

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

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

**REORGANIZED DEBTORS' EXPEDITED MOTION FOR AUTHORITY TO  
(I) FILE OMNIBUS OBJECTIONS TO CLAIMS AND (II) IMPLEMENT THE  
OMNIBUS OBJECTION PROCEDURES PURSUANT TO LOCAL RULE 3007-1(f)**

**A HEARING WILL BE CONDUCTED ON THIS MOTION ON MARCH 16, 2010 AT 9:00 A.M. (PREVAILING CENTRAL TIME) IN COURTROOM 600, UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS, 515 RUSK STREET, HOUSTON, TEXAS 77002.**

**THIS MOTION SEEKS ENTRY OF AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THIS MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY AND RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY BEFORE MARCH 12, 2010 AT 4:00 P.M. (PREVAILING CENTRAL TIME). YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.**

**REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEYS.**

TO THE HONORABLE JEFF BOHM,  
UNITED STATES BANKRUPTCY JUDGE:

Express Energy Services Operating, LP and its affiliated reorganized debtors in the above-captioned chapter 11 cases (collectively, the “**Debtors**” and/or the “**Reorganized Debtors**”),<sup>1</sup> file this motion (the “**Motion**”) and respectfully represent as follows:

I.

**RELIEF REQUESTED**

1. The Reorganized Debtors request authority to (i) file omnibus objections to claims (the “**Omnibus Objections**”), and (ii) implement the proposed procedures described below to prosecute the Omnibus Objections (the “**Omnibus Objection Procedures**”), pursuant to Rule 3007-1(f) of the Bankruptcy Local Rules for the Southern District of Texas (the “**Local Rules**”). The relief requested herein will avoid undue expenses and, at the same time, preserve the rights of all parties in interest under Rule 3007 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”). A proposed order granting the relief requested herein is attached hereto as **Exhibit A**.

II.

**BASIS FOR RELIEF REQUESTED**

*This Court Should Authorize the Reorganized Debtors to File Omnibus Objections*

2. Local Rule 3007-1(f) permits a debtor to file omnibus objections with prior bankruptcy court approval. To obtain bankruptcy court approval, Local Rule 3007-1(f) expressly requires the filing of a motion and proposed procedures for the handling of omnibus objections. Without authority to file omnibus objections, Local Rule 3007-1(b) and (c) require a

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<sup>1</sup> On October 27, 2009 (the “**Commencement Date**”), each of the Debtors filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”). On December 7, 2009, this Court entered an order (the “**Confirmation Order**”) confirming the Debtors’ Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code (the “**Plan**”). The Plan went effective pursuant to its own terms on December 31, 2009.

debtor to file individual objections to claims and participate in scheduling conferences for each claim objection.

3. As of the date of this Motion, more than 650 proofs of claim have been filed in the Debtors' chapter 11 cases. The Reorganized Debtors are conducting a review and reconciliation of all prepetition claims, which includes the claims listed in the Debtors' Schedules of Liabilities (the "**Scheduled Claims**") and filed proofs of claims (the "**Filed Claims**"). This process includes matching certain Filed Claims to their corresponding Scheduled Claims, and identifying particular categories of Filed Claims that may be targeted for disallowance and expungement, reduction and allowance, or reclassification and allowance. In their effort to maintain an accurate claims register and to avoid an improper recovery by a claimant, the Reorganized Debtors seek authority to file Omnibus Objections to various Filed Claims.

4. The Reorganized Debtors seek to file Omnibus Objections on the grounds that a Filed Claim, among other things: (a) is a duplicate of another Filed Claim; (b) is filed against the wrong Debtor; (c) is amended/superseded by another Filed Claim; (d) is not timely filed; (e) was satisfied or released during the course of these chapter 11 cases in accordance with the Bankruptcy Code, the Plan, and/or the Confirmation Order; (f) does not comply with the Order Pursuant to Bankruptcy Rule 3003(c)(3) and Section 503(b)(9) of the Bankruptcy Code Establishing the Deadline for Filing Proofs of Claim and Approving the Form and Manner of Notice Thereof [Docket No. 158]; or (g) asserts a priority amount that exceeds the maximum amount under section 507 of the Bankruptcy Code.<sup>2</sup> Filing individual objections and setting

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<sup>2</sup> The Reorganized Debtors have not completed their analysis of each Filed Claim and may not file an Omnibus Objection relating to each of the grounds discussed in this paragraph. However, the authority to file such Omnibus Objections mirrors the grounds for filing omnibus objections listed in Bankruptcy Rule 3007(d).

individual scheduling orders would be time consuming, expensive, and burdensome to the Reorganized Debtors and this Court. Accordingly, authorizing the Reorganized Debtors to file Omnibus Objections is warranted.

***This Court Should Implement the Proposed Omnibus Objection Procedures***

5. The Reorganized Debtors propose the following procedures in order to prosecute the Omnibus Objections:

- the Reorganized Debtors will serve each Omnibus Objection at least thirty (30) days prior to any hearing thereon to all parties entitled to receive notice under the Bankruptcy Rules, the Local Rules and the Court's orders;
- any claimant seeking to respond to an Omnibus Objection must file a response twenty three (23) days from the date such Omnibus Objection is mailed to that claimant;
- this Court, subject to its availability, will schedule hearings on the Omnibus Objections;
- to reduce the voluminous nature of each Omnibus Objection, in lieu of attaching copies of the Filed Claims relating thereto, the Reorganized Debtors will provide copies<sup>3</sup> of any Filed Claim upon request; and
- all Omnibus Objections will comply with the requirements of Bankruptcy Rule 3007 and Local Rule 3007-1.

6. Approving the Omnibus Objection Procedures will minimize the expense and burden of resolving many of the Reorganized Debtors' objections to Filed Claims without prejudicing the rights of any party under the Bankruptcy Rules, the Local Rules, or this Court's orders.

7. Courts in this district have allowed omnibus objections to claims in other large bankruptcy cases pursuant to Local Rule 3007-1(f). *See, e.g., In re Edge Petroleum Corp.,*

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<sup>3</sup> Copies of the Filed Claims are available, free of charge, on the Debtors' claims and notice agent's website: [www.expressenergyinfo.com](http://www.expressenergyinfo.com).

Case No. 09-20644 (Bankr. S.D. Tex. Jan 14, 2010); *In re Scotia Dev.*, Case No. 07-20027 (Bankr. S.D. Tex. Oct. 5, 2007).

**III.**

**JURISDICTION**

8. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

**IV.**

**NOTICE**

9. Notice of this Motion was sent to all parties that are entitled to notice pursuant to this Court's Order, dated October 29, 2009, implementing notice and case management procedures.

10. No previous request for the relief sought herein has been made by the Reorganized Debtors to this or any other court.

WHEREFORE the Reorganized Debtors respectfully request this Court enter the proposed order attached hereto as **Exhibit A**, and provide such other and further relief as is just.

Dated: Houston, Texas  
March 3, 2010

Respectfully submitted,

By: /s/ Alfredo R. Pérez  
Alfredo R. Pérez

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Attorneys for Reorganized Debtors

**EXHIBIT A**

**Proposed Order**

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

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

**ORDER AUTHORIZING REORGANIZED DEBTORS TO (I) FILE OMNIBUS  
OBJECTIONS TO CLAIMS AND (II) IMPLEMENT THE OMNIBUS  
OBJECTION PROCEDURES PURSUANT TO LOCAL RULE 3007-1(f)**

[Related to Docket No. \_\_\_\_]

Upon consideration of the expedited motion (the “**Motion**”)<sup>1</sup> of Express Energy Services Operating, LP and its affiliated reorganized debtors in the above-captioned bankruptcy cases for authority to (i) file Omnibus Objections to claims, and (ii) implement the Omnibus Objection Procedures pursuant to Local Rule 3007-1(f); and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and good and sufficient notice of the Motion having been provided pursuant to the Court’s order, dated October 29, 2009, establishing notice procedures in the Debtors’ chapter 11 cases, and no other or further notice need be provided; and the relief requested in the Motion being in the best interests of all parties in interest; and the Court having reviewed the Motion; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and the Court having further determined that the Motion

<sup>1</sup> Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Motion.

complies with the requirements of Local Rule 3007-1; 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 Motion is GRANTED to the extent provided herein.
2. The Reorganized Debtors are authorized to file one or more Omnibus Objections.
3. The following Omnibus Objection Procedures are approved:
  - the Reorganized Debtors shall serve each Omnibus Objection at least thirty (30) days prior to any hearing thereon to all parties entitled to receive notice under the Bankruptcy Rules, the Local Rules and the Court's orders;
  - any claimant seeking to respond to an Omnibus Objection shall file a response twenty three (23) days from the date such Omnibus Objection is mailed to that claimant;
  - the Court, subject to its availability, shall schedule hearings on the Omnibus Objections;
  - in lieu of attaching copies of the Filed Claims relating thereto, the Reorganized Debtors shall provide copies<sup>2</sup> of any Filed Claim upon request; and
  - all Omnibus Objections shall comply with the requirements of Bankruptcy Rule 3007 and Local Rule 3007-1.
4. Nothing contained in an Omnibus Objection shall preclude the Reorganized Debtors from objecting to any Filed Claim on any grounds warranted under applicable law.

Dated: Houston, Texas  
\_\_\_\_\_, 2010

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HONORABLE JEFF BOHM  
UNITED STATES BANKRUPTCY JUDGE

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<sup>2</sup> Copies of the Filed Claims are available, free of charge, on the Debtors' claims and notice agent's website: [www.expressenergyinfo.com](http://www.expressenergyinfo.com).