

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF LOUISIANA
LAFAYETTE DIVISION**

IN RE:

KNIGHT ENERGY HOLDINGS, LLC TAX ID NO. XX-XXX1930	CASE NO. 17-51014
KNIGHT OIL TOOLS, LLC TAX ID NO. XX-XXX2667	CASE NO. 17-50105
KNIGHT MANUFACTURING, LLC TAX ID NO. XX-XXX0600	CASE NO. 17-50106
KDCC, LLC f/k/a KNIGHT WELL SERVICES, LLC TAX ID NO. XX-XXX4156	CASE NO. 17-51017
TRI-DRILL, LLC TAX ID NO. XX-XXX4957	CASE NO. 17-51018
ADVANCE SAFETY AND TRAINING MANAGEMENT, LLC TAX ID NO. XX-XXX0510	CASE NO. 17-51019
KNIGHT SECURITY, LLC TAX ID NO. XX-XXX0923	CASE NO. 17-51020
KNIGHT INFORMATION SYSTEMS, LLC TAX ID NO. XX-XXX0000	CASE NO. 17-51021
EL CABALLERO RANCH, INC. TAX ID NO. XX-XXX7345	CASE NO. 17-51022
RAYNE PROPERTIES, LLC TAX ID NO. XX-XXX0000	CASE NO. 17-51023
KNIGHT AVIATION, LLC TAX ID NO. XX-XXX3329	CASE NO. 17-51024
KNIGHT RESEARCH & DEVELOPMENT, LLC TAX ID NO. XX-XXX3760	CASE NO. 17-51025
KNIGHT FAMILY ENTERPRISES, LLC TAX ID NO. XX-XXX7190	CASE NO. 17-51026
HMC LEASING, LLC TAX ID NO. XX-XXX0814	CASE NO. 17-51027

{00351672-4}

DEBTORS

**EMERGENCY MOTION FOR ORDER UNDER BANKRUPTCY RULE 1015(b)
DIRECTING JOINT ADMINISTRATION OF CHAPTER 11 CASES**

Knight Energy Holdings, LLC; Knight Oil Tools, LLC; Knight Manufacturing, LLC; KDCC, LLC f/k/a Knight Well Services, LLC; Tri-Drill, LLC; Advanced Safety & Training Management, LLC; Knight Security, LLC; Knight Information Systems, LLC; El Caballero Ranch, Inc.; Rayne Properties, LLC; Knight Aviation, LLC; Knight Research & Development, LLC; Knight Family Enterprises, LLC; HMC Leasing, LLC; and HMC Investments, LLC (the “Debtors”), as debtors-in-possession, file this *Emergency Motion for Order under Bankruptcy Rule 1015(b) Directing Joint Administration of Chapter 11 Cases* (the “Motion”) and respectfully represent as follows:

Jurisdiction and Venue

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b).
2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The authority for the relief requested herein is Rule 1015(b) of the Federal Rules of Bankruptcy Procedure and section 105(a) of title 11 of the United States Code (as amended, the “Bankruptcy Code”).

Background

4. On this date (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code commencing the above-captioned cases (the

“Chapter 11 Cases”). The Debtors continue to manage and operate their businesses as debtors-in-possession pursuant to Bankruptcy Code §§ 1107 and 1108.

5. An official committee of unsecured creditors has yet to be appointed in these Chapter 11 cases. Further, no trustee or examiner has been requested or appointed in any of these Chapter 11 cases.

6. The Debtors have filed with the Court the *Statement of Background Information and Declaration in Support of Debtors’ Chapter 11 Petitions and First-Day Motions* (the “First Day Declaration”), which is incorporated by reference in this Motion.

Relief Requested

7. By this Motion, the Debtors, pursuant to Bankruptcy Code § 105(a) and Bankruptcy Rule 1015(b), request the joint administration of their Chapter 11 Cases for procedural purposes only, with the case of Knight Energy Holdings, LLC as the lead case.

Basis for Relief Requested

8. Bankruptcy Code § 105 provides in relevant part that, “the court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a).

9. Bankruptcy Rule 1015(b) provides in relevant part 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).

10. As described in the First Day Declaration, the Debtors are “affiliate[s]” as that term is defined in Bankruptcy Code § 101(2). The issues that will be addressed in these Chapter 11 Cases will be related and overlapping. Accordingly, this Court is authorized to grant the relief requested.

11. Bankruptcy Code § 101(2) defines the term “affiliate” in relevant part as follows:

(B) Corporations 20 percent or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote, by the debtor, or by an *entity that directly or indirectly owns, controls, or holds with power to vote, twenty percent or more of the outstanding voting securities of the debtor....*

11 U.S.C. § 101(2)(B) (emphasis added).

12. The Debtors are “affiliates” as defined in Bankruptcy Code § 101(2)(B). The Debtors have substantial interests in common.

13. Because of the close relationship and common ownership, all of the Debtors are “affiliates” as defined in the Bankruptcy Code and are, therefore, eligible for joint administration under Bankruptcy Rule 1015(b). *See In re H & S Transp. Co.*, 55 B.R. 786 (Bankr. M.D. Tenn. 1982); *In re Petroleum Tank Lines, Inc.*, 10 B.R. 286 (Bankr. W.D.N.Y. 1981).

14. Undersigned counsel submit that the benefits of common representation are numerous, including the benefits of time and cost that single representation provides the Debtors.

15. It is customary in this and other districts that if the Court authorizes joint administration, the number of the lowest numbered bankruptcy case is to be captioned first and the caption of the lowest numbered case is to serve as the identifying caption. In order to optimally and economically administer these pending Chapter 11 Cases, these cases should be jointly administered, for procedural purposes only, under the case number assigned to Knight Energy Holdings, LLC. *See, e.g., In re Rooster Energy, L.L.C, et al.*, 17-50705 (Bankr. W.D. La. June 6, 2017); *In re Acadiana Management Group, L.L.C., et al.*, (Bankr W.D. La. June 23, 2017); *In re Harvest Oil & Gas, LLC et al.*, 15-50748 (Bankr. W.D. La. June 19, 2015); *In re Piccadilly, LLC, et al.*, 12-51127 (Bankr. W.D. La. Sept. 21, 2012); *In re La. Riverboat Gaming P'ship*, 08-10824 (Bankr. W.D. La. Mar. 12, 2008); *In re Communications Corp. of Am.*, 06-50410 (Bankr. W.D. La. June 7, 2006).

16. Joint administration of these cases will obviate the need for duplicative notices, motions, applications, hearings, and orders, and will therefore save considerable time and expense for the Debtors and their estates.

17. Undersigned counsel does not believe that joint administration will give rise to any conflict of interest among the Debtors' estates. The rights of the Debtors' respective creditors will not be adversely affected by the proposed joint administration because the Debtors will continue as separate and distinct legal entities and will continue to maintain separate books and records. Moreover, each creditor may file its claim against a particular estate. The rights of all creditors will be enhanced by the reduction in costs resulting from joint administration. The Court also will be relieved of the burden of scheduling duplicative hearings, entering duplicative orders and maintaining redundant files. Finally, supervision of the administrative aspects of these Chapter 11 Cases by the Office of the United States Trustee will be simplified.

18. By reason of the foregoing, the interests of the Debtors and their creditors would be best served by joint administration of the above-captioned Chapter 11 Cases. Accordingly, the Debtors request that the caption of their Chapter 11 Cases be modified to reflect the joint administration of the Chapter 11 Cases, as follows:

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF LOUISIANA
LAFAYETTE DIVISION**

IN RE:

**KNIGHT ENERGY HOLDINGS,
LLC, *et al.*,¹**

DEBTORS

CASE NO. 17-51014

(JOINTLY ADMINISTERED)

CHAPTER 11

CHIEF JUDGE ROBERT SUMMERHAYS

19. The Debtors also request that the Clerk of Court enter the following notation on the docket of each of the Debtors' Chapter 11 Cases to reflect the joint administration of the Chapter 11 Cases:

An order has been entered in this case directing the procedural consolidation and joint administration of the chapter 11 cases of Knight Oil Tools, LLC (17-51015); Knight Manufacturing, LLC (17-51016); KDCC, LLC f/k/a Knight Well Services, LLC (17-51017); Tri-Drill, LLC (17-51018); Advanced Safety & Training Management, LLC (17-51019); Knight Security, LLC (17-51020); Knight Information Systems, LLC (17-51021); El Caballero Ranch, Inc. (17-51022); Rayne Properties, LLC (17-51023); Knight Aviation, LLC (17-51024); Knight Research & Development, LLC (17-51025); Knight Family Enterprises, LLC (17-51026); HMC Leasing, LLC (17-51027); and HMC Investments, LLC (17-51029) with Knight Energy Holdings, LLC (17-51014). The docket in the chapter 11 case of Knight Energy Holdings, LLC should be consulted for all matters affecting this case.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are Knight Energy Holdings, LLC (1930) (Case No. 17-51014); Knight Oil Tools, LLC (2667) (Case No. 17-51015); Knight Manufacturing, LLC (0600) (Case No. 17-51016); KDCC, LLC, f/k/a Knight Well Services, LLC (4156) (Case No. 17-51018); Tri-Drill, LLC (4957) (Case No. 17-51018); Advanced Safety & Training Management, LLC, (0510) (Case No. 17-51019); Knight Security, LLC (0923) (Case No. 17-51020); Knight Information Systems, LLC (0000) (Case No. 17-51021); El Caballero Ranch, Inc. (7345) (Case No. 17-51022); Rayne Properties, LLC (0000) (Case No. 17-51023); Knight Aviation, LLC (3329) (Case No. 17-51024); Knight Research & Development, LLC (3760) (Case No. 17-51025); Knight Family Enterprises, LLC (7190) (Case No. 17-51026); HMC Leasing, LLC (0814) (Case No. 17-51027) and HMC Investments, LLC (0000) (Case No. 17-51029). The Debtors' service address is 2272 SE Evangeline Thruway, Lafayette, Louisiana 70508 other than Knight Manufacturing, LLC and Advanced Safety & Training Management, LLC. Knight Manufacturing, LLC's service address is 2810-A Melancon Road, Broussard, Louisiana 70518 and Advanced Safety & Training Management, LLC's service address is 1042 Forum Drive, Broussard, Louisiana 70518.

20. The Debtors further request that: (a) a single docket sheet shall be maintained for all matters occurring in these Chapter 11 Cases, however, separate claims registers shall be maintained and each creditor shall file a proof of claim against a particular Debtors' estate; (b) a combined service list shall be used; and (c) combined notices to creditors of the estates shall be used.

Notice

21. Notice of this Motion has been provided to: (i) the Office of the United States Trustee; (ii) the Debtors and their counsel; (iii) Clearlake Capital Group, L.P. and/or its counsel; (iv) Cantor Fitzgerald Securities and/or its counsel; (v) Whitney National Bank and/or its counsel; (vi) JP Morgan Chase Bank and/or its counsel; (vii) Iberia Bank and/or its counsel; (viii) all other secured creditors, (ix) any party whose interests are directly affected by this specific pleading; (x) those persons who have formally appeared and requested notice and service in these proceedings pursuant to Bankruptcy Rules 2002 and 3017; (xi) counsel for and the members of any official committees appointed by this Court; (xii) the consolidated 30 largest unsecured creditors of the Debtors; and (xiii) all governmental agencies having a regulatory or statutory interest in these cases. No other or further notice need be provided.

WHEREFORE, for all of the above reasons, the Debtors respectfully request that the Court (i) grant the Motion and (ii) grant such other and further relief as is just and proper.

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Dated: August 8, 2017.

Respectfully submitted,

/s/ William H. Patrick, III

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