

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	
	§	Case No. 20-33642 (DRJ)
PATRIOT WELL SOLUTIONS LLC	§	
	§	Chapter 11
Debtor.¹	§	
	§	(Emergency Hearing Requested)

**DECLARATION OF MATTHEW FOSTER IN SUPPORT OF COMMENCEMENT OF
CHAPTER 11 CASE AND FIRST-DAY MOTIONS**

I, Matthew Foster, hereby declare under penalty of perjury under the laws of the United States of America that, to the best of my knowledge and belief, and after reasonable inquiry, the following is true and correct:

1. I am a Managing Director of Sonoran Capital Advisors, LLC (“Sonoran”), a turnaround, crisis management, and financial advisory firm that maintains an office at 1733 N. Greenfield Road, Mesa, Arizona 85205. Patriot Well Solutions LLC (“Patriot” or “Debtor”), hired Sonoran as its financial advisor on May 20, 2020. Patriot hired me as its Chief Restructuring Officer on July, 7, 2020. I am duly authorized to make this declaration (the “Declaration”) in support of the commencement of the above-captioned Chapter 11 case (the “Bankruptcy Case”) filed on July 20, 2020 (the “Petition Date”), and the first-day motions filed contemporaneously with this Declaration.

2. Sonoran specializes in interim executive management, turnaround consulting, operational due diligence, creditor advisory services, and financial and operational restructuring. Sonoran’s debtor-advisory services have included a wide range of activities targeted at stabilizing

¹ The Debtor in this chapter 11 case and the last four digits of the Debtor’s taxpayer identification number is Patriot Well Solutions LLC (47-2024516). The Debtor’s headquarters is located at 1660 CR-27 Unit A, Brighton, Colorado 80603.

and improving a company's financial position, including developing or validating forecasts and business plans and related assessments of a business's strategic position, monitoring and managing cash, cash flow, and supplier relationships, assessing and recommending cost-reduction strategies, and designing and negotiating financial restructuring packages.

3. I have over 13 years of experience in corporate restructuring, private equity, consulting and executive management. My experience spans a variety of industries, primarily focusing on distressed middle-market companies. I have served as chief financial officer or chief restructuring officer of four companies in the past 24 months.

4. Except as otherwise noted, I have personal knowledge of the matters set forth herein and, if called as a witness, I would testify thereto. Certain of the disclosures herein, however, relate to matters within the personal knowledge of other professionals at Sonoran or Patriot and are based on information provided by them.

OMNIBUS STATEMENT OF FACTS

Description of Patriot and Its Assets

5. Founded in 2015, Patriot is a Delaware limited liability company whose operations can be separated the following divisions servicing and supporting the oil and gas industry:

- **Wireline & Perforating**. Patriot provides a full range of wireline and perforating systems, including pump down, conventional, addressable switch selective, radio frequency safe systems, tubing conveyed, coiled tubing conveyed, greaseless wireline, addressable ballistic release and downhole tension tools, Lee Posi lock remote wellhead connection, and wireline and pump down modeling with real time data semblance. This division also provides cased hole

logging and mechanical services, pipe recovery services, and pressure control services.

- Coiled Tubing & Nitrogen. Patriot's coiled tubing fleet includes conventional, high pressure, and E-line coil units, and offers a wide range of tubing sizes. These services address a broad range of applications, including wellbore cleanout, plug mill outs, plug and abandonment, live well intervention, perforating, electric line coil applications, camera runs and logging, setting and retrieving plugs, acid/solvent stimulations, acid jetting, cement squeezing/plugging, fluid unloading, scale removal, velocity string installs, coiled tubing fracturing, and fishing. Patriot has a fleet of nitrogen units that include some of the most technically advanced equipment and applications available, which can be applied a variety of ways, including nitrification for underbalance operations, unloading or cleaning out well bores, freeing struck pipe, jetting solids, wellbore fracturing and stimulation, coiled tubing support, live well applications, pipeline purging and pressure testing, pigging applications, and bulk nitrogen supply.
- Fluid Pumping. Patriot's pumping services division provides a range of pumps and experienced crews for completions, remedial, and service work. Applications for this division include pump down operations, wireline, coiled tubing operations, toe preparations, workover rig assists, acidizing, screenout remediation, DFIT injection analysis, pressure testing, and backside pressure pumps.

- Crane Services. Patriot's crane services division supports wireline and coiled tubing operations, multi-well pads, service work, rigless operations, and fishing operations. Its crane fleet includes 245 ton / 250 ton cranes, as well as 110 ton / 80 ton cranes and 60 ton extended reach / 55 ton cranes.

6. Patriot provides these services in Texas, Colorado, New Mexico, North Dakota, and Wyoming, through approximately 109 full-time employees. Approximately 36 employees (not included in the 109) have been furloughed.

7. Patriot's principal assets comprise approximately \$6.5 million in accounts receivable the overwhelming majority of which (over 75%) are sourced from customers in Houston, Texas. Patriot's assets also include approximately 25 wireline trucks, 83 tractors, 168 trailers, 17 coiled tubing units, and other various tools and equipment utilized in the operations of its businesses and located in various places throughout Texas, Colorado, New Mexico, North Dakota, and Wyoming.

Leadership

8. Patriot's officers are: Dragan Cicvaric, President and Chief Executive Officer; Craig Morgan, Chief Financial Officer; Andy Langley, Vice President of Sales, Marketing, and Development; Milan Karic, Vice President of Performance; and myself as Chief Restructuring Officer.

9. Patriot's board of managers are Robert McNally (Independent Director), Ben Guill, Jim Meneely III, Mike Tangedahl, and Eric White. Jim Meneely III, Mike Tangedahl, and Ben Guill reside in Houston, Texas.

The Debtor's Pre-Petition Capital Structure

10. Patriot's membership interests are held by WDE PWS Aggregate, LLC (94.06%) ("White Deer"), MBHER Patriot LLC (3.99%), Dragan Cicvaric (0.66%), Andy Langley (0.66%), and Russ Rall (0.62%). White Deer is headquartered in Houston, Texas.

11. As of the Petition Date, Patriot owed approximately \$38,000,000 as follows:

- The Term Loan. Patriot is a party to that certain Master Loan and Security Agreement dated as of June 26, 2019 (the "Master Agreement"), with JP Morgan Chase, N.A. (the "Lender"), and the Business Purpose Promissory Note, dated June 26, 2019, related to the Master Agreement (the "Note"). The obligations under the Master Agreement, Note and associated loan documents are referred to as the "Term Loan." The Lender entered into a participation agreement dated June 26, 2019, with TCF National Bank ("TCF"), as successor by merger to Chemical Bank, and City National Bank of Florida ("City National"), under which the Lender assigned a 50% interest in the Term Loan to TCF and City National. On information and belief, City National is the agent under the Term Loan, having recently replaced JP Morgan. The Term Loan is secured by a senior security interest in various trucks, tractors, trailers, and other equipment referenced in a collateral schedule for the Term Loan (the "Term Loan Collateral"). As of the Petition Date, approximately \$17,658,417 is owed under the Term Loan.
- Revolver Loan. Patriot is party to that certain Credit Agreement dated as of August 31, 2017 (as amended by that certain First Amendment to Credit Agreement dated as of January 5, 2018, that certain Second Amendment to

Credit Agreement dated as of March 2, 2018, that certain Third Amendment to Credit Agreement dated as of May 1, 2018, that certain Fourth Amendment to Credit Agreement dated as of July 25, 2018, that certain Fifth Amendment to Credit Agreement and First Amendment to Amended and Restated Pledge and Security Agreement executed as of September 27, 2019, but effective as of June 26, 2019, and that certain Sixth Amendment to Credit Agreement and Limited Forbearance Agreement dated as of May 22, 2020) (the “Revolver Loan”) by and among White Deer Energy L.P. II (an affiliate of Patriot’s majority member, White Deer) (the “White Deer Lender”), as successor in interest to JPMorgan Chase Bank, N.A. (“JPM”), in its capacity as administrative agent. In May 2020, JPM, in its capacity as administrative agent, suspended all borrowings under the Revolver Loan and froze Patriot’s access to Patriot’s collection account. As a result of these actions, Patriot was unable to fund payroll and other operating expenses. The White Deer Lender reached an agreement with JPM whereby the White Deer Lender entered into and assigned certain promissory notes to JPM, which were then assigned to the White Deer Lender and treated as loans under the Revolver Loan (the “Revolver B Loans”). The White Deer Lender assumed the role of revolving lender and administrative agent for the Revolver Loan. All principal amounts owed to JPM were repaid as of May 27, 2020 and the Revolver Loan was assigned to the White Deer Lender. The Revolver Loan is secured by a blanket lien against all of Patriot’s assets junior to the liens against the Term Loan Collateral, the Equipment Capital Leases (described below), and the Vehicle Capital Lease Collateral

(described below). As of the Petition Date, approximately \$3,000,000 in principal and \$36,557 of accrued interest is owed to the White Deer Lender under the Revolver Loan.

- Equipment Capital Leases. Patriot is a counterparty to approximately seven equipment capital leases (the “Equipment Capital Leases”) for three pumps, one coiled tubing unit, two cranes, and 12 tractors (the “Equipment Capital Lease Collateral”).² As of the Petition Date, the aggregate amount of approximately \$500,000 is due and payable under the Equipment Capital Leases (individually ranging anywhere from \$5,000 to \$380,000 each), which is secured by the Equipment Capital Lease Collateral associated with each lease.
- Vehicle Capital Leases. Patriot is a counterparty to approximately 52 vehicle capital leases (the “Vehicle Capital Leases”) for 52 light duty vehicles (the “Vehicle Capital Lease Collateral”). As of the Petition Date, \$0 is due and payable under the Vehicle Capital Leases.
- Real Estate Leases. Patriot is a counterparty to approximately seven leases for real property (the “Real Estate Leases”). As of the Petition Date, approximately \$61,056.90 is due and payable under the Real Estate Leases.
- Unsecured Debt. As of the Petition Date, Patriot has approximately \$15,700,000 in unsecured debt that is held mainly by various trade vendors.

² One coiled tubing unit and three pumps leased from Mobilease, Inc., are no longer in possession of Patriot as they have already been returned to the lessor.

Necessity To Commence This Bankruptcy Case

12. Like many companies in the oil field services industry, Patriot's operations were deeply affected by the economic impact of a collapse in demand caused by the COVID-19 pandemic and the oil-volume war initiated by OPEC that immediately preceded the emergence of the pandemic. These forces—through no fault of Patriot or the industry in general—caused an unprecedented drop in demand for oilfield services in the United States, along with equally dramatic declines in service pricing. Although Patriot was well positioned with major customers, the downward acceleration in overall drilling and completion activity outpaced the severe measures Patriot had already taken to reduce cost and sustain its business operations. Monthly revenue decreased from a peak of \$16.9 million in June 2019 to less than \$3.2 million in June 2020. The decline in revenue had an immediate effect on Patriot's liquidity and this problem was exacerbated when JPM exercised its rights to suspend all borrowings under the Revolver Loan and froze Patriot's access to Patriot's collection accounts to pay the Revolver Loan. The White Deer Lender provided a temporary solution by stepping into JPM's position in the Revolver Loan and further providing Patriot advances under the Revolver Loan, thus allowing Patriot to make payroll and continue to service its existing contracts.

13. While management is confident in the Patriot's ability to return to the 2018 and 2019 performance levels, Patriot is in need of funding to weather the current economic climate and return to consistent profitability. Due to lack of liquidity, Patriot has suffered increasing pressure from certain creditors, as well as threats of foreclosure under the Term Loan, the Equipment Capital Leases, and the Vehicle Capital Leases. Additional funding by the White Deer Lender, or any other party, is unlikely with the burden of Patriot's current capital structure.

14. With White Deer's support, and given the potential conflicts that White Deer may have had due to its majority membership interest in Patriot and position on Patriot's board, Patriot hired Sonoran as financial advisor on May 20, 2020. Patriot also engaged Robert McNally as an independent member of the board in June 2020. Patriot further hired me as Chief Restructuring Officer on July 7, 2020. Mr. McNally and I have been working closely with Patriot's management team to evaluate the company's strategic options. Patriot has also utilized a long-standing relationship with Simmons Energy (a division of Piper Sandler & Co.) ("Simmons"), an investment banker, to keep a consistent eye on the market for potential acquisition targets or buyers for the company. Beginning in June 2020, Simmons began advising Patriot and assisting the company in locating a suitor for a potential transaction that would either capitalize the company or effect a sale.

15. Given Simmons's familiarity with Patriot's business and intimate relationships with potential suitors, Patriot determined that Simmons was particularly suited to manage a sale process for the company. On July 20, 2020, Patriot hired Simmons for to provide investment-banking advice during the Bankruptcy Case, as well as manage the process to conduct a sale of the Debtor's assets described below.

16. The White Deer Lender and Patriot negotiated and executed the Asset Purchase Agreement (the "APA"), which contemplates a sale (the "Sale") of substantially all of Patriot's operating assets to the White Deer Lender (or a designee) free and clear of liens, claims, and interests in accordance with Bankruptcy Code § 363. The White Deer Lender and Patriot further executed that Terms and Conditions Proposed Senior Secured, Super-Priority Debtor-in-Possession Credit Facility (the "DIP Facility"), which provides Patriot the funding necessary to meet operating expenses and administer the Bankruptcy Case to, among other things, effectuate

the Sale of Patriot's assets. Indeed, Patriot would run out of money on or around July 24, 2020, without the liquidity proposed under the DIP Facility.

17. The DIP Facility does not seek to prime the interests of valid liens under the Term Loan, the Equipment Capital Leases, or the Vehicle Capital Leases. The DIP Facility seeks to prime the White Deer Lender on the Revolver Loan, to which the White Deer Lender consents. The DIP Facility further requires that Patriot meet certain milestones for the Sale (the "Milestones"): ³

- a. On the Petition Date or such later date to which the Agent consents in writing in its sole discretion, Patriot shall have selected a Stalking Horse Bidder and filed a motion requesting entry of the Sale Procedure Order and the sale of substantially all of Patriot's assets to the Stalking Horse Bidder on terms and conditions acceptable to the Agent in the Agent's sole discretion.
- b. On or before the date that is twenty-one (21) days after the Petition Date, or such later date to which the Agent consents in writing in its sole discretion, the Bankruptcy Court shall have entered the Sale Procedure Order.
- c. On or before the date that is fifty-one (51) days after the Petition Date, or such later date to which the Agent consents in writing in its sole discretion, shall be the bid deadline.
- d. On or before the date that is fifty-five (55) days after the Petition Date, or such later date to which the Agent consents in writing in its sole discretion, Patriot shall have held the Auction (as defined below).

³ Capitalized terms contained in the description of the Milestones have the meaning ascribed to them in the term sheet for the DIP Facility.

- e. On or before the date that is fifty-eight (58) days after the Petition Date, or such later date to which the Agent consents in writing in its sole discretion, the Bankruptcy Court shall have entered the Sale Order approving the 363 Sale, the results of the Auction and the winning bid received at the Auction.
- f. On or before the date that is five (5) days after entry of the Sale Order, provided that the Bankruptcy Court has waived the stay imposed by Bankruptcy Rule 6004(h) or such later date to which the Agent consents in writing in its sole discretion, the 363 Sale shall be closed, with proceeds of the 363 Sale paid directly to the Agent to be applied to the obligations under the DIP Facility.

18. Contemporaneously with filing standard first-day motions on the Petition Date, Patriot filed a request for an emergency hearing for consideration of the Sale Procedure Order described in the Milestones, which seeks to establish the various dates referred to in the Milestones. The Sale Procedure Order establishes a competitive process to identify the highest and best offer for Patriot's assets.

19. The Sale, and in particular, the APA and the DIP Facility, provide Patriot with the best path forward to solve its current liquidity needs and its burdening debt. In consultation with its professionals and advisors, including myself, and under the circumstances facing the company, Patriot has chosen the White Deer Lender to be the Stalking Horse Bidder under the terms of the APA. The assets proposed to be purchased under the APA comprise the assets serving as collateral under the Revolver Loan (and the DIP Facility), certain of the assets included in the Term Loan Collateral, certain Vehicle Capital Lease Collateral and certain Equipment Capital Lease Collateral. Some, but not all, of the Real Estate leases will likely be assumed under the APA as

well. In short, the Sale under the terms of the APA is designed to purchase Patriot as a going concern and in a way that will not disrupt its ongoing business affairs, employees, and customers.

20. It is imperative that Patriot meet the Milestones and effect the Sale of its assets under Bankruptcy Code § 363. In addition to being a requirement under the DIP Facility, and therefore, a default under the facility if Patriot does not timely meet the Milestones, Patriot cannot afford to remain in bankruptcy for an extended period. The Sale under the APA also provides certainty for Patriot's stakeholders—its employees, trade vendors, and customers.

21. Patriot intends to propose a Chapter 11 plan later in the Bankruptcy Case to distribute the Sale proceeds in accordance with the Bankruptcy Code, as well as administer any remaining assets that may remain with the estate after closing of the Sale.

THE FIRST-DAY MOTIONS

22. Concurrently with the filing of the chapter 11 case, the Debtor filed the “first day” motions and other applications (the “First Day Motions”) requesting various forms of relief. Generally, the First Day Motions have been designed to meet the goals of: (a) preserving and protecting the Debtor's chapter 11 estate, including by paying certain claims of employees, essential suppliers, lienholders, and vendors; (b) obtaining necessary debtor in possession financing to provide the Debtor's estates with sufficient liquidity to operate; and (c) establishing procedures for the smooth and efficient functioning of the Debtor's estates. I believe that the relief sought in each of the First Day Motions is tailored to meet the goals described above and, ultimately, will be critical to the Debtor's ability to reorganize successfully.

Operational First Day Motions

I. Debtor's Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtor to (A) Obtain Postpetition Financing, (B) Use Cash Collateral, and (C)

Grant Certain Protections to Prepetition Lender, (II) Scheduling a Final Hearing, and (III) Granting Related Relief (the “DIP Motion”)

23. Through the DIP Motion, the Debtor requests, among other things, authorization for the Debtor to obtain up to \$9,404,997 (which includes \$3,036,557 of prepetition rollup obligations) (the “Maximum DIP Advance Amount”) in senior secured superpriority debtor-in-possession financing (the “DIP Facility”) pursuant to that certain Terms and Conditions Proposed Senior Secured, Super-Priority Debtor-in-Possession Credit Facility (the “DIP Term Sheet”), by and among the Debtor and White Deer Energy L.P. II (the “Agent” and “DIP Lender”); authorization for the Debtor to execute and deliver the DIP Term Sheet and to perform all other and further acts as may be necessary or appropriate in connection with the same; authorization for the Debtor to use up to \$4,290,285 (which includes a roll up of \$2,145,142.50 of the prepetition obligation) (the “Interim Amount”) available under the DIP Facility upon entry of the Interim Order to avoid immediate and irreparable harm; authorization for the Debtor to grant security interests, liens, and superpriority claims to the Agent, for the ratable benefit of themselves and the DIP Lender, to secure the Debtor’s obligations under and with respect to the DIP Facility (the “DIP Obligations”); authorization for the Debtor to use proceeds of the DIP Facility in accordance with, and for the purposes and in the amounts set forth in, the “Budget” of the Debtor relative to the operations of the Debtor in this case for any fiscal period, as delivered to the Agent. A Budget for the first 11 weeks of this case; authorization for the Debtor to use cash collateral pursuant to sections 361, 362, and 363 of the Bankruptcy Code (as defined below), in accordance with the Budget; authorization for the Debtor to provide adequate protection to the DIP Lender and the Prepetition Lender; waiver of any applicable stay under section 362 of the Bankruptcy Code with respect to the effectiveness and enforceability of the Interim Order (including under Bankruptcy Rule 6004); and the scheduling of a final hearing (the “Final Hearing”), pursuant to Bankruptcy

Rule 4001, to be held within twenty-one days of entry of the Interim Order to consider entry of an order granting the relief requested in this motion on a final basis (the “Final Order” and, together with the Interim Order, the “DIP Orders”).

A. DIP Facility

24. The Debtor’s entry into the DIP Facility is a sound exercise of its business judgment and is critical to the Debtor’s continuing business operation and essential to bridge to a sale of substantially all of the Debtor’s assets. The DIP Facility is the product of extensive good-faith, arm’s-length negotiations and is necessary for the Debtor to complete a successful 363 sale process and reorganization. No alternative sources of financing with terms as favorable as those contained in the DIP Facility are currently available to the Debtor based on the Debtor’s burdensome capital structure and struggling industry. Without the DIP Facility, and without any other interested financier, the Debtor could be forced to consider a value-destructive liquidation to the detriment of all creditors and parties in interest. Finally, the Debtor has no reason to believe that any party would be willing to provide liquidity to the Debtor on terms comparable to those contained in the DIP Facility.

25. In addition to providing the Debtor with significant liquidity, the DIP Facility will provide the Debtor with access to the use of the cash collateral on a consensual basis, and will allow the Debtor to fund its business in the ordinary course, which will ensure continued, uninterrupted operations, preserving the value of its estate for the benefit of all stakeholders.

26. The proposed Roll-Up with proceeds of the DIP Facility is also an exercise of the Debtor’s sound business judgment. The Roll-Up is a material component of, and a pre-condition imposed by the DIP Lender under the DIP Facility. The Debtor submits that the DIP Lender is the only viable source of funding for the Debtor under the circumstances. The DIP Lender does not

seek to prime any other secured claims (besides the liens under the Pre-Petition Credit Facility), which makes the DIP Facility a very attractive facility to the Debtor. In addition, the size of the DIP Facility is high given the level of the Debtor's operations and revenue. In addition, the DIP Lender's willingness to fund the Debtor's operations, as well as fund a sale process that provides the Debtor's business—and employees—a path forward, the roll-up proposed under the DIP Facility was appropriate and well within the Debtor's business judgment under the circumstances presented.

27. Importantly, the Roll-Up will not prejudice any party's right to challenge the amount, validity, perfection, enforceability, priority or extent of the debt or liens associated with the Pre-Petition Credit Facility. Pursuant to the DIP Term Sheet, any Committee and any other parties in interest have the ability to bring a challenge proceeding in accordance with applicable law with a prescribed timeframe. These items are an important part of the DIP Term Sheet to ensure that no party in interest would be prejudiced by the relief requested herein.

28. Absent the DIP Facility, the Debtor's ability to continue operating as a going concern will be jeopardized to the detriment of all parties in interest. Given these circumstances, the Roll-Up is reasonable, appropriate, and a sound exercise of the Debtor's business judgment.

29. Further, the Debtor believes that the fees and expenses to be paid under the DIP Facility are reasonable. The Debtor has agreed to pay \$260,000 to the DIP Lender pursuant to the DIP Term Sheet as consideration for the extension of postpetition financing, as well as the reasonable fees and expenses of DIP Lender's counsel. Importantly, these fees and expenses will not actually be paid under the DIP Facility if the DIP Lender is the successful bidder at the Sale.

30. The fees and expenses payable under the DIP Facility were the subject of arm's-length and good-faith negotiations between the Debtor and the DIP Lender, are integral

components of the overall terms of the DIP Facility, and were required by the DIP Lender as consideration for the extension of postpetition financing. Accordingly, the Court should authorize the Debtor to pay the fees and expenses as provided in the DIP Term Sheet.

31. The Debtor is not aware of any party that is interested in providing, or willing to provide, a holistic package of postpetition financing to the Debtor on an unsecured basis. Put simply, the DIP Lender was not willing to provide the DIP Facility on any other terms, no other existing stakeholder has presented a proposal without such priming liens, and no third party lender is willing to provide sufficient postpetition financing even on a priming basis.

32. In sum, the DIP Facility represents the best option available to address the Debtor's immediate liquidity needs, and the Debtor respectfully submits that the terms and conditions of the DIP Facility are reasonable and appropriate under the circumstances.

B. Cash Collateral

33. Further, the Pre-Petition Lender and Pre-Petition Agent will inherently benefit from the Debtor's proposed use of the cash collateral, which will prevent avoidable diminution in value of the cash collateral and enhance the likelihood of preserving the Debtor's overall going concern value during the sale process.

34. The Debtor believes that the proposed adequate protection in the proposed Interim Order and DIP Financing Documents is necessary and sufficient for the Debtor to continue to use cash collateral. Accordingly, the Debtor submits that the adequate protection is (a) fair and reasonable, (b) necessary to satisfy the requirements of sections 363(c)(2) and 363(e) of the Bankruptcy Code, and (c) in the best interests of the Debtor and its estate.

35. The DIP Facility is the result of the Debtor's reasonable and informed determination that the DIP Lender offered the most favorable terms on which to obtain vital

postpetition financing, and extensive arm's-length, good-faith negotiations between the Debtor and the DIP Lender. The Debtor submits that the terms and conditions of the DIP Facility are reasonable and appropriate under the circumstances, and the proceeds of the DIP Facility will be used only for purposes that are permissible under the Bankruptcy Code. Accordingly, the Court should find that the obligations arising under the DIP Facility and other financial accommodations made to the Debtor have been extended by the Agent and the DIP Lender in "good faith" within the meaning of section 364(e) of the Bankruptcy Code, and therefore the Agent and DIP Lender are entitled to all of the protections afforded thereby.

36. The Debtor requires immediate access to cash collateral to operate its enterprise and continue paying its debts as they come due. Prior to the Petition Date, the Debtor, in consultation with its advisors, reviewed and analyzed its projected cash needs and prepared projections and the Budget of postpetition cash needs of the Debtor's business in the first 11 weeks of this chapter 11 case. The Debtor believes that the Budget and its projections are an accurate reflection of its funding requirements, respectively, over the identified period and are reasonable and appropriate under the circumstances. The Budget contains line items for each category of cash flows anticipated to be received or disbursed during this period. The Budget, along with longer term forecasts were utilized to determine the amount of postpetition financing required to administer this chapter 11 case.

37. Immediate access to the DIP Facility and cash collateral is essential to not only meet working capital and business operating needs, but also to fund the administration of this chapter 11 case, enabling the Debtor and its stakeholders to pursue the Sale. The proceeds from the DIP Facility will be used to honor employee wages and benefits, procure goods and services integral to the Debtor's ongoing business operations, fund operational expenses, and allow the

Debtor to maintain favorable relationships with their vendors, suppliers, employees, and customers.

38. Failure to obtain access to the DIP Facility and cash collateral will result in immediate and irreparable harm to the Debtor and its stakeholders, and will diminish the value of the Debtor's estate. Without the approval of the DIP Facility and use of cash collateral, the Debtor will be unable to continue to operate in the ordinary course and preserve and maximize the value of their assets for the benefit of all parties in interest.

39. The Debtor will materially benefit from the strong message that the DIP Facility will provide to the Debtor's customers, sureties, vendors, employees, and contract counterparties regarding the sufficient funding of the Debtor's operations, and further, that this message will help to stabilize the Debtor's operations at the outset of this chapter 11 case, mitigating the possible substantial harm that commencement of this chapter 11 case could have on the value of the Debtor's estate.

40. I believe that the relief requested in the DIP Motion is in the best interests of the Debtor's estate, its creditors, and all other parties in interest and will enable the Debtor to continue to operate in the ordinary course without disruption. Accordingly, I believe that the Court should approve the DIP Motion.

II. Debtor's Emergency Motion for Entry of an Order Authorizing the Debtor to (A) Continue to Operate its Cash Management System, (B) Honor Certain Prepetition Obligations Related Thereto, (C) Maintain Existing Business Forms, and (D) Maintain Existing Investment Practices (the "Cash Management Motion").

41. The Debtor seeks entry of an order authorizing the Debtor to (a) continue to operate its cash management system, (b) honor certain prepetition obligations related thereto, and (c) maintain existing business forms in the ordinary course of business.

42. To facilitate the efficient operation of its business, the Debtor maintains several bank accounts to effectuate a centralized cash management system to collect, transfer, and disburse funds generated by its operations (the “Cash Management System”). The Cash Management System is comparable to the cash management systems used by similarly situated companies to manage the cash of operating units in a cost-effective, efficient manner. The Debtor’s finance department maintains daily oversight over the Cash Management System and implements cash management controls for entering, processing, and releasing funds. The Debtor’s finance department regularly reconciles the Debtor’s books and records to ensure that all transfers are accounted for properly.

A. Bank Accounts

43. The Cash Management System comprises a total of five (5) bank accounts (collectively, the “Bank Accounts”). The first three (3) Bank Accounts reside at JP Morgan Chase Bank, N.A. (“Chase Bank”) and the other two (2) accounts are at Vectra Bank and MidFirst Bank (together with Chase Bank, the “Cash Management Banks”). As of the Petition Date, the Debtor had approximately \$844,000.00 on cash on hand available.

44. The Debtor pays approximately \$3,500 per month to its Cash Management Banks in the aggregate on account of fees and service charges incurred in connection with the Bank Accounts (the “Bank Fees”). The Debtors estimates that they owe prepetition fees of approximately \$3,000 to the Cash Management Banks as of the Petition Date.

45. Each Bank Account that is a depository account is maintained at an entity that is insured by the Federal Deposit Insurance Corporation (the “FDIC”) and, therefore, complies with section 345(b) of the Bankruptcy Code.

46. The Debtor maintains Bank Accounts at Chase Bank and at MidFirst Bank, which are both authorized depository institutions that comply with the requirements of the Office of the United States Trustee for the Southern District of Texas (the “U.S. Trustee”), as required by *The Operating Guidelines and Reporting Requirements for Debtors in Possession and Trustees* (the “U.S. Trustee Operating Guidelines”). The Debtor also maintains a small Bank Account at Vectra Bank, which is not an authorized depository institution in the Southern District of Texas. The Debtor respectfully requests the Court authorize Vectra Bank to continue to maintain, service, and administer the applicable Bank Account as an account of the Debtor as a debtor-in-possession, without interruption and in the ordinary course of business, notwithstanding that Vectra Bank is not an authorized depository institution. Vectra Bank is one of many trade names used by a Zions Bancorporation, National Association. Zions Bank, one of the nation's premier financial services companies, with total assets exceeding \$65 billion and is a member of the FDIC and is included in the S&P 500 and NASDAQ Financial 100 indices. The Bank Account at Vectra Bank is a relatively minor part of the Debtor’s Cash Management System where miscellaneous funds such as vendor reimbursements or scrap metal sales are deposited, with very little to no withdrawals occurring. Accordingly, the Debtor submits that it is appropriate to continue to maintain a depository Bank Account at Vectra Bank.

B. Business Forms

47. The Debtor utilizes certain, limited preprinted correspondence and business forms, such as letterhead and preprinted checks (collectively, the “Business Forms”), in the ordinary course of its businesses. The Debtor also maintain books and records to document, among other things, its profits and expenses. To minimize unnecessary additional expenses to its estate, the Debtor requests that the Court authorize its continued use of its Business Forms to the limited

extent they are preprinted and in existence before the Petition Date, without reference to the Debtor's status as a debtor-in-possession, rather than requiring the Debtor to incur the unnecessary expense and delay of ordering entirely new forms as required by the U.S. Trustee Operating Guidelines.

48. I believe that the relief requested in the Cash Management Motion is in the best interests of the Debtor's estate, its creditors, and all other parties in interest and will enable the Debtor to continue to operate in the ordinary course without disruption. Accordingly, I believe that the Court should approve the Cash Management Motion.

III. Debtor's Emergency Motion for Entry of an Order Authorizing the Debtor to (I) Pay Prepetition Wages, Salaries, Other Compensation, Reimbursable Expenses, and Director Obligations and (II) Continue Employee Benefits Programs (the "Wages Motion")

49. The Debtor seeks entry of an order authorizing the Debtor to (a) pay prepetition wages, salaries, other compensation, reimbursable expenses, and director obligations and (b) continue employee benefits programs in the ordinary course of business, including payment of certain prepetition obligations related thereto.

50. The Debtor employs approximately 109 individuals on a full-time basis (collectively, the "Employees"). Approximately 89 Employees are paid on an hourly basis and approximately 20 Employees are salaried. The Debtor currently employs approximately 41 employees that are on workers compensation or are in a furloughed status. The Employees perform a wide variety of functions critical to the administration of this chapter 11 case and the Debtor's restructuring. Their skills, knowledge, and understanding of the Debtor's operations and infrastructure are essential to preserving operational stability and efficiency. In many instances, the Debtor's Employees include highly trained personnel who cannot be replaced easily. Without the

continued, uninterrupted services of its Employees, the Debtor's restructuring efforts will be halted.

51. The Debtor seeks to minimize the personal hardship the Employees would suffer if employee obligations are not paid when due or as expected. The Debtor is seeking authority to pay and honor certain prepetition claims relating to, among other things, wages, salaries, and other related obligations and health and welfare benefits that the Debtors have historically provided to its Employees (collectively, the "Employee Compensation and Benefits"). The Debtor also seeks to pay all costs incident to the Employee Compensation and Benefits.

52. Subject to the Court's approval of the relief requested herein, the Debtor intends to continue its prepetition Employee Compensation and Benefits programs in the ordinary course of business on a postpetition basis and to pay prepetition amounts (if any) related thereto. The Debtor also requests authority to modify, change, and discontinue any of their Employee Compensation and Benefits and to implement new programs, policies, and benefits in the ordinary course of business during this chapter 11 case and without the need for further Court approval, subject to applicable law.

53. I believe that the relief requested in the Wages Motion is in the best interests of the Debtor's estate, its creditors, and all other parties in interest and will enable the Debtor to continue to operate in the ordinary course without disruption. Accordingly, I believe that the Court should approve the Wages Motion.

IV. Debtor's Emergency Motion for Entry of an Order (I) Authorizing the Payment of Certain Taxes and Fees and (II) Granting Related Relief (the "Taxes Motion")

54. The Debtor seeks entry of an order (a) authorizing the Debtor to remit and pay (or use tax credits to offset) certain prepetition Taxes and Fees (as defined herein) that accrued prior to the commencement of this chapter 11 case and that will become payable during the pendency

of this chapter 11 case and (b) authorizing the Debtor to remit and pay (or use tax credits to offset) certain Taxes and Fees that arise or accrue in the ordinary course of business on a postpetition basis.

55. In the ordinary course of business, the Debtor collects, withholds, and incurs sales, use, income, withholding, franchise, severance, and property taxes as well as other business, environmental, and regulatory fees (collectively, the “Taxes and Fees”).⁴ The Debtor remits the Taxes and Fees to various federal, state, and local governments, including taxing and licensing authorities (collectively, the “Authorities”). Taxes and Fees are remitted and paid by the Debtor through checks and electronic funds transfers that are processed through their banks and other financial institutions.

56. It is my understanding that any failure by the Debtor to pay the Taxes and Fees as and when due could have a material adverse impact on its ability to operate. As of the Petition Date, the Debtor estimates that approximately \$90,387.67 in Taxes and Fees relating to the prepetition period have accrued and remain unpaid.

57. I believe that the relief requested in the Taxes Motion is in the best interests of the Debtor’s estate, its creditors, and all other parties in interest and will enable the Debtor to continue to operate in the ordinary course without disruption. Accordingly, I believe that the Court should approve the Taxes Motion.

V. Debtor’s Emergency Motion for Interim and Final Order Authorizing the Debtor to (I) Continue Insurance Coverage Entered Into Prepetition and Satisfy Prepetition

⁴ I understand the Debtor does not seek the authority to collect and remit state and federal employee-related taxes and withholdings. Such relief is instead requested in the Wages Motion.

Obligations Related Thereto, and (II) Renew, Amend, Supplement, Extend or Purchase Policies (the “Insurance Motion”)

58. The Debtor seeks entry of interim and final orders authorizing the Debtor to (a) continue insurance coverage entered into prepetition and satisfy payment obligations related thereto in the ordinary course of business and (b) renew, amend, supplement, extend, or purchase insurance coverage in the ordinary course of business on a postpetition basis and to pay outstanding prepetition amounts, if any.

59. In the ordinary course of business, the Debtor maintains various liability, property, and other insurance policies (collectively, the “Insurance Policies”) through three third-party insurance carriers (together with any third-party administrators, the “Insurance Carriers”). The Insurance Policies provide the Debtor with insurance coverage for liabilities relating to, among other things, general liability, umbrella liability, worker’s compensation and employer’s liability, automobile liability, director and officer liability, and property damage liability. The Insurance Policies also include any new or similar policies entered into by the Debtor after the date hereof due to expiration of existing Insurance Policies or otherwise.

60. The majority of the policies have a one-year term. Each of the Insurance Policies expire on October 12, 2020. The premiums are determined annually and are due in their entirety shortly after the effective dates of the policies. The estimate aggregate amount of annual premiums, inclusive of related taxes and fees, on account of all of the current Insurance Policies requested by this Motion (collectively, the “Insurance Obligations”) is approximately \$1.5 million. As of the Petition Date, the Debtor is current on all premium payments and does not expect to have to pay any premiums related to its automobile, umbrella, equipment and director and officer liability until October when those policies expire. The Debtor pays its automotive, umbrella,

equipment and director and officer insurance policies on a monthly basis based upon the Debtor's exposure. The Debtor's monthly average for these policies is \$75,108.60.

61. The Debtor intends to continue the existing Insurance Policies and enter into new policies when necessary to protect the Debtor and its estate from potential liability in the ordinary course of business. With regard to many of the Debtor's customers, insurance coverage is likely required by regulations, laws, or contracts. Furthermore, the Office of the U.S. Trustee requires debtors to maintain insurance during the pendency of a chapter 11 bankruptcy case.

62. The Debtor employs McGriff, Seibels & William Inc. ("Broker") as its insurance broker to assist it in obtaining and managing the Insurance Policies. The Debtor's use of the Broker allows it to obtain the coverage it needs in the most efficient and cost-effective manner, as the Broker handles negotiating policy terms, provisions, and premiums, and provides the Debtor with ongoing support and policy management. In addition to the Premiums paid on the Insurance Policies obtained through McGriff, the Debtor pays the Broker \$165,000 (the "Broker Fee") pursuant to a broker fee agreement. To the extent any prepetition Broker Fee is outstanding, the Debtor seek authority to pay such Broker Fee in full to avoid an interruption in coverage under the Insurance Policies.

63. I believe that the relief requested in the Insurance Motion is in the best interests of the Debtor's estate, its creditors, and all other parties in interest and will enable the Debtor to continue to operate in the ordinary course without disruption. Accordingly, I believe that the Court should approve the Insurance Motion.

VI. Debtor's Emergency Motion for Entry of an Order (I) Approving the Debtor's Proposed Adequate Assurance of Payment for Future Utility Services, (II) Prohibiting Utility Companies from Altering, Refusing, or Discontinuing Services,

and (III) Approving the Debtor's Proposed Procedures for Resolving Additional Assurance Requests (the "Utilities Motion")

64. The Debtor request entry of an order (a) approving the Debtor's proposed adequate assurance of payment for future utility services, (b) prohibiting utility companies from altering, refusing, or discontinuing services, and (c) approving the Debtor's proposed procedures for resolving additional adequate assurance requests.

65. In connection with the operation of its business and management of its properties, the Debtor incurs utility expenses in the ordinary course of business for, among other things, electricity, gas, sewer, trash, local and long-distance telecom services, data services and television service and other similar services (collectively, the "Utility Services"). On a monthly basis, the Debtors spend approximately \$31,359 for the various Utility Services. These Utility Services are provided by approximately fifteen utility providers (each a "Utility" and collectively, the "Utilities").

66. I believe that the uninterrupted provision of Utility Services is essential to the Debtor's ongoing operation and, therefore, the overall success of this chapter 11 case. The Debtors employ wireline and perforating, coil tubing, and fluid pumping system and the Debtor must constantly maintain its ability to operate its equipment. The Debtor's operations also require electricity for lighting, heating, and air conditioning. In addition to the process conducted in the field, the Debtor operates corporate offices, as well as several regional and field offices, responsible for ensuring the smooth operation of the Debtor's business. These offices require electricity, telecommunications, and internet services to operate in each of their respective locations. Should any Utility Provider refuse or discontinue service, even for a brief period, the Debtor's business operations would be severely disrupted, and such disruption would jeopardize

the Debtor's ability to manage its reorganization efforts. Accordingly, it is essential that the Debtor maintain uninterrupted access to Utility Services during this chapter 11 case.

67. The Debtor intends to pay all postpetition obligations owed to the Utilities in a timely manner, consistent with the ordinary course of its business. However, to provide adequate assurance of payment for future services as required by section 366(c) of the Bankruptcy Code, the Debtor proposes to deposit (within twenty (20) days of the Petition Date) an amount into an interest-bearing, newly-created, segregated account (the "Adequate Assurance Account") equal in the aggregate to 50% of the average monthly bill for each Utility and excluding those four Utilities that hold a prepetition deposit from the Debtors (the "Adequate Assurance Deposit") pending further order of the Court. After reviewing four Utilities' prepetition deposits and the Debtor's two week average cost for the Utility Services, the initial Adequate Assurance Deposit will be approximately one half of the monthly Utility Services costs for those Utilities that do not yet have a deposit from the Debtors, or \$14,158.89.

68. I believe that the Adequate Assurance Deposit, in conjunction with the Debtor's ability to pay for future utility services in accordance with prepetition practice, provides more than adequate assurance of payment to the Utility Companies. I further believe that the relief requested in the Utilities Motion is necessary to avoid immediate and irreparable harm, is in the best interests of the Debtor's estate, its creditors and all other parties in interest, and will enable the Debtor to continue to operate in the ordinary course without disruption. Accordingly, I believe that the Court should approve the Utilities Motion.

VII. Debtor's Emergency Motion for Entry of Interim and Final Orders Authorizing the Debtor to Pay Certain Pre-Petition Claims of Critical Vendors (the "Critical Vendors Motion")

69. The Debtor seeks entry of interim and final orders (i) authorizing, but not directing, the Debtor, in consultation with the U.S. Trustee and the Official Committee of Unsecured

Creditors, if one is appointed in this chapter 11 case (the “Committee”), to pay certain pre-petition claims of critical vendors in accordance with the proposed procedures, and (ii) authorizing the Debtors’ bank and other financial institutions to honor and process related checks and transfers.

70. In the ordinary course of business, the Debtor provides a full range of oilfield services, products, technology and systems. The Debtor’s ability to provide these services and products in a timely manner is critically important to its financial performance and depends on its prompt and continuous receipt of a wide range of goods and services. Given the highly specialized nature of the supplies and materials used by the Debtor, the Debtor relies on specific vendors, suppliers, and consultants to provide the Debtor with goods and services necessary for the Debtor’s business to function properly, safely, and in full compliance with applicable federal and state regulations. The goods and services provided by the Debtor’s vendors, suppliers, and consultants are, therefore, essential to the day-to-day operations of the Debtor’s business.

71. Given the importance of the Debtor’s vendors, suppliers, and consultants to the Debtor’s business enterprise, the Debtor determined that it was necessary and prudent to identify the vendors, suppliers, and consultants that are most critical to the Debtor’s go-forward operations (collectively, the “Critical Vendors”). After a thorough review of its business operations and diligence regarding potential alternative vendors, suppliers and consultants, the Debtor determined, in the exercise of its business judgment, that the goods and services provided by the Critical Vendors are necessary at this critical juncture to the success of this chapter 11 case, so as to avoid irreparable harm to the Debtor’s business, preserve the value of the Debtor’s estate, and allow for a successful sale process.

72. If the Critical Vendors are not paid, their unwillingness to continue to service the Debtor could cause an interruption of the Debtor’s business. Such interruption could have drastic

consequences for the Debtor's operations due to the lack of alternative suppliers or service providers in many situations, or the amount of time needed to locate and convert to alternative sources. Such interruption would also negatively affect the Debtor's revenue and further strain its liquidity.

73. The Critical Vendors are highly specialized and limited in number and provide various products, services, and goods essential to the Debtor's business, including, but not limited to, security, safety, parts and equipment, maintenance and repair, environmental testing, shipping, permitting, and information technology. The Debtor intends to provide a schedule of the Critical Vendors to the U.S. Trustee and the Creditors' Committee on a confidential basis and will provide a copy of the same to the Court for *in camera* review. No other disclosure of the identity of the Critical Vendors is contemplated in order to best protect the rights and interests of the Debtor, its estate and creditors.

74. Moreover, the continued availability of trade credit in amounts and on terms consistent with those that the Debtor enjoyed pre-petition is necessary for the Debtor to maintain the liquidity for operations and preserve the customer base and vendor network that is essential to the Debtor's efforts to maximize the value of its estate. The Debtor believes that preserving working capital through the retention or reinstatement of prepetition customary trade terms will enable the Debtor to maintain its competitiveness and to maximize the value of its business. Conversely, a deterioration of trade credit and disruption or cancellation of deliveries of goods and services would hinder the Debtor's operations and undermine its ability to generate revenue and ultimately to maximize the value of its estate.

75. I believe that the relief requested in the Critical Vendors Motion is in the best interest of the Debtor's estate, its creditors and all other parties in interest, and will enable the

Debtor to continue to operate in the ordinary course without disruption. Accordingly, I believe that the Court should approve the Critical Vendors Motion.

Administrative First Day Motions

I. Debtor's Emergency Application for Entry of an Order (A) Authorizing the Retention and Appointment of Stretto as Claims, Noticing, and Solicitation Agent and (B) Granting Related Relief (the "Stretto Application")

76. The Debtor seeks entry of an order appointing Stretto as the Debtor's claims, noticing, and solicitation agent in connection with this chapter 11 case, in accordance with the terms and conditions set forth in the engagement letter between Stretto and the Debtor, dated as of July 7, 2020 (the "Engagement Agreement").

77. The Debtor anticipates that there will be thousands of persons and entities to whom the Debtor must provide notice of developments related to these chapter 11 case. With such a significant number of parties involved in this case, it is likely that heavy administrative burdens will be imposed upon the Court and the Office of the Clerk of the United States Bankruptcy Court for the Southern District of Texas (the "Clerk").

78. I understand that Stretto is a bankruptcy administrator that specializes in providing comprehensive chapter 11 administrative services, including noticing, claims processing, solicitation, balloting, and other related services critical to the effective administration of this chapter 11 case. I understand and believe that Stretto has developed efficient and cost-effective methods to properly handle the voluminous mailings associated with the noticing, claims processing, solicitation, and balloting portions of this chapter 11 case to ensure the orderly and fair treatment of creditors, equity security holders, and all parties in interest.

79. Further, I understand Stretto will work with the Clerk to ensure that its methodology conforms to all of the Court's procedures, the Bankruptcy Local Rules, and the provisions of any

Court orders. I believe that such assistance will expedite the distribution of notices and relieve the Clerk of administrative burdens caused by this chapter 11 case.

80. I believe that the proposed retention of Stretto is the most effective and efficient manner of noticing the thousands of creditors and parties in interest of the commencement of this case and other developments. Thus, I believe that the relief requested in the Stretto Application is in the best interest of the Debtor's estate, its creditors, and all other parties in interest and will enable the Debtor and its professionals to focus on key aspects of the Debtor's restructuring efforts. Accordingly, I believe that the Court should approve the Stretto Application.

II. Debtor's Emergency Motion for Entry of an Order Extending Time to File Schedules of Assets and Liabilities, Statements of Financial Affairs (the "Extension Motion")

81. The Debtor seeks entry of an order extending the deadline by which the Debtor must file its schedules of assets and liabilities, schedules of current income and expenditures, schedules of executory contracts and unexpired leases, and statements of financial affairs (collectively, the "Schedules and Statements") by 31 days, for a total of 45 days from the Petition Date, without prejudice to the Debtor's ability to request additional extensions for cause shown.

82. I believe that the Court's grant of an extension of time to file the Schedules and Statements is appropriate under the circumstances of this case. *First*, to prepare its Schedules and Statements, the Debtor will have to compile information from books, records, and documents relating to a large number of claims, assets, and contracts. This information is voluminous and would require an enormous expenditure of time and effort on the part of the Debtor, its employees, and its professional advisors. *Second*, no party in interest will experience prejudice by the Court granting the Debtor's request for an extension.

83. I therefore believe that the relief requested in the Extension Motion is in the best interest of the Debtor's estates, its creditors, and all other parties in interest, and will preserve the

assets of the Debtor's estate during the chapter 11 process without prejudice to any party in interest.

Accordingly, I believe that the Court should approve the Extension Motion.

III. Debtor's Emergency Motion for Entry of an Order (I) Authorizing the Debtor to Redact Certain Personal Identification Information of Individual Creditors, and (II) Approving the Form and Manner of Notifying Creditors of the Commencement of the Chapter 11 Case and Other Information (the "Redaction Motion")

84. The Debtor seeks entry of an order (i) authorizing the Debtor to redact certain personal identification information of individual creditors and (ii) approving the form and manner of notice of commencement of this chapter 11 case (the "Notice of Commencement") and the scheduling of the meeting of creditors under section 341 of the Bankruptcy Code (the "Meeting of Creditors").

85. I believe that it is appropriate to authorize the Debtor to redact from any documents filed or to be filed in this chapter 11 case the address of individual creditors, many of whom are the Debtor's employees. Such information could be used, among other things, to perpetrate identity theft or locate survivors of domestic violence or stalking who have otherwise taken steps to conceal their whereabouts. I therefore believe that redacting personal identification information of individual creditors is appropriate.

86. Further, as previously mentioned, it is my understanding that the Debtor has identified or will identify thousands of persons and entities to whom the Debtor must provide notice of this chapter 11 case. The Debtor proposes to serve the Notice of Commencement on all parties entitled to notice of the case and advise them of the Meeting of Creditors through Stretto. Service of the Notice of Commencement will avoid confusion among the creditors and will prevent the Debtor's estates from incurring unnecessary costs associated with serving different notices to thousands of parties.

87. I therefore believe that the relief requested in the Redaction Motion is in the best interest of the Debtor's estates, its creditors, and all other parties in interest, and will preserve the assets of the Debtor's estate during the chapter 11 process without prejudice to any party in interest. Accordingly, I believe that the Court should approve the Redaction Motion.

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Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct.

Dated: July 21, 2020



Matthew Foster
Chief Restructuring Officer
Patriot Well Solutions LLC

Certificate of Service

I certify that on July 21, 2020, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Travis A. McRoberts

Travis A. McRoberts