

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NORTH DAKOTA**

In re: §
§ Chapter 15
BALANCED ENERGY OILFIELD §
SERVICES INC., § Case No. 22-30100
§
Debtor in a Foreign Proceeding. §

In re: §
§ Chapter 15
BALANCED ENERGY HOLDINGS INC. §
§ Case No. 22-30101
§
Debtor in a Foreign Proceeding. §

In re: §
§ Chapter 15
BALANCED ENERGY OILFIELD §
SERVICES (USA) INC. § Case No. 22-30102
§
Debtor in a Foreign Proceeding. §

**RECEIVER'S EMERGENCY MOTION
FOR JOINT ADMINISTRATION**

COMES NOW FTI Consulting Canada Inc. (“FTI”), solely in its capacity as court-appointed receiver and manager (“Receiver” or “Foreign Representative”) of Balanced Energy Oilfield Services Inc. (“BCAN”), Balanced Energy Holdings Inc. (“BEH”), and Balanced Energy Oilfield Services (USA) Inc. (“BUSA”) (collectively, “Balanced Energy” or the “Debtors”) pursuant to the *Receivership Order* dated March 7, 2022 (the “Receivership Order”), entered by the Court of Queen’s Bench of Alberta in Judicial Centre of Calgary, Alberta, Canada, Court File No. 2201-02699 (the “Canadian Court” and the “Canadian Proceeding”) pending under Canada’s *Bankruptcy and Insolvency Act* (“BIA”), files this *Emergency Motion for Joint Administration* (the “Motion”), respectfully stating as follows:

PROCEDURAL BACKGROUND

1. On March 7, 2022, the Canadian Court entered the Receivership Order in the Canadian Proceeding appointing FTI as Receiver for the Debtors.

2. On April 14, 2022 (the "Petition Date"), the Receiver filed concurrent petitions for recognition of the Canadian Proceeding under chapter 15 of the United States Bankruptcy Code (the "Bankruptcy Code") for the respective Debtors pursuant to 28 U.S.C. § 1515, thereby initiating the above styled bankruptcy proceedings (the "Bankruptcy Proceedings").

3. This Court has jurisdiction over the Bankruptcy Proceedings and the subject matter of this Motion pursuant to 28 U.S.C. §§ 157 and 1334. Consideration of this Motion is a core proceeding under 28 U.S.C. § 157(b). Venue of the Bankruptcy Cases before this Court is appropriate under 28 U.S.C. § 1410(1) and (3).

FACTUAL BACKGROUND

4. Background regarding the Debtors' business and the circumstances leading to the bankruptcy filing is set forth in the *Receiver's Emergency Verified Petition for (I) Recognition of Foreign Main Proceeding, (II) Recognition of Foreign Representative, and (III) Related Relief Under Chapter 15 of the Bankruptcy Code* (the "Verified Petition") and the Receiver and Foreign Counsel's declarations in support of the Verified Petition, filed contemporaneously therewith and incorporated herein for all purposes.

RELIEF REQUESTED

5. By this Motion, the Receiver requests an order, substantially in the form attached hereto (the "Proposed Order"), directing joint administration of the Bankruptcy Proceedings pursuant to Bankruptcy Rule 1015(b) for procedural purposes only.

6. The Receiver requests that the Court maintain one file and one docket for all of the Debtors' chapter 15 cases under the first-filed case number assigned to the debtor BCAN, and that these chapter 15 cases be administered under the following caption:

In re:	§	
	§	Chapter 15
BALANCED ENERGY OILFIELD	§	
SERVICES INC. <i>et al.</i> ,	§	Case No. 22-30100
	§	
Debtors in a Foreign Proceeding.	§	Jointly Administered

7. In pertinent part, Rule 1015(b) of the Federal Rules of Bankruptcy Procedure provides that the Court may order joint administration of bankruptcy cases if “two or more petitions are pending in the same court by . . . a debtor and an affiliate.” FED. R. BANKR. P. 1015(b). The Bankruptcy Code defines the term “affiliate” as, among other things, a “corporation 20 percent or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote, by the debtor, or by an entity that directly or indirectly owns, controls, or holds with power to vote, 20 percent or more of the outstanding voting securities of the debtor.” 11 U.S.C. § 101(2)(B). Accordingly, the Debtors are affiliates, and the joint administration of the Bankruptcy Proceedings is appropriate under Rule 1015(b) of the Federal Rules of Bankruptcy Procedure.

8. Joint administration of the Debtors' Bankruptcy Proceedings is also warranted because the Debtors share many of the same parties-in-interest. Accordingly, cause exists for the joint administration of the Bankruptcy Proceedings, for procedural purposes only, under Rule 1015(b). Joint administration for procedural purposes of these Bankruptcy Proceedings will promote both procedural and administrative efficiency and reduce administrative expense to the Debtors by, among other things:

- a. obviating the need for the Debtors to file duplicative motions and applications and for the Court to enter duplicative orders in each of these Chapter 15 cases;
 - b. minimizing the burdens on witnesses and all parties-in-interest by sparing them from participating in identical hearings in separate cases;
 - c. avoiding the burdensome necessity of duplicating notices;
 - d. simplifying supervision of the administrative aspects of these Chapter 15 cases by the Canadian Court and the Receiver; and
 - e. minimizing the fees and expenses incurred by counsel for the Receiver by removing duplication related to reviewing, filing, copying, and service of pleadings.
9. Joint administration will not affect the rights of any creditor or party-in-interest

because the Debtors request joint administration for procedural purposes only.

10. The Receiver proposes to consolidate mailing lists in each of the Bankruptcy Cases into one master list, and request the Court's approval of the same.

11. The Receiver also requests the Clerk of this Court make separate docket entries in the BEH and BUSA bankruptcy cases, substantially as follows:

The Bankruptcy Court has entered an order in accordance with Federal Rule of Bankruptcy Procedure 1015(b) that provides for the joint administration of the Chapter 15 cases of Balanced Energy Oilfield Services Inc. Case No. 22-30100, Balanced Energy Holdings Inc. Case No. 22-30101, and Balanced Energy Oilfield Services (USA) Inc. Case No. 22-30102. The docket in Case No. 22-30100 should be consulted for all matters affecting the above-listed cases, which includes this case. All further pleadings and other papers shall be filed in and all further docket entries shall be made in Case No. 22-30100.

EMERGENCY CONSIDERATION

12. The Receiver requests emergency consideration of this Motion pursuant to Bankruptcy Rule 6003, which empowers a court to grant relief within the first twenty-one (21) days after the commencement of a chapter 15 case "to the extent that relief is necessary to avoid immediate and irreparable harm." This Motion seeks procedural relief which, respectfully, this

Court has authority to grant without any request from or notice to parties. Moreover, because substantial filings occur in the initial stages of bankruptcy proceedings, including these chapter 15 proceedings, immediate consideration of the Motion will best serve the efficiencies and other purposes attendant to the relief requested herein. For these and other reasons stated herein, and in accordance with Local Rule 9006-1 and 9013-1, the Receiver respectfully requests that the Court grant the requested relief on an emergency basis.

CONCLUSION

WHEREFORE, the Receiver respectfully requests that the Court enter an order: (i) providing for the joint administration of the Bankruptcy Proceedings; (ii) permitting the Receiver to use consolidated mailing lists for future noticing requirements unless otherwise ordered; (iii) ordering that all documents to be filed in each of the Bankruptcy Proceedings be filed in the jointly administered case as above-styled regardless of whether such filing affects one or more of the Debtors; and (iv) granting the Debtors such other and further relief to which they may show themselves to be justly entitled.

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Dated: April 14, 2022.

Respectfully submitted,

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Counsel for FTI Consulting Canada Inc., solely in its capacity as court-appointed receiver and manager of the Debtors

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was forwarded by electronic transmission to all registered ECF users appearing in the case on April 14, 2022. A separate notice of service will be filed in accordance with applicable Bankruptcy and Local Rules describing specific physical and electronic mailing service.

/s/ Ryan G. Quarne

Ryan G. Quarne