

**THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS  
OF BJ SERVICES, LLC, et al. Ch. 11 Case No. 20-2267 (MI) (Jointly Administered)**  
c/o Squire Patton Boggs (US) LLP  
Attn: Norman N. Kinel  
1211 Avenue of the Americas, 26<sup>th</sup> Floor  
New York, NY 10036  
September 11, 2020

**To All Unsecured Creditors of BJ Services, LLC, et al.:**

The Official Committee of Unsecured Creditors (the “Committee”) of BJ Services, LLC and its affiliated debtors and debtors in possession in the above-referenced chapter 11 cases (collectively, the “Debtors”) was appointed on July 28, 2020 to act as the fiduciary body representing the interests of all unsecured creditors in the Debtors’ chapter 11 cases (the “Chapter 11 Cases”). On July 30, 2020, the Committee selected Squire Patton Boggs (US) LLP as its counsel. On August 1, 2020, the Committee selected Raymond James & Associates, Inc. as its financial advisor. The Committee submits this letter regarding the *Debtors’ Combined Disclosure Statement and Joint Chapter 11 Plan* [Docket No. 641] (the “Combined Plan and Disclosure Statement”).<sup>1</sup>

The Debtors sought approval of a highly expedited scheduling order, setting September 7, 2020 as the deadline for the Debtors to file the Combined Plan and Disclosure Statement and September 10, 2020 as the date for a hearing for conditional approval of the Disclosure Statement (the “Disclosure Statement Hearing”), which date was only 52 days after the commencement of the Chapter 11 Cases and only 3 days after filing of the Disclosure Statement. The Debtors further secured a hearing to take place on confirmation of the Plan on October 9, 2020 (the “Confirmation Hearing”), less than 85 days from the commencement of the Chapter 11 Cases.

The Debtors commenced their chapter 11 cases with no intention of reorganizing. Accordingly, since its appointment, the Committee and its advisors have been working diligently with the Debtors and other parties in interest in order to affect an orderly, value maximizing sale and liquidation of the Debtors’ assets for the benefit of all creditors. The Committee is also in the process of investigating a number of things, including the extent, validity, priority and perfection of the prepetition liens and claims asserted by the Prepetition Secured Lenders, as well as prepetition transactions and other actions that may give rise to claims or causes of action that could benefit the Debtors’ estates, including unsecured creditors. Unfortunately, due to the schedule set by the Debtors’, the deadline for the Committee to complete its investigation into the validity, extent and priority of the liens and claims of the Debtors’ Prepetition Secured Lenders is October 19, 2020, 10 days after the Confirmation Hearing. However, the Committee was able to preserve its right to seek standing to raise any such claims through October 19, 2020.

As the Committee’s investigation is ongoing, the Committee is unable to determine at this time whether the distribution scheme set forth in the Plan is appropriate and complies with the Bankruptcy Code, including whether any claims or causes of action arising from certain prepetition transactions need to be pursued. As currently proposed, the Plan does not provide

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<sup>1</sup> Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Combined Plan and Disclosure Statement. The plan of liquidation set forth in the Combined Plan and DS is referred to herein as the “Plan” and the disclosure statement set forth therein shall be referred to as the “Disclosure Statement.”

any quantifiable recovery for unsecured creditors, nor a clear mechanism by which a Liquidation Trustee—even one to be appointed by the Committee—can pursue and liquidate any remaining assets, or pursue any Causes of Action, for the benefit of unsecured creditors. The Committee has also identified certain issues that may impact the ability of the Plan to be confirmed under the Bankruptcy Code, including, without limitation, whether the broad release and exculpation provisions contained therein are supported by applicable law and the facts of these Chapter 11 Cases. Further, the Plan may not satisfy the Bankruptcy Code’s “best interests” test required under 11 U.S.C. § 1128(a)(7) in the event that certain claims and causes of action with respect to the Debtors’ prepetition transactions could result in additional unencumbered value being available to satisfy unsecured creditors, but will instead be released under the Plan.

**Creditors should also be advised that all Holders of Claims that either vote to accept the Plan or abstain from voting on the Plan and who do not affirmatively opt out of the releases provided for in the Plan (by checking the box on the applicable form of ballot indicating that they opt out of granting the releases provided for in the Plan), will be deemed to have expressly, unconditionally, generally, individually, and collectively released and settled all Claims and Causes of Action against the Debtors and any Released Parties.**

**Creditors should also be aware that, if the Plan is confirmed in its current form and becomes effective, voting in favor of the Plan will release them from any Claims or Causes of Action the Debtors may have against them, including claims for recovery of any preferential transfers.**

In light of all of the foregoing, as well as the status of the Committee’s ongoing investigation, **at this time the Committee cannot recommend that unsecured creditors vote to accept the Plan or opt-in to the releases.**

The Committee recommends that, prior to voting on the Plan, each unsecured creditor (and its counsel) carefully review the materials provided to them, and especially, this letter, with such information being available, (a) from Donlin Recano by (i) visiting <http://www.donlinrecano.com/bjs>; (ii) writing to Donlin, Recano & Company, Inc., Re: BJ Services, LLC, et al., 6201 15th Avenue, Brooklyn, NY 11219; and/or (iii) emailing [BJInfo@DonlinRecano.com](mailto:BJInfo@DonlinRecano.com); or (b) for a fee via PACER at <http://www.deb.uscourts.gov>.

The Committee hopes that the information in this letter is helpful to unsecured creditors in understanding the Committee’s concerns about the Plan that the Committee has identified to date. Please note that, although the Committee, by this letter, expresses certain views and positions regarding the Plan, this letter does not necessarily reflect the views of any of the individual members of the Committee, each of which reserves any and all of its rights.

If you have any questions with respect to the Plan, the proposed treatment of your claims or the information contained in this letter, please contact Squire Patton Boggs (US) LLP by emailing [norman.kinel@squirepb.com](mailto:norman.kinel@squirepb.com); [travis.mcroberts@squirepb.com](mailto:travis.mcroberts@squirepb.com) and [jihyun.park@squirepb.com](mailto:jihyun.park@squirepb.com) or calling (212) 872-9800.

Very truly yours,

The Official Committee of Unsecured Creditors  
of BJ Services, LLC, et al.

**YOU ARE URGED TO CAREFULLY READ THE COMBINED PLAN AND DISCLOSURE STATEMENT AND THE EXHIBITS ATTACHED THERETO IN THEIR ENTIRETY. THE DESCRIPTION OF THE COMBINED PLAN AND DISCLOSURE STATEMENT IN THIS LETTER IS INTENDED TO BE ONLY A SUMMARY PREPARED BY THE COMMITTEE.**

**THIS LETTER MAY NOT BE RELIED UPON FOR ANY PURPOSE OTHER THAN HOW TO VOTE ON THE COMBINED PLAN AND DISCLOSURE STATEMENT AND THE INFORMATION CANNOT BE RELIED UPON FOR ANY OTHER PURPOSE.**

**THERE IS ALWAYS A RISK THAT FURTHER LITIGATION AND/OR A LATER SETTLEMENT COULD RESULT IN HIGHER OR LOWER RECOVERIES FOR HOLDERS OF UNSECURED CLAIMS THAN THE COMBINED PLAN AND DISCLOSURE STATEMENT. THE COMMITTEE DOES NOT GUARANTEE ANY PARTICULAR RESULT IN THE DEBTORS' BANKRUPTCY CASES.**

**THE BANKRUPTCY COURT'S APPROVAL OF THIS SOLICITATION LETTER TO BE INCLUDED AS PART OF THE SOLICITATION PACKAGE DOES NOT CONSTITUTE AN ENDORSEMENT BY THE BANKRUPTCY COURT OF THE MERITS OF THE COMBINED PLAN AND DISCLOSURE STATEMENT OR THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN.**

**THIS COMMUNICATION DOES NOT CONSTITUTE, AND SHALL NOT BE CONSTRUED AS, A SOLICITATION BY ANY INDIVIDUAL MEMBER OF THE COMMITTEE.**