

REPORTER'S RECORD
VOLUME 1
TRIAL COURT CAUSE NO. 4222-A

IN THE ESTATE OF * IN THE DISTRICT COURT
IDA BALDWIN DENISON * STONEWALL COUNTY, TEXAS
DECEASED * 39TH JUDICIAL DISTRICT

* * * * *

HEARING

* * * * *

On the 18th day of December 2002, the following
proceedings came on to be heard in the above-entitled and
numbered cause before the Honorable Ira Royal Hart, Judge
presiding, held at the Stonewall County Courthouse, Aspermont,
Stonewall County, Texas.

Proceedings reported by stenographic method.

ORIGINAL

A P P E A R A N C E S

FOR THE MOVANT BOB MARSHALL DENISON:

Charles C. Self, III

Whitten & Young

Suite 1402

500 Chestnut Street

Abilene, Texas

Glenn M. Karisch

2901-D Bee Caves Road

Austin, Texas 78746

FOR THE DEFENDANT JOHN WAYNE DENISON:

Isaac M. Castro

Castro & Davis, L.L.P.

212 South Central Avenue

Hamlin, Texas 79520

FOR JESSICA DENISON:

Kara K. Smith

Gravley, Wheeler, McCray & Leggett, P.L.L.C.

Suite 400

3444 North 1st Street

Abilene, Texas

FOR LINDSEY LEIGH DENISON AND WESTON MARSHALL DENISON:

Mark S. Zachary

McMahon, Surovik, Suttle, Buhrmann, Hicks & Gill

400 Pine Street

Suite 800

Abilene, Texas

1 minute, don't go -- don't let John Denison go and assume that
2 mortgage at Hamlin National Bank, which was one of the
3 requirements under the settlement agreement. They never said
4 that, so Mr. Denison went and did that. They never said,
5 Don't go and assume the pickup on that note, so Mr. Denison
6 went and did that pursuant to that settlement agreement.

7 They never said, Wait a minute, don't get that
8 release of liability from Hamlin National Bank of the Bob
9 Marshall Denison Trust liability. They never said that, so
10 Mr. Denison did that. They never said, Don't pay us half of
11 that oil royalties escrow account that the settlement
12 agreement says you are supposed to pay us. They never said
13 that, so we paid them over.

14 They never said, Wait a minute, don't sell all
15 of those cattle because we are not done with this case, so Mr.
16 Denison, John Denison, sold the cattle to pay off estate
17 debts.

18 They never said, you know, Don't go and obtain
19 new financing for all of these assumed debts that you are
20 required to assume because we have got problems with this
21 agreement. They never said, Don't pay that \$29,122.55 to the
22 ad litem in this case. Hold off on that because we are going
23 to present something to the Court. They never said that, so
24 on July 19th those fees were paid to the ad litem: Mark
25 Zachary and Frank Stamey.

1 They never said, Don't do as the settlement
2 agreement says for you to do and pay all of Jessica Denison's
3 attorney's fees to Ken Leggett in the sum of \$16,460.38. They
4 didn't tell us not to, so we complied with the agreement, Your
5 Honor, and Mr. Denison paid those on July 19, 2002.

6 They never said, Don't pay all of those mediator
7 fees that you are required to do under the settlement
8 agreement to Joe Nagy in the amount of \$4,477.05. They didn't
9 tell us not to, so we complied with the settlement agreement
10 and on July 19, 2002 those were paid, Your Honor.

11 They never said, Don't pay all of the accountant
12 fees to Rogers & Company, so those were paid. They never
13 said, Don't pay all of the legal fees to the estate, so those
14 were paid.

15 They never said, Don't turn over those
16 additional royalties that keep coming in to the Marshall
17 Denison Trust, half of those royalties don't pay them over,
18 but we have paid thousands of dollars over.

19 They never said, Don't resign as trustee of the
20 Bob Marshall Denison Trust but yet, in fact, Mr. Denison did
21 resign according to that agreement.

22 THE COURT: Has there been a new trustee
23 appointed yet?

24 MR. CASTRO: No, Your Honor, and that is another
25 problem that we have.