

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

IN RE: KNIGHT ENERGY HOLDINGS, LLC, <i>ET AL.</i> ¹ DEBTORS	CASE NO. 17-51014 (JOINT ADMINISTRATION REQUESTED) CHAPTER 11 CHIEF JUDGE ROBERT SUMMERHAYS
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**DECLARATION OF GARY L. PITTMAN IN SUPPORT OF APPLICATION OF
DEBTORS PURSUANT TO SECTION 363(b) OF THE BANKRUPTCY CODE
TO EMPLOY AND RETAIN (I) OPPORTUNE LLP AS CRISIS MANAGERS
AND (II) GARY L. PITTMAN AS CHIEF RESTRUCTURING OFFICER AND
CERTAIN ADDITIONAL PERSONNEL, IN EACH INSTANCE
NUNC PRO TUNC TO THE PETITION DATE**

GARY L. PITTMAN makes this declaration under 27 U.S.C. § 1746, and states the following;

1. I am over 18 and competent to testify. I am a Managing Director of Opportune LLP (“*Opportune*”), which has its primary place of business at 711 Louisiana Street, Suite 3100, Houston, TX, 77002. I am authorized to make and submit this declaration (the “*Declaration*”) on behalf of Opportune in support of the application (the “*Application*”) of the above-captioned debtor affiliates, as debtors and debtors in possession (collectively, the “*Debtors*”), for the entry of an order pursuant to section 363(b) of title 11 of the United States Code (the “*Bankruptcy*”

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. 17-51017); 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.

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Code”) authorizing the Debtors to employ and retain (i) Opportune as crisis managers to the Debtors to provide interim management and restructuring advisory services, and (ii) me as Chief Restructuring Officer (“*CRO*”) for the Debtors and certain other personnel from Opportune to assist me in the performance of my duties, in each instance *nunc pro tunc* to the Petition Date and in accordance with the terms and conditions set forth in the letter agreement, dated as of August 3, 2017 (the “*Engagement Letter*”), a copy of which is annexed to the Application as **Exhibit B**.

2. The facts set forth in this Declaration are based upon my personal knowledge, information and belief, or client matter records kept in the ordinary course of business that were reviewed either by me or other employees of Opportune under my supervision and direction. If called and sworn as a witness, I could and would testify competently to the facts set forth herein.

Connections with Parties-in-Interest

3. Opportune, together with its affiliates (collectively, the “*Firm*”), utilize certain procedures (the “*Firm Procedures*”) to determine the Firm’s relationships, if any, to the Debtors’ interested parties and significant creditors (the “*Potential Parties-in-Interest*”). In implementing the Firm Procedures, the following actions were taken to identify parties that may have connections to the Debtors’ Potential Parties-in-Interest and the Firm’s relationship with such parties:

- a. Opportune requested and obtained from the Debtors the list of Potential Parties-in-Interest. The list of categories of Potential Parties-in-Interest that Opportune reviewed is annexed hereto as **Schedule 1**. The Potential Parties-in-Interest reviewed include, among others, the Debtors, non-debtor subsidiaries and affiliates, trade names and aliases, prepetition lenders and creditors, certain of the Debtors’ retained professionals, vendors, other significant unsecured creditors, contract counterparties, joint operating agreement counterparties, banks, regulatory agencies,

current and former officers and directors of the Debtors and certain of their affiliations, insurance providers, insurance brokers, litigation parties, taxing authorities and landlords.

- b. Opportune then compared the names of each of the Potential Parties-in-Interest to the names in its master electronic database of the Firm's current and recent clients (the "*Client Database*"). The Client Database generally includes the name of each current and former client of the Firm.
- c. An email was issued to all Firm professionals requesting disclosure of information regarding: (i) any known personal connections or relationships between the respondent and/or and the Debtors, (ii) any known financial holdings between the respondent and the Debtors, and (iii) any employment of the respondents by the Debtors within the past two years. All Opportune professionals responded to this email disclosing the nature of any personal connections to the Debtors, if any.

4. Known connections between former or recent clients of the Firm and the Potential Parties-in-Interest were compiled for purposes of preparing this Declaration. These connections are listed in **Schedule 2** annexed hereto.²

5. As a result of the Firm Procedures, I have thus far ascertained that, except as may be set forth herein or on Schedule 2, upon information and belief, if retained, Opportune: (i) is not a creditor of the Debtors (including by reason of unpaid fees for prepetition services), an equity security holder of the Debtors, or an "insider" of the Debtors, as that term is defined in section 101(31) of the Bankruptcy Code; (ii) is not, and has not been, within two years before the Petition Date, a director, officer, or employee of the Debtors; and (iii) does not have an

² In reviewing its records and the relationship of its professionals, Opportune did not seek information as to whether any Opportune professional or member of his/her immediate family: (i) indirectly owns, through a public mutual fund or through partnerships in which certain Opportune professionals have invested but as to which such professionals have no control over or knowledge of investment decisions, securities of the Debtors or any other Potential Party-in-Interest; or (ii) has engaged in any ordinary course transaction with any Potential Party-in-Interest. If any such relationship does exist, I do not believe it would impact Opportune's disinterestedness or otherwise give rise to a finding that Opportune holds or represents an interest adverse to the Debtors' estates.

interest materially adverse to the interests of the Debtors' estate, or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors, or for any other reason.

6. Opportune specializes in turnaround consulting, operational due diligence, complex financial reporting, creditor advisory services and financial and operational restructuring. In connection with these services, the Firm appears in cases and proceedings and participates in transactions that involve many different professionals, attorneys, accountants, and financial consultants, who may represent Potential Parties-in-Interest in the Debtors' chapter 11 cases. Moreover, the Firm has performed in the past, and may perform in the future, advisory consulting services for various attorneys and law firms, and has been represented by several attorneys and law firms, some of whom may be involved in these chapter 11 cases. Based on our current knowledge of the professionals involved, and to the best of my knowledge, none of these relationships create interests materially adverse to the Debtors in matters upon which Opportune is to be employed, and none are in connection with these chapter 11 cases.

7. As may be expected with respect to any international professional services firm such as Opportune, the Firm provides services to many clients with interests in the Debtors' chapter 11 cases. To the best of my knowledge, except as indicated herein and/or in **Schedule 2**, the Firm's services for such clients do not relate to the Debtors' chapter 11 cases.

8. To the best of my knowledge, neither I nor any employee of the Firm is a relative of, or has been connected to, any United States Bankruptcy Judge for the Western District of Louisiana or any of the District Judges for the Western District of Louisiana who handle bankruptcy cases, the U.S. Trustee or any employee in the Office of the U.S. Trustee.

9. According to Opportune's books and records, during the 90-day period prior to the Petition Date, Opportune received approximately \$400,000 from the Debtors of which \$100,000 was paid by Clearlake Capital Group, L.P., the Debtors' majority senior lenders and proposed DIP Lender, for professional services performed and expenses incurred. As of the Petition Date, no amounts were due or outstanding under the Engagement Letter.

10. The list of Potential Parties-in-Interest is expected to be updated during these cases. Opportune will continue to review the relationships its professionals may have with potentially interested parties and to determine whether any relationships other than those set forth herein exist. As may be necessary, Opportune will supplement this Declaration if it becomes aware of a relationship that may adversely affect Opportune's retention in these cases or discovers additional parties-in-interest through the filing of statements of financial affairs or statements under Rule 2019 of the Federal Rules of Bankruptcy Procedure. Moreover, Opportune will update this disclosure if it is advised of any trading of claims against or interests in the Debtors that may relate to Opportune's retention or otherwise requires such disclosure.

11. I understand there is a continuing duty to disclose any adverse interest and change of disinterestedness.

12. I agree to immediately disclose any actual conflict of which I become aware during the course of Opportunes's engagement with the Debtors.

13. Opportune reserves the right to supplement this Declaration in the event that Opportune discovers any facts bearing on matters described in this Declaration regarding Opportune's employments with the Debtors.

14. I shall amend this statement immediately upon my learning that (a) any of the within representations are incorrect or (b) there is any change of circumstance relating thereto.

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


GARY L. PITTMAN

Schedule 1

Categories of Potential Parties-In-Interest

Debtors and Affiliated Non-Debtor Entities

Knight Energy Holdings, LLC
Knight Oil Tools, LLC
Knight Manufacturing, LLC
Knight Well Services, LLC
Tri-Drill, LLC
Advance Safety and Training Management, LLC
Knight Security, LLC
Knight Information Systems, LLC
El Caballero Ranch, Inc.
Rayne Properties, LLC
Knight Aviation, LLC
Knight Family Enterprises, LLC
Knight Research & Development, LLC
HMC Leasing, LLC
HMC Investments, LLC
Knight Resources, LLC
Knight International, LLC

Equityholders

Ann Knight
Mark E. Knight
Bryan R. Knight
Kelley K. Sobiesk
Mark E. Knight 2010 Trust No. 1
Bryan R. Knight 2010 Trust No. 1
Kelley Knight Sobiesk 2010 Trust No. 1
MEK 2012 Family Trust No. 1
BRK 2012 Family Trust No. 1
KKR 2012 Family Trust No. 1

Former and Current Directors and Officers

Mark Knight
Robert Veazey
Dean Cole
Earl Blackwell
Lyndon James
Mike Hamza
Doyle Wayne Elmore
Kelley Knight Sobiesk
Bryan Knight

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Jeff Elmore
Stephen Domingue
Mark Comeaux

Top 30 Unsecured Creditors

24 Waterway
A.S.A.P. Industries Manufacturing
Acme Truck Line, Inc.
Artis HRA Hudsons Bay, LP
Automotive Rentals, Inc.
Beacon Oilfield Service, LLC
Bombardier Inc.
Buckalew Employment Service
Christopher Oil Tools, LLC
EDI Environmental Services
ESIS Inc.
Gulfstream Services, Inc.
Great America Financial Services
Jones Walker
National Oilwell Varvo DHT, LP
NLB Corp
Pneumatic & Hydraulic Co. LLC
P.S.C. Supply, Incorporated
Power Pig Rental Tool Co.
Quail Tools, Incorporated
Rubicon Oilfield, International
Safety Kleen Systems, Inc.
Schmoyer Reinhard
Sunbelt Steel Texas, Inc.
Swivel Rental
T&T Pipe Services, Inc.
Texas Lehigh Cement Company
Thompson Reuters Tax & Accounting
Waukesha-Pearce Industries, Inc.
Wex Bank

Banks and Depositories

Chase Bank
Iberia Bank
Wells Fargo Bank
Four Corners Bank
Rocky Mountain Bank
First National Bank Alaska
Dilley State Bank
Regions Bank
JP Morgan

Secured Lenders

Cantor Fitzgerald Securities
Clearlake Capital Group, L.P.
Clearlake Capital Partners IV Finance, L.P.
JP Morgan Chase Bank, N.A.
IberiaBank
Wells Fargo

Litigation Parties

IberiaBank
M&N Leasing, LLC
JPMorgan Chase
DJD Development Group, LLC
Rippy Oil Company
Rippy Interest, LLC
The Genecov Group, Inc.
John D. Proctor
Titus Energy, LLC
Encore Energy, Inc.
Acock Engineering & Associates, L.P.
Egnacio (E.R.) Balinton
Oris Boudreaux
Leslie Martinez
Robert Fritz, Jr.
Margie Serrette
Clarence Simon, Jr.
Ramon Terrazas, Jr.
Chesity Deblanc
Chad Venable
Expert Oil & Gas, LLC
Brittaney Turner
David Justin Turner
Johhny Mullins

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Eric Juarez
Armando Gonzales
Tiffany Mullins
David Justin Turn
Brittney Turner
Michael Brown
Sheila Turner
David Juston Turner
Willie L. Broome
Gerald Robichaux, Jr.
Loren Robichaux
Mona Robichaux
Keifer Lee Perk
Christian Renteria
Juan Renteria
Julissa Renteria
Miguel Renteria
Grace River Ranch
Jeanne A. Buford
Path Air LLC
Allen Pillaro
Bowls Slips & Grips, LLC
BS&G Rentals LLC
Swivel Rental & Supply, LLC
Texas Lehigh Cement Company LP
Gulfstream Services, Inc.
A&B Valve & Piping Systems LLC
FAMCO
Perdro H. Carranza
Frank Perez
Angel Mendoza
Piranha Rentals, LLC
Hunting Titan, Inc.
Steven L. Langlinais
Morgan City Supply of Louisiana, Inc.
Houma Distributors
Houma-Terrebonne Airport Commission
Wagners Fishing & Oilfield Services & Supply, Inc.
E-Line Rental, Inc.
Gelco Corporation
GreatAmerica Financial Services Corporation
Prestige Equipment Corp.
SB Factoring, LLC
Harris County
Cypress-Fairbanks Independent School District
Lone Star College System District

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Harris County Emergency Services District #09
Coastal Timbers
Titan Chemical Corporation
Artix HRA Hudson Bay, LP
SQI, Inc.
Alice Cost Containment, LLC
Rob Murdock Sales & Services, Inc.
Advantage Glass & Mirror Inc.
AlSCO Inc.
Expeditors International of WA
Age Enterprise, Inc.
EDI Environmental Specialties, LLC
Artis HRA Hudsons Bay LP
Automotive Rentals, Inc.
Shiloh Machine, LLC
Laborde Product, Inc.
Peregrine Oil & Gas, LP
Automotive Rentals, Inc.
PetroQuest
McBride Supplies It All, LLC
W74 Oil Tools
24 Waterway, LLC
Bridges Equipment, LTD
Rock Tool, LTD
Advanced Graphic & Engraving LLC

Other Interested Parties

General Electric Capital
Property and Casualty
The Poirrier Group
Employee Benefits

Schedule 2

Known Connections

In the past two years, Opportune has served as financial advisor in Chapter 11 cases involving Wells Fargo and JPMorgan.

- In the case of Emerald Oil, Inc, et al (case number 16-10704 (KG) in the United States Bankruptcy Court for the District of Delaware), a Managing Director at Opportune served as CRO for the Company; at the outset of the case. Wells Fargo served as Agent to, and a participant in, the first lien credit facility syndicate. Opportune's employee continues to serve as Plan Administrator in these cases, although Wells Fargo is no longer the Agent or syndicate member.
- In the case of Linn Energy, LLC et al (case number 16-60040 (DRJ) in the United States Bankruptcy Court for the Southern District of Texas), Opportune served as financial advisor to Wells Fargo in their role as Agent, and a participant in, the first lien credit facility syndicate of both Linn Energy, LLC and Berry Petroleum Company, LLC.
- In the cases of Bonanza Creek Energy, Inc., et al (case numbers 17-10015 – 17-10021 (KJC) in the United States Bankruptcy Court for the District of Delaware) Opportune served as financial advisor to KeyBank in their role as Agent, and a participant in, the first lien credit facility syndicate of which both Wells Fargo and JPMorgan were syndicate members.
- In the case of Samson Resources et al (case number 15-11934 (CSS) in the United States Bankruptcy Court for the District of Delaware), Opportune served as financial advisor to the first lienholders, for which JPMorgan served as agent for the syndicate of lenders in the credit facilities for this company.
- In the case of Penn Virginia Corporation, et al (case number 16-323 (KLP) in the United States Bankruptcy Court for the Eastern District of Virginia), Opportune served as the financial advisor to Wells Fargo in their role as Agent in the first lien credit facility.

All of the forementioned cases have emerged from Chapter 11, and our service to the companies or lenders is concluded, with the exception of Emerald Oil, Inc. as previously noted.

Opportune's Derivatives group provides periodic services to various oil and gas exploration companies in which GE Capital is an investor or lender. Opportune's work for such companies involves period accounting and reporting for commodity hedge-related activities. No personnel from Opportune's Derivatives group will be involved in the Knight Oil Tools case.

Opportune's Complex Financial Reporting team and Opportune Outsourcing provides periodic services to various oil and gas exploration companies in which GE Capital is an investor or

lender. Opportune's work for such companies involves financial accounting and reporting activities. No personnel from Opportune's Complex Financial Reporting team or Opportune Outsourcing will be involved in the Knight Oil Tools case.

In 2015, Opportune's reserve engineering group, Ralph E. Davis, performed an evaluation of the recoverable barrels from a single wellbore in connection with litigation involving Rippy Interests, LLC. as plaintiff. Our work was performed on behalf of attorneys for the defendants in the case. Such case was settled in 2015.