

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
GALVESTON DIVISION**

IN RE:	§	
	§	
EAGLE BROADBAND, INC., ET AL	§	CASE NO. 07-80605-G3-11
	§	
Debtor.	§	CHAPTER 11
	§	JOINTLY ADMINISTERED

Unopposed Motion to Lift Automatic Stay

THIS IS A MOTION FOR RELIEF FROM THE AUTOMATIC STAY. THE COURT WILL CONDUCT A HEARING ON THIS MOTION JANUARY 30, 2008 AT 8:00 A.M. IN COURTROOM #401, 4th FLOOR, 515 RUSK AVENUE, HOUSTON, TEXAS. IF YOU OBJECT TO THE GRANTING OF RELIEF FROM THE STAY, YOU SHOULD CONTACT THE MOVANT IMMEDIATELY TO TRY TO REACH AN AGREEMENT. IF YOU CANNOT REACH AN AGREEMENT, YOU MUST FILE A WRITTEN RESPONSE AND SEND A COPY TO MOVANT AT LEAST FIVE BUSINESS DAYS PRIOR TO THE HEARING AND YOU MUST ATTEND THE HEARING. THE COPY SENT TO THE MOVANT MUST BE DELIVERED BY HAND OR BY ELECTRONIC DELIVERY IF IT IS SENT LESS THAN FIVE BUSINESS DAYS PRIOR TO THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE HEARING MAY BE AN EVIDENTIARY HEARING AND THE COURT MAY GRANT OR DENY RELIEF FROM THE STAY BASED ON THE EVIDENCE PRESENTED AT THIS HEARING.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

ROYAL OAKS HOMES, L.P. ("Movant") files this Unopposed Motion to Lift The Automatic Stay and in support thereof would show the Court as follows:

1. On November 14, 2007, Debtor Clearworks.Net, Inc. filed a voluntary bankruptcy petition pursuant to Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Texas, Galveston Division.

2. Pursuant to section 362 of the Bankruptcy Code, Debtor's filing created an automatic stay, applicable to all entities, of the commencement or continuation, including the issuance of or employment process, or a judicial, administrative, or other proceeding against the Debtor that was or could have been commenced before the commencement of the Debtor's

Chapter 11 case, or the recovery of a claim against the Debtor that arose before the commencement of the Debtor's Chapter 11 case.

3. Movant is the Plaintiff in a case styled Royal Oaks Homes, L.P. v. Clearworks.Net, Inc. Cause No. 2006-53776; In the 334th Judicial District Court, Harris County case. Movant seeks damages as the result of Debtor's installation of alarm contacts on window units. The improperly installed alarm contacts allowed water to penetrate and damage multiple homes in the Royal Oaks subdivision in Houston, Texas. Movant made repairs to those homes and now seeks reimbursement from Debtor.

4. The State Court litigation against the Debtor has been enjoined by virtue of the automatic stay pursuant to 11 U.S.C. §362.

5. Movant has been advised that Debtor has an insurance policy that will cover the claims made by Movant in the Harris County lawsuit. See Debtor's insurance policy attached hereto as Exhibit "A". Movant will limit recovery in the State Court litigation against the Debtor to the proceeds of any insurance policies in effect at the time of or applicable to the alleged acts of negligence. Movant reserves the right to file a proof of claim in the event that and to the extent that coverage is nonexistent or insufficient.

6. Under applicable law, the automatic stay should lift to allow the State Court Litigation to proceed for purposes of liquidating the claim of the Movant in the state court. If the Court fails to grant relief from the automatic stay, the harm that would result to the Movant in the State Court Litigation outweighs any potential harm to the Debtor since the Movant seeks to recover from insurance proceeds to the extent such funds are available, and if no such funds are available, through the filing of a proof of claim in the pending bankruptcy case. See 11 U.S.C. §362(d)(1); *see In re Fowler*, 259 B.R. 856 (E.D. Tex. 2001); *In re New York Medical Group, P.C.*, 265 B.R. 408, 413-414 (S.D.N.Y. 2001); *In re Robertson*, 244 B.R. 880,882 (N.D. Ga. 2000). Movant does not seek to execute on any assets of the estate to satisfy any judgment

