients.

16. During this Case, individual Committee members may pay out of pocket for certain expenses related to their service as Committee members. To alleviate any problems that may arise for Committee members on account of any delay in seeking and obtaining reimbursement for such expenses, PSZJ proposes to pay such expenses directly or reimburse Committee members for any such expenses and then add such expenses to the Firm’s invoices in this Case. Such expenses shall be allowable to the Firm on the same basis as other expenses incurred by the Firm in this Case.

17. Subject to Court approval, the Committee may seek to retain various professionals during the pendency of this Case. PSZJ intends to work closely with any such professionals retained by the Committee, to ensure that there is no unnecessary duplication of services performed on behalf of the Committee or charged to the Debtor’s estates.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: Los Angeles, California
January 7, 2014

/s/ James I. Stang
James I. Stang

EXHIBIT B

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW MEXICO

In re:

ROMAN CATHOLIC CHURCH OF THE DIOCESE
OF GALLUP, a New Mexico corporation sole,

Debtor.

Chapter 11

Case No. 13-13676-t11

**ORDER AUTHORIZING AND APPROVING THE RETENTION OF
PACHULSKI STANG ZIEHL & JONES LLP AS COUNSEL TO THE
OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

Upon the Application of the Official Committee of Unsecured Creditors (the “Committee”) of the Roman Catholic Church of the Diocese of Gallup (the “Debtor”) for Entry of an Order Pursuant to 11 U.S.C. §§ 327 and 1103, and Fed. R. Bankr. P. 2014, Authorizing and Approving the Employment and Retention of Pachulski Stang Ziehl & Jones LLP as Counsel to the Committee *Effective January 6, 2014* (the “Application”);² and upon the Declaration of James I. Stang filed in support of the Application (the “Stang Declaration”); and the Court

² Capitalized terms not otherwise defined herein shall have the meanings and definitions ascribed to such terms in the Application.

having jurisdiction to consider the Application and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and this matter being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and venue being proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that the relief requested in the Application is in the best interests of the Committee, the Debtor and other parties in interest; and the Committee having provided adequate and appropriate notice of the Application under the circumstances; and after due deliberation and good and sufficient cause appearing therefor; and it appearing to the Court that the said Application should be approved.

It is HEREBY ORDERED THAT:

1. The Application is GRANTED as set forth herein.
2. The Committee is hereby authorized to retain and employ PSZJ as counsel to the Committee pursuant to sections 327 and 1103 of the Bankruptcy Code, and Bankruptcy Rule 2014 *effective January 6, 2014*.
3. PSZJ may pay any Committee Members' Expenses directly or reimburse Committee members for any Committee Members' Expenses. PSZJ may add such Committee Members' Expenses to the Firm's invoices in this Case. Such Committee Members' Expenses shall be allowable to the Firm on the same basis as other expenses incurred by the Firm in this Case.
4. PSZJ shall apply for compensation for professional services rendered and reimbursement of expenses incurred in connection with the Debtor's Case in compliance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the U.S. Trustee Guidelines, and any other applicable procedures and orders of this Court.

5. PSZJ is authorized to render professional services to the Committee as described in the Application.

6. The Committee and PSZJ are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

7. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

8. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

XXX END OF ORDER XXX