UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
UNITED STATES COURTHOUSE
515 RUSK, ROOM 4202
HOUSTON, TEXAS 77002

CHAMBERS OF
WILLIAM GREENDYKE
CHIEF JUDGE

December 10, 2002

Mary Daffin
1900 St. James Place, Suite 500
Houston, TX 77056

R. Christopher Naylor
4801 Woodway, Suite 420 West
Houston, TX 77056-1805

William E. Heitkamp
9821 Katy Freeway, Suite 590
Houston, TX 77024

David G. Peake
9660 Hillcroft, Suite 430
Houston, TX 77096

Daniel E. O'Connell
P.O. Box 13
La Porte, TX 77572

Richard Simmons
U.S. Trustee's Office
515 Rusk, Room # 3516
Houston, TX 77208

Wanda Cohen
Internal Revenue Service
8701 S. Gessner, Suite 710
Houston, TX 77074

David J. Askanase
1415 Louisiana, 37th Floor
Houston, TX 77002

Fernando D. Gutierrez
604 Matamoros
Laredo, TX 78040

Alfredo Perez
Weil, Gotshal & Manges
700 Louisiana, Suite 1600
Houston, TX 77208-1301

Fred Wahrlich
700 Louisiana. Suite 4600
Houston, TX 77002

Janet S. Casciato-Northrup
4615 Southwest Freeway
Suite 410
Houston, TX 77027

Michael Schmidt
712 American Bank Plaza
Corpus Christi, TX 78475

John Ventura
62 E. Price Road
Brownsville, TX 78521

Charles Beckman
Haynes & Boone
1000 Louisiana, Suite 4300
Houston, TX 77002

Judy Deneau
Keeling & Keeling
901 North Post Oak Blvd.
Houston, TX 77024

David R. Jones
700 Louisiana, Suite 4600
Houston, TX 77002

Richard Chapman
P.O. Box 1969
Victoria, TX 77902

Elizabeth Guffey
700 Louisiana, Suite 1900
Houston, TX 77002

Johnie Patterson
Walker & Patterson P.C.
P.O. Box 61301
Houston, TX 77208-1301

John E. Smith
1235 North Loop West
Houston, TX 77008

Jeffrey E. Spiers
Andrews & Kurth
600 Travis, Suite 4200
Houston, TX 77002

Michael Fieglein
621 Moody Street, Suite 204
Galveston, TX 77550

Re: Southern District Attorney Advisory Committee on Revision of Local Bankruptcy Rules

Dear Counsel:

Thank you for agreeing to serve on the Southern District Attorney Advisory Committee on Revision of Local Bankruptcy Rules. Judges Karen Brown and Wesley Steen have been tasked with a comprehensive revision of the local rules. The purpose of this committee is to serve as a source of ideas for drafting the rules and to serve as a sounding board for drafts of the rules.

AUTHORITY GOVERNING LOCAL RULES

Rule 9029 of the Federal Rules of Bankruptcy Procedure (FRBP) authorizes the issuance of local rules. These requirements apply:

- The local rules must be consistent with the statutes and FRBP.
- The local rules must not duplicate the statutes or FRBP.
- The local rules must not prohibit or limit the use of the Official Forms.
- The local rules must conform to the numbering system of the Judicial Conference of the United States.

REGULATORY REQUIREMENTS FOR CONFECTING LOCAL RULES

Rule 83 of the Federal Rules of Civil Procedure (FRCP) prescribes the method for making local rules. Essentially, the court must give public notice of a proposed rule. Then the district court votes on the rule. Then the rule is submitted to the Circuit for approval.

EXPANDED PROCEDURES THAT WE WILL USE

The bankruptcy judges for the Southern District propose to expand (beyond the letter of

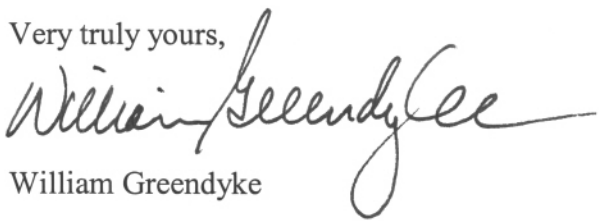
the law) the opportunity for input from the bar. That is the purpose of this committee. We do not anticipate the committee actually drafting or voting on the rules; we anticipate that the committee will serve as source of ideas and as a sounding board on the drafts that the court produces. Therefore, we intend to use the following procedure:

1. We will post a copy of this letter, outside of every courtroom and on the Court's website. By doing so, we are informing the bar about the rules-making process and encouraging them to contact one of you, committee members, with their suggestions for the rules.
2. We will have an organizational meeting on January 24, 2003, at 3:30 p.m. in the conference room on the 10th floor of the courthouse, 515 Rusk.
    a. The purpose of this meeting is to get your input concerning what is right with the existing rules, what is wrong with the existing rules, and any other comments you have about the existing rules and how the revision should be the same or different from the existing rules.
    b. About two weeks before the meeting, Judge Brown or Judge Steen will mail to you an agenda, and a list of questions or comments that you should consider before the meeting.
    c. Before the meeting, please consult with your colleagues in the bar, and consider carefully any comments that you receive.
    d. We realize that it would be quite expensive for attorneys outside Houston to attend this meeting in person. Please contact Judge Steen's judicial assistant (Jane Ekdall) if you would like to attend by telephone or by video.
3. At the close of that meeting, we will ask you to consider all of the issues raised, and to write a letter to the co-chairs with specific answers to questions raised, or specific proposals for the rules. Your written comments will be due February 14, 2003.
4. Judges Steen and Brown will then draft new local rules, taking your comments and suggestions into account.
5. Judges Brown and Steen will submit the draft to the May meeting of the bankruptcy judges.
6. You should receive the revised draft in July. We will then hold a meeting in August to receive your comments on the draft.
7. Judges Brown and Steen will revise the rules and present them to the September meeting of the bankruptcy judges.
8. The proposed rules will then begin to make their way to the public for comment and to the Circuit.

CONCLUSION

Thank you, once again for agreeing to serve. I know that this adds additional work to your busy schedule, but together we can probably improve our rules.

Very truly yours,



William Greendyke