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ATTORNEYS FOR CANADIAN RECEIVER

**IN THE UNITED STATES BANKRUPTCY COURT
 FOR THE NORTHERN DISTRICT OF TEXAS
 WICHITA FALLS DIVISION**

In re:	§	
	§	Case No. 19-33868-15
EAGLE ENERGY INC.	§	
	§	Chapter 15
Debtor in a foreign proceeding.	§	
	§	Joint Administration Requested
<hr/>		
In re:	§	
	§	Case No. 19-33869-15
EAGLE ENERGY TRUST	§	
	§	Chapter 15
Debtor in a foreign proceeding.	§	
	§	Joint Administration Requested
<hr/>		
In re:	§	
	§	Case No. 19-33870-15
EAGLE ENERGY HOLDINGS INC.	§	
	§	Chapter 15
Debtor in a foreign proceeding.	§	
	§	Joint Administration Requested
<hr/>		
In re:	§	
	§	Case No. 19-70333-15
EAGLE HYDROCARBONS INC.	§	
	§	Chapter 15
Debtor in a foreign proceeding.	§	
	§	Joint Administration Requested
<hr/>		

RECEIVER’S MOTION FOR JOINT ADMINISTRATION OF CHAPTER 15 CASES

FTI Consulting Canada Inc. (“**FTI**”) solely in its capacity as court-appointed receiver (the “**Receiver**”) of (1) Eagle Energy Inc. (“**Eagle Energy**”), (2) Eagle Energy Trust (“**Eagle Trust**”), (3) Eagle Energy Holdings Inc. (“**Eagle Holdings**”), and (4) Eagle Hydrocarbons Inc. (“**Eagle US**”) (collectively, “**Eagle**” or “**Debtors**”) based upon the Receivership Order (the “**Consent Receivership Order**”) dated November 19, 2019, entered by the Court of Queen’s Bench of Alberta in the Judicial Centre of Calgary, Canada, Court File No. 1901-16293 (the “**Canadian Court**” and the “**Canadian Proceedings**”), and as authorized foreign representative of the above-captioned Debtors, by and through its undersigned counsel, files this Motion (the “**Motion**”) for Joint Administration of the above-referenced chapter 15 cases (the “**Chapter 15 Cases**”), and respectfully states as follows:

I.
INTRODUCTION

1. The Debtors are a group of Canadian-based companies that have been placed into a receivership proceeding under the Bankruptcy and Insolvency Act in Canada, which is a foreign proceeding within the meaning of 11 U.S.C. § 101(23). Movant is the Canadian court-appointed Receiver, who is a foreign representative within the meaning of 11 U.S.C. § 101(24). As petitioner in these cases, the Receiver seeks recognition of the foreign proceedings as foreign main proceedings under 11 U.S.C. §§ 1515, 1517 and 1520. The Receiver seeks joint administration of the cases of these four affiliated Debtors.

II.
JURISDICTION, VENUE, AND CORE ALLEGATIONS

2. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334(a) and (b) and 11 U.S.C. § 1501 of the Bankruptcy Code. Venue is proper in this district pursuant to 28 U.S.C. § 1410. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P).

III.
EMERGENCY RELIEF REQUESTED

3. By this Motion, the Receiver respectfully requests entry of an order directing the consolidation and joint administration of these Chapter 15 Cases for procedural purposes only. For the reasons set forth below, the Receiver submits that the relief requested in this Motion is in the best interest of the Debtors and all parties in interest because joint administration will (1) ease the administrative burden to this Court of entering duplicative orders and maintaining duplicative files and dockets (2) result in savings to the Receiver (and the Debtors’ estates).

IV.
SUPPORT FOR THIS MOTION

4. The Receiver attaches the following Exhibits to this Motion.

Exhibit	Description	Comment
A	Form Of Order Granting Receiver’s Emergency Motion for Joint Administration	

The Receiver also requests that the Court take judicial notice of its files in this case.

V.
BACKGROUND

A. The Canadian Proceedings

5. The Bankruptcy and Insolvency Act (“**BIA**”) is the one of two pieces of federal legislations in Canada applicable to bankruptcies and insolvencies. Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3 (Can.). The BIA governs both voluntary and involuntary bankruptcy liquidations and provides for debtor reorganizations.

6. The BIA also authorizes a court to appoint a receiver upon application by a secured creditor. *Id.* § 243(1). Such court-appointed receivers are given a mandate and specific powers as set out in the order appointing the receiver. These duties typically include: (1) taking possession and control of the property and assets of the debtor; (2) marketing and selling such property and

assets in a commercially reasonable manner (whether as a going concern, en-bloc, or otherwise) and under the supervision and approval of the appointing court; and (3) distributing the proceeds of such sales to the stakeholders in accordance with the legal entitlement. The appointing court has broad discretion to authorize the receiver to “take any other action that the court considers advisable.” Id. § 243(1)(c).

7. A court-appointed receiver under the BIA is a “national” receiver, meaning that a receiver administers assets in each of Canadian’s ten provinces and three territories typically without further order of provincial courts. The BIA and its related legislation (the Companies’ Creditors Arrangement Act) are federal legislation. But provincial legislative jurisdiction governs property and civil rights, potentially affecting some insolvency-related matters, similar to the interplay between state and federal law in the United States. Nonetheless, the BIA provides a statutory framework for a court-appointed receiver to carry out its mandate on a national basis rather than relying on the various provincial statutes or courts for its authority.

8. On November 19, 2019, the Canadian Court entered the Receivership Order against the Debtors.

9. Among other things, the Receivership Order appointed FTI as the Receiver of the Debtors.

10. On November 20, 2019, the Receiver filed Official Form No. 401 Chapter 15 petitions for each of the Debtors pursuant to 11 U.S.C. § 1504, 1509(a) and 1515(a).

11. Pursuant to the Receivership Order, the Receiver is a foreign representative in a foreign proceeding, and seeks relief under Chapter 15 of the Bankruptcy Code.

VI.
ARGUMENT AND AUTHORITIES

A. Information for Motion

12. Bankruptcy Rule 1015(b) provides that “if a joint petition or two or more petitions are pending in the same court by or against ... a debtor and an affiliate, the court may order a joint administration of the estates.” Fed. R. Bankr. P. 1015(b). Section 101(2) of the Bankruptcy Code, in turn, defines the term “affiliate,” in pertinent parts, as:

- (A) [an] entity that directly or indirectly owns, controls, or holds with power to vote, 20 percent or more of the outstanding securities of the debtor;
- (B) [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 power to vote, 20 percent or more of the outstanding voting securities of the debtor;

11 U.S.C. §101(2).

13. Further, Local Rule 1015-1 states, in relevant part:

When a case is filed for or against a debtor related to a debtor with a case pending in the Bankruptcy Court, a party in interest may file a motion for joint administration in each case.

N.D. Tex. L.B.R. 1015-1.

14. As disclosed in the Declaration of the Foreign Representative, Eagle Energy, as the ultimate parent of the Debtors, directly or indirectly owns or controls 100% of the voting securities and/or membership interests (as applicable) of each of the other Debtors. As such, the Debtors are “affiliates” as that term is defined in section 101(2) of the Bankruptcy Code. Accordingly, this Court is authorized to jointly administer these cases for procedural purposes under Bankruptcy Rule 1015(b) and Local Rule 1015-1.

15. The Receiver anticipates that numerous notices, applications, motions or other pleadings and orders in these Chapter 15 Cases will affect several or all of the Debtors. The failure

to jointly administer these four cases—each with its own case docket—would result in numerous duplicative filings for each issue. Further, joint administration will relieve the Court of entering duplicative orders and maintaining duplicative files and dockets. The Office of the United States Trustee for the Northern District of Texas (the “**US Trustee**”) and other parties in interest will similarly benefit from joint administration, sparing them the time and effort of reviewing duplicative pleadings and papers.

16. Joint administration will save time and money and avoid such duplicative and potentially confusing filings by permitting counsel for all parties in interest to: (a) use a single caption on the numerous documents that may be served and filed in these Chapter 15 Cases; (b) file the pleadings in one case rather than in multiple cases; and (c) refer to one case docket in order to review all pleadings filed in these Chapter 15 Cases. Further, joint administration will protect parties in interest by ensuring that parties in each of the Debtors’ respective cases will be apprised of the various matters before the Court in these Chapter 15 Cases.

17. The rights of the Debtors’ creditors and other parties in interest will not be adversely affected by joint administration of these Chapter 15 Cases because this Motion requests only administrative consolidation of the estates for procedural purposes and does not seek substantive consolidation. Creditors and other parties in interest will maintain their rights against each of the respective estates, as applicable.

18. The proposed style and case number to be used on subsequent pleadings if joint administration is ordered is as follows:

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
WICHITA FALLS DIVISION**

In re:	§	
	§	Case No. 19-33868-15
EAGLE ENERGY INC., <i>et al.</i>,¹	§	
	§	Chapter 15
Debtors in a foreign proceeding.	§	
	§	Jointly Administered

19. The Receiver will propose amendments or consolidation of mailing lists to ensure due process and proper notice in future filings.

**VII.
PRAYER**

Wherefore, the Receiver seeks an Order providing for joint administration of the above-captioned Debtors, and for all other relief, at law or in equity, to which the Receiver is justly entitled.

¹ The Debtors are: (1) Eagle Energy Inc., (2) Eagle Energy Trust, (3) Eagle Energy Holdings Inc., and (4) Eagle Hydrocarbons Inc.

Dated: November 21, 2019
Dallas, Texas

Respectfully submitted,

NORTON ROSE FULBRIGHT US LLP

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**ATTORNEYS FOR CANADIAN
RECEIVER**

CERTIFICATE OF SERVICE

I hereby certify that contemporaneously with the filing of the foregoing, I directed noticing agent Stretto to serve a copy of the foregoing on parties in interest in this case. The Receiver will supplement this certificate of service with proof of service and a copy of such service list.

/s/ Greg M. Wilkes
Greg M. Wilkes

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
WICHITA FALLS DIVISION**

In re:	§	
EAGLE ENERGY INC.	§	Case No. 19-33868-15
	§	
Debtor in a foreign proceeding.	§	Chapter 15
	§	
	§	Joint Administration Requested
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In re:	§	
EAGLE ENERGY TRUST	§	Case No. 19-33869-15
	§	
Debtor in a foreign proceeding.	§	Chapter 15
	§	
	§	Joint Administration Requested
<hr/>		
In re:	§	
EAGLE ENERGY HOLDINGS INC.	§	Case No. 19-33870-15
	§	
Debtor in a foreign proceeding.	§	Chapter 15
	§	
	§	Joint Administration Requested
<hr/>		
In re:	§	
EAGLE HYDROCARBONS INC.	§	Case No. 19-70333-15
	§	
Debtor in a foreign proceeding.	§	Chapter 15
	§	
	§	Joint Administration Requested

**ORDER DIRECTING JOINT ADMINISTRATION
OF THE DEBTORS' CHAPTER 15 CASES**

This matter coming before this Court upon the motion (the “**Motion**”) filed by the FTI Consulting Canada Inc. (“**FTI**”) solely in its capacity as the court-appointed receiver (the “**Receiver**”)¹ of the Debtors, for entry of an order (this “**Order**”), pursuant to Rules 1005 and 1015(b) and Rule 1015-1 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Northern District of Texas (the “**Local Rules**”), directing the procedural consolidation and joint administration of the Debtors’ Chapter 15 Cases, all as further described in the Motion, and this Court having jurisdiction to consider the Motion and the relief requested therein under 28 U.S.C. §1334 and 157; and this Court having found that this is a core proceeding under 28 U.S.C. §157(b)(2); and this Court having found that venue of this proceeding and the Motion in this District is proper under 28 U.S.C. §1410(3); and this Court having found that notice of the Motion and opportunity for a hearing were adequate and appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and the record before the Court and this Court having determined that the legal and factual bases set forth in the Motion and the record before the Court establish just cause for the relief granted herein; and this Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted, as set forth herein.

¹ Capitalized terms not otherwise defined herein shall have the meaning ascribed to such term in the Motion.

2. The above-captioned Chapter 15 Cases are consolidated for procedural purposes only and shall be jointly administered under Case No. 19-33868-15 (the “**Lead Case**”), in accordance with the provisions of Bankruptcy Rule 1015 and Local Rule 1015-1, provided, however, that nothing contained in this Order shall be deemed or construed as directing a substantive consolidation of the above-captioned cases.

3. All orders, pleadings, papers and documents, except proofs of claim, lists, schedules, statements and monthly operating reports, shall be filed and docketed in the Lead Case.

4. All proofs of claim (if any) shall be filed and docketed under the case number representing the estate in which the claim is made, and a creditor of more than one estate shall file and docket a proof of claim in each case to which a claim may be made, and only in the amount which the creditor may make a claim from that estate.

5. If any are required, all lists, schedules, statements, and monthly operating reports shall be filed and docketed in the specific member case for which they are applicable.

6. Parties in interest are directed to use the proposed caption, annexed hereto as Exhibit A, when filing a pleading with the Court in the Debtors’ Chapter 15 Cases.

7. Counsel for the Receiver shall serve a copy of this Order on the United States Trustee, all creditors, persons filing Notices of Appearance, and other parties-in-interest, and shall file a certificate of service with the Clerk of Court after completing service.

8. Counsel for the Receiver shall file with the Clerk, in the Lead Case, a master service list of all creditors, persons filing Notices of Appearance, and all parties-in-interest in the jointly administered cases, in the form prescribed by Local Bankruptcy Rule 1007-1.

9. The Receiver is hereby authorized to take all actions necessary to effectuate the relief granted in this Order.

10. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

11. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

End Of Order

Submitted by:

/s/ Greg M. Wilkes

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ATTORNEYS FOR THE CANADIAN RECEIVER

EXHIBIT A
(Proposed Caption)

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
WICHITA FALLS DIVISION**

In re:	§	
	§	Case No. 19-33868-15
EAGLE ENERGY INC., <i>et al.</i>,²	§	
	§	Chapter 15
Debtor in a foreign proceeding.	§	
	§	Jointly Administered

² The Debtors are: 1) Eagle Energy Inc., (2) Eagle Energy Trust, (3) Eagle Energy Holdings Inc., and (4) Eagle Hydrocarbons Inc.