

UNITED STATES BANKRUPTCY COURT
DISTRICT OF WYOMING



2:13 pm, 12/21/21

Tim J. Ellis
Clerk of Court

In re:)
)
CUDA ENERGY INC.) Case No. 21-20484
) Chapter 15
)
Debtor in Foreign Proceeding.)

In re:)
)
CUDA OIL AND GAS INC.) Case No. 21-20486
) Chapter 15
)
Debtor in Foreign Proceeding.)

In re:)
)
CUDA ENERGY LLC) Case No. 21-20485
) Chapter 15
)
Debtor in Foreign Proceeding.)

In re:)
)
JUNEX INC.) Case No. 21-20487
) Chapter 15
)
Debtor in Foreign Proceeding.)

**ORDER GRANTING RECOGNITION AS A FOREIGN
MAIN PROCEEDING AND RELATED RELIEF**

THIS MATTER is brought before the Court by FTI Consulting Canada Inc. (“FTI”) in its capacity as court-appointed receiver (the “Receiver”) and authorized foreign representative of Cuda Energy Inc., Cuda Oil and Gas Inc., Cuda Energy LLC, and Junex Inc. (collectively referred to as the “Cuda Debtors”), in the proceeding pending in the Court of Queen’s Bench of Alberta, Canada (the “Canadian Proceeding”).

The Court has reviewed the official form petitions and the petitions for recognition as a foreign main proceeding (together, the “Petitions”) pursuant to Section 1515 of Title 11 of the United States Code (the “Bankruptcy Code”) for entry of an order recognizing the Canadian Proceeding as a foreign main proceeding pursuant to Section 1517 of the Bankruptcy Code, thereby granting related relief pursuant to Section 1520 of the Bankruptcy Code and additional relief pursuant to Section 1521 of the Bankruptcy Code.

Due and timely notice of the filing of the Petitions was given pursuant to Rule 2002(q) of the Federal Rules of Bankruptcy Procedure.

After due deliberation and sufficient cause appearing, the Court finds and concludes as follows:

- A. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(a) and (b) and 1334(a) and (b) and Sections 109 and 1501 of the Bankruptcy Code. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P).
- B. Venue is proper in this district pursuant to 28 U.S.C. § 1410(1).
- C. The Receiver is a person within the meaning of Section 101(41) of the Bankruptcy Code and is the duly appointed foreign representative of the Cuda Debtors within the meaning of Section 101(24) of the Bankruptcy Code.
- D. The cases were properly commenced pursuant to Sections 1504 and 1515 of the Bankruptcy Code.
- E. The Canadian Proceeding is a foreign proceeding within the meaning of Section 101(23) of the Bankruptcy Code.
- F. The Canadian Proceeding is entitled to recognition by this Court pursuant to Section 1517 of the Bankruptcy Code.

- G. The Canadian Proceeding is entitled to recognition as a foreign main proceeding pursuant to Section 1502(4) of the Bankruptcy Code and is entitled to recognition as a foreign main proceeding pursuant to Section 1517(b)(1) of the Bankruptcy Code.
- H. The Receiver is entitled to the relief afforded under Section 1520 of the Bankruptcy Code.
- I. In order to protect the assets of the Cuda Debtors and the interests of creditors, the Receiver is entitled to additional relief provided in and pursuant to Section 1521 of the Bankruptcy Code.
- J. The relief granted is necessary and appropriate, in the interest of the public and international comity, consistent with the United States public policy, and will not cause any hardship to any party in interest that is not outweighed by the benefits of granting the requested relief.

NOW, THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:

1. The Canadian Proceeding is hereby recognized as a foreign main proceeding pursuant to Section 1517 of the Bankruptcy Code.
2. The Receiver is granted all of the relief afforded under Section 1520 of the Bankruptcy Code.
3. The terms of the Receivership Order granted in the Canadian Proceeding on November 18, 2021 (the “Receivership Order”) are given full force and effect in the United States.
4. The following additional relief is granted pursuant to Section 1521 of the Bankruptcy Code:

(a) The commencement or continuation of any action or proceeding concerning the assets, rights, obligations or liabilities of the Cuda Debtors, including any action or proceeding against FTI in its capacity as Receiver, or to the extent not stayed under Section 1520(a) of the Bankruptcy Code, is hereby stayed;

(b) Execution against the assets of the Cuda Debtors to the extent not stayed under Section 1520(a) of the Bankruptcy Code is hereby stayed;

(c) The administration or realization of all or part of the assets of the Cuda Debtors within the territorial jurisdiction of the United States is hereby entrusted to the Receiver, and the terms of the Receivership Order shall apply to the Cuda Debtors, its creditors, the Receiver, and any other parties-in-interest; and

(d) The right of any person or entity, other than the Receiver, to transfer or otherwise dispose of any assets of the Cuda Debtors to the extent not suspended under Section 1520(a) of the Bankruptcy Code is hereby suspended unless authorized in writing by the Receiver or by Order of this Court.

5. Nothing in this Order shall be deemed to entrust or otherwise vest the Cuda Debtors or its assets to the Receiver, with the terms of the Receivership Order to expressly govern the rights and responsibilities as foreign representative in this foreign main proceeding.

6. Notwithstanding Rule 7062 of the Bankruptcy Rules, made applicable to this case by Rule 1018 of the Bankruptcy Rules, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry and, upon its entry, shall become final and appealable.

7. This Court shall retain jurisdiction with respect to the enforcement, amendment or modification of this Order, any request for additional relief or any adversary proceeding brought in and through these Chapter 15 foreign proceedings, and any request by an entity for relief from the provisions of this Order, for cause shown, that is properly commenced and within the jurisdiction of this Court.

8. Notwithstanding the foregoing provisions of this Order, paragraphs 27 through 29 of the Receivership Order shall not constitute or be recognized as a determination of the priority of the liens and security interests of Southwestern Production Corp. (“Southwestern”) on and in the property of Cuda Energy LLC (the “Southwestern Lien Property”) and in relation to the Receiver’s Charge, the Tallinn Security, the Receiver’s Borrowing Charge (as those terms are defined in the Receivership Order), or any liens and security interests claimed by Pricewaterhouse Coopers Inc., in its capacity as court-appointed receiver and manager of Bridging Finance Inc (“Bridging”). The Receiver, Southwestern, Tallinn Capital Energy Limited Partnership (“Tallinn”) and Bridging reserve all rights to adjudicate the priority of the liens, security interests, and charges in or on the Southwestern Lien Property and any

party seeking such adjudication will bear the burden of proof. The Receiver shall not distribute amounts generated from the Southwestern Lien Property on account of the Receiver's Charge, the Tallinn Security, or the Receiver's Borrowing Charge absent further order of the Canadian Court and recognition by this Court on notice to Southwestern, Tallinn and Bridging. Further, Southwestern, Tallinn and Bridging reserve all rights to seek relief from this Order. Southwestern, Tallinn and Bridging further reserve the right to seek adequate protection pursuant Section 361 of the Bankruptcy Code and the right to seek relief under Section 363 of the Bankruptcy Code and any other applicable provision of the Bankruptcy Code.

It is finally Ordered this Order does not constitute the above-captioned cases are jointly administered.¹

BY THE COURT:



12/21/2021

Honorable Cathleen D. Parker
United States Bankruptcy Court
District of Wyoming

¹ A Motion for Joint Administration is pending in each captioned case.