



**II.**  
**Factual Background**

2. On December 4, 2008 (the “Petition Date”), the Debtors commenced their cases under Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”). The Debtors continue to operate their businesses and manage their property as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No committee has been appointed.

3. At the inception of these related cases, Introgen and ITS occupied three leased spaces.<sup>1</sup> The “Holcombe Facility” is a two-building complex located on Holcombe Boulevard in Houston, Texas, with office and clean-room lab space that is held by TMX through a ground lease from Amelang Partners, Inc. (“Amelang”) and a construction mortgage currently through Compass Bank (“Compass”). The Debtors utilize additional offices and clean room facilities in specially-constructed leased facilities on El Rio Street in Houston, Texas (the “El Rio Location”). As part of their efforts to reduce costs, the Debtors determined to consolidate operations in the El Rio Location because the space is more efficient from both a facilities and utilities cost perspective. The Holcombe facility is largely vacated save for a small lab space being used for an ongoing project.

4. Consolidation in the El Rio Location is also consistent with the Debtors’ reorganization strategy to focus on near-term revenues available for its unique contract manufacturing capabilities in the adenovirus and biologics arena under the ITS umbrella while drastically reducing the structure and expense surrounding the pursuit of regulatory approval for its therapeutics assets owned by Introgen for the time being.

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<sup>1</sup> This Motion only discusses two out of the three leased spaces. The third leased space is located at 301 Congress, Austin, Texas 78701 (the “301 Congress Facility”). On January 26, 2009, a motion to reject the 301 Congress Facility was filed.

**III.**  
**Relief Requested**

5. Pursuant to this Motion, Debtors seek an order from the Court approving the rejection of certain unexpired leases and contracts (the “Contracts”) identified in Exhibit “A.” Debtors requests that the rejection of the Contracts be authorized *nunc pro tunc* to January 31, 2009, the date that Debtors vacated their leased space at the 301 Congress Facility and largely vacated their leased space at the Holcombe Facility. A list of the Contracts subject to this Motion is attached hereto as Exhibit “A.” The Debtors entered into the Contracts with the parties identified in Exhibit “A.” The Debtors will provide copies of the Contracts upon the request of any interested party in this matter as the documents are voluminous and production other than on request would be burdensome and expensive.

6. Pursuant to section 365(a) of the Bankruptcy Code, the Debtors may, subject to Court approval, reject unexpired leases and executory contracts. As stated above, the Debtors have begun to consolidate operations in the El Rio Location because the space is more efficient from both a facilities and utilities cost perspective. As a consequence, the Contracts are no longer of use to the Debtors. Moreover, the Contracts have terms that are burdensome on the Debtors and have no residual value for the Debtors. The purpose of the rejections requested herein is to reduce the size and costs of the Debtors’ operations to be in line with their income.

7. In the business judgment of the Debtors, the rejection of the Contracts identified in Exhibit “A” is in the best interest of the Debtors, their creditors, all other parties in interest, and should be approved.

WHEREFORE, Debtors pray that the rejection of the Contracts identified in the attached Exhibit "A" be approved ,and that the Debtors have such other relief as is just.

Respectfully submitted,

BROWN MCCARROLL, L.L.P.  
111 Congress Avenue, Suite 1400  
Austin, Texas 78701  
(512) 479-1141  
(512) 226-7320 (fax)

By: /s/ Patricia B. Tomasco

Patricia B. Tomasco  
State Bar No. 01797600  
Kell C. Mercer  
State Bar No. 24007668

ATTORNEYS FOR DEBTORS

**CERTIFICATE OF SERVICE**

I hereby certify that on this 9th day of February, 2009, a true and correct copy of the foregoing document was served via the Court's CM/ECF notification system, facsimile transmission, e-mail transmission, and/or regular first class mail, on all parties set forth on the attached Master Service List.

/s/ Patricia B. Tomasco

Patricia B. Tomasco

## EXHIBIT A

Vendor	Address	Contract Date	Contract Name
Allied Waste Services #852	8101 E Little York Road, Houston, Texas 77016	Unknown	3-0852-0713719
AT&T	P. O. Box 5001 Carol Stream, IL 60197-5001	Unknown	0303671634001
AT&T	P. O. Box 5001 Carol Stream, IL 60197-5001	Unknown	71379701041784
AT&T	P. O. Box 5001 Carol Stream, IL 60197-5001	Unknown	71379700475330
AT&T	P. O. Box 5001 Carol Stream, IL 60197-5001	Unknown	71379990241152
AT&T	P. O. Box 5001 Carol Stream, IL 60197-5001	Unknown	71379980241154
AT&T	P. O. Box 5001 Carol Stream, IL 60197-5001	Unknown	51219993814601
AT&T	P. O. Box 5001 Carol Stream, IL 60197-5001	Unknown	71379713497503
AT&T	P. O. Box 5001 Carol Stream, IL 60197-5001	Unknown	71379799600301
AT&T	P. O. Box 5001 Carol Stream, IL 60197-5001	Unknown	71374155291159
AT&T	P. O. Box 5001 Carol Stream, IL 60197-5001	Unknown	71379799138609
AT&T Mobility National Business Services	P. O. Box 5001 Carol Stream, IL 60197-5001	Unknown	826482013
AT&T Mobility National Business Services	P. O. Box 5001 Carol Stream, IL 60197-5001	Unknown	826482013
AT&T Mobility National Business Services	P. O. Box 5001 Carol Stream, IL 60197-5001	Unknown	993022861
Bank of America, N.A.	501 Congress Avenue, Austin, Texas 78701	Unknown	Bank: 0099 Center: 0328 Box: 0007372-6
Bank of America, N.A.	501 Congress Avenue, Austin, Texas 78701	Unknown	Bank: 0099 Center: 0328 Box: 0007832-9
Dialog LLC	P.O. Box 532002, Atlanta, Georgia 30353	Unknown	146517
IKON Financial Services	1738 Bass Road, Macon, Georgia 31208	October 29, 2007	Image Management plus Agreement
Iron Mountain Information Management, Inc.	1000 Campus Drive, Collegeville, PA 19426	Unknown	79285
Iron Mountain Information Management, Inc.	1000 Campus Drive, Collegeville, PA 19426	Unknown	H033C
Iron Mountain Information Management, Inc.	1000 Campus Drive, Collegeville, PA 19426	June 15, 2005	Secure Shredding Agreement
Key Equipment Finance, Inc.	600 Travis Street, Suite 1300, Houston, Texas 77002	April 17, 2007	Lease Agreement
Key Equipment Finance, Inc.	600 Travis Street, Suite 1300, Houston, Texas 77002	October 12, 2006	Lease Agreement
Pitney Bowes, Inc.	P. O. Box 856390 Louisville, KY 40285-6390	July 1, 2008	Postage Meter Rental Agreement
Pitney Bowes Credit Corp.	P.O. Box 856460 Louisville, KY 40285-6460	May 2, 2006	Technology Complainece Lease Agreement
Plant Interscapes, Inc.	6436 Babcock Road, San Antonio, Texas 78249	January 27, 2004	Agreement Regarding Interior Foliage Plants
Refresh H2O	P. O. Box 161056 Austin, TX 78716-1056	Unknown	Unknown
Shredco, Inc.	11925 Windlem, Houston, Texas 77064	April 18, 2002	Destruction Service and Container Placement Agreement
Sprint PCS	P. O. Box 4181 Carol Stream, IL 60197-4181	Unknown	Cust# 012274 ID# 7882
Stargel Office Solutions, Inc.	4700 Blalock Houston, TX 77041	Unknown	Equipment Agreement
Stargel Office Solutions, Inc.	4700 Blalock Houston, TX 77041	May 1, 2005	Equipment Agreement
Stargel Office Solutions, Inc.	4700 Blalock Houston, TX 77041	October 12, 2006	Equipment Agreement
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AT&T	P. O. Box 5001 Carol Stream, IL 60197-5001	Unknown	71379799600301
AT&T	P. O. Box 5001 Carol Stream, IL 60197-5001	Unknown	71374155291159
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