

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re	§	
	§	Chapter 11
	§	
EXPRESS ENERGY SERVICES	§	
OPERATING, LP, <i>et al.</i> ,	§	Case No. 09-38044
	§	
	§	
Debtors.	§	
	§	Jointly Administered

EMERGENCY SUPPLEMENT TO THE DEBTORS' EMERGENCY MOTION FOR AN ORDER PURSUANT TO SECTIONS 105(a), 506(a), 507(a)(8), AND 541 OF THE BANKRUPTCY CODE AUTHORIZING DEBTORS TO PAY CERTAIN PREPETITION SALES TAXES, USE TAXES, AND LICENSE AND PERMIT FEES

A HEARING WILL BE CONDUCTED ON THIS MATTER AT 2:30 P.M. (PREVAILING CENTRAL TIME), ON NOVEMBER 17, 2009, IN COURTROOM 600, UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS, 515 RUSK STREET, HOUSTON, TEXAS 77002.

PARTIES MAY REVIEW THE COURT'S WEBSITE, [HTTP://WWW.TXSB.USCOURTS.GOV](http://www.txsb.uscourts.gov), FOR INSTRUCTIONS TO PARTICIPATE BY TELEPHONE OR REQUEST INFORMATION BY EMAILING CMA679@TXS.USCOURTS.GOV.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEYS.

TO THE HONORABLE JEFF BOHM
UNITED STATES BANKRUPTCY JUDGE:

Express Energy Services Operating, LP and its affiliated debtors in the above referenced chapter 11 cases, as debtors and debtors in possession (collectively, the "**Debtors**"),¹ file this emergency supplement (the "**Supplement**") to the *Emergency Motion for an Order*

¹ On October 27, 2009, each of the Debtors filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**"). The Debtors' chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"). The Debtors are authorized to continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. Information regarding the Debtors' business and events leading to the Debtors' bankruptcy filings can be found in the Declaration of Darron Anderson in Support of the Debtors' Chapter 11 Petitions and First-Day Motions (Docket No. 2).

Pursuant to Sections 105(a), 506(a), 507(a)(8), and 541 of the Bankruptcy Code Authorizing Debtors to Pay Certain Prepetition Sales Taxes, Use Taxes, and License and Permit Fees

(Docket No. 15) (the “**Emergency Motion**”)² and respectfully represent as follows:

SUPPLEMENT

1. On October 29, 2009, the Court entered its order (Docket No. 41, the “**Emergency Order**”) granting the Emergency Motion and authorizing the Debtors to pay their prepetition Tax Obligations due and owing to all Taxing Authorities pursuant to the practices and policies in effect as of the Commencement Date.

2. On or about November 12, 2009, the Debtors determined that eight Debtor-entities incorporated in Delaware each owe approximately \$381.50 in franchise taxes (the “**Franchise Taxes**”) to the State of Delaware relating to the prepetition period. The Debtors believe that without payment of the Franchise Taxes, each of these Debtors would not be deemed “in good standing” by the State of Delaware. Without a certificate of good standing, these Debtors may not be authorized by the State of Delaware to continue their day-to-day business operations and may be in violation of certain state-required corporate formalities.

3. The Debtors hereby file this Supplement to include the payment of the Franchise Taxes and service charges necessary to expedite the Debtors’ receipt of certificates of good standing from the State of Delaware. The Debtors propose to use Corporation Service Company to advance payment of the Franchise Taxes for a nominal service charge of approximately \$30 per entity (the “**Service Charges**”) so that the Debtors may, contemporaneously with payment of the Franchise Taxes, obtain certificates of good standing. Accordingly, the Debtors (i) seek authority, but not direction, to pay an additional amount of

² Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Emergency Motion.

approximately \$3,292 for the Franchise Taxes (consisting of approximately \$3052 for the Franchise Taxes and approximately \$240 for the Service Charges), and (ii) request that the Court direct the Banks to honor, process, and pay all checks or electronic fund transfer requests issued by the Debtors with respect to the Franchise Taxes and the Service Charges in the same manner as stated in the Emergency Order.

NOTICE

4. Pursuant to the Court's Order dated October 29, 2009 (Docket No. 39), the Debtors have served notice of this Supplement on the Master Service List (as defined therein), and all parties entitled to receive notice of this Supplement under the Bankruptcy Rules or the Bankruptcy Local Rules for the Southern District of Texas. The Debtors submit that no other or further notice need be provided.

WHEREFORE, the Debtors request entry of the proposed order, attached as **Exhibit A**, and such other and further relief as is just.

Dated: November 13, 2009
Houston, Texas

/s/ Alfredo R. Pérez
Alfredo R. Pérez (15776275)

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and Debtors in Possession

Exhibit A

Proposed Order

IN THE UNITED STATES BANKRUPTCY COURT
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	§	Chapter 11
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OPERATING, LP, <i>et al.</i> ,	§	Case No. 09-38044
	§	
	§	
Debtors.	§	
	§	
	§	Jointly Administered

**ORDER GRANTING EMERGENCY SUPPLEMENT TO THE DEBTORS’
EMERGENCY MOTION FOR AN ORDER PURSUANT TO SECTIONS 105(a), 506(a),
507(a)(8), AND 541 OF THE BANKRUPTCY CODE AUTHORIZING DEBTORS TO PAY
CERTAIN PREPETITION SALES TAXES, USE TAXES, AND LICENSE AND PERMIT FEES**

[Relating to Docket Nos. 15, 41 & ___]

Upon the Emergency Supplement (the “**Supplement**”)¹ of Express Energy Services Operating, LP and its affiliated debtors in the above referenced chapter 11 cases, as debtors and debtors in possession (collectively, the “**Debtors**”) to the Debtors’ Emergency Motion (the “**Emergency Motion**”) for an Order Pursuant to Sections 105(a), 506(a), 507(a)(8), and 541 of title 11 of the United States Code (the “**Bankruptcy Code**”) Authorizing the Debtors to Pay Certain Prepetition Sales Taxes, Use Taxes, and License and Permit Fees; and upon consideration of this Court’s Order granting the Emergency Motion (Docket No. 41, the “**Emergency Order**”); and upon consideration of the Declaration of Darron Anderson in Support of the Debtors’ Chapter 11 Petitions and First Day Motions; and the Court having jurisdiction to consider the Supplement and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Supplement and the requested relief being a core proceeding the Court can determine pursuant to 28 U.S.C. § 157(b); and venue being proper

¹ Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in Supplement.

before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Supplement and the hearing thereon has been given under the circumstances and that no other or further notice need be provided; and the Court having determined that the legal and factual bases set forth in the Supplement establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor, it is ORDERED that:

1. The relief requested in the Supplement is GRANTED to the extent provided herein.
2. The Debtors are authorized, but not directed, to pay the Franchise Taxes and the Service Charges as described in the Supplement.
3. The Banks are directed and authorized to honor, process, and pay, to the extent of funds on deposit, any and all checks or electronic fund transfer requests issued by the Debtors in respect of the Franchise Taxes and the Service Charges.
4. Any Bank may rely on the representations of the Debtors with respect to whether any check or other transfer drawn or issued by the Debtors prior to the Commencement Date should be honored pursuant to this Order, and such Bank shall not have any liability to any party for relying on such representations by the Debtors as provided for herein.
5. Nothing in this Order or the Supplement shall be construed as prejudicing the rights of the Debtors to dispute or contest the amount of or basis for any claims against the Debtors in connection with or relating to the Franchise Taxes or the Service Charges.
6. Notwithstanding any applicability of Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

7. Notice of the Supplement as provided therein shall be deemed good and sufficient notice of such Supplement and the requirements of Bankruptcy Rules 4001(d) and 6004(a) are waived.

8. This Court shall retain jurisdiction to hear and consider all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: Houston, Texas
_____, 2009

HONORABLE JEFF BOHM
UNITED STATES BANKRUPTCY JUDGE