



ENTERED
03/11/2016

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

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|--|---|-------------------------------|
| In re: | § | |
| | § | CASE NO. 16-20060 |
| ARGENT ENERGY (CANADA) HOLDINGS, INC., et al.¹ | § | |
| | § | Chapter 15 |
| | § | |
| Debtors in a foreign proceeding. | § | (Jointly Administered) |

**ORDER GRANTING RECOGNITION AS A FOREIGN MAIN PROCEEDING,
OR, IN THE ALTERNATIVE, AS A FOREIGN NONMAIN PROCEEDING**

(Docket No. 5)

Upon consideration of the *Petition for Recognition as a Foreign Main Proceeding Pursuant to Sections 1515 and 1517 of the Bankruptcy Code and Related Relief* (the “Petition”) filed by FTI Consulting Canada Inc. (“FTI”), in its capacity as Monitor and authorized foreign representative (the “Foreign Representative”) of the above-captioned debtors (the “Petitioners”), and all the evidence and argument of the parties, and after due deliberation and consideration of this Court’s powers and discretion under 11 U.S.C. §§ 1515, 1517, 1520, and 1521, and sufficient cause appearing therefor, including for the reasons set forth on the record by the Court, the Court finds and concludes as follows:²

- A. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(a) and (b) and 1334(a) and (b), and 11 U.S.C. §§ 109 and 1501. Venue is proper in this district pursuant to 28 U.S.C. § 1410.
- B. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P).
- C. This Court has constitutional authority to enter final orders on this matter under *Stern v. Marshall*, 131 S. Ct. 2594 (2011), or, in the alternative, by consent of the parties.
- D. The Petitioners are the following two entities: Argent Energy (Canada) Holdings, Inc. (“Argent Canada”) and Argent Energy (US) Holdings, Inc. (“Argent US”).

¹ The “Petitioners” in these chapter 15 cases are Argent Energy (Canada) Holdings, Inc. and Argent Energy (US) Holdings, Inc.

² All capitalized terms not defined herein are ascribed the meanings given to them in the Petition or the Initial Order as applicable.

- E. On February 17, 2016, the Petitioners, along with Argent Energy Trust (collectively, the “Canadian Debtors”), filed an Application for the Commencement of Reorganization Proceedings (the “CCAA Application”) pursuant to Canada’s Companies’ Creditors Arrangement Act (the “CCAA”) in the Court of Queen’s Bench of Alberta, Judicial Centre of Calgary (the “Canadian Court”).
- F. On February 17, 2016, the Canadian Court entered an order (the “Initial Order”), provisionally granting the CCAA Application, initiating the reorganization proceeding (the “Canadian Proceeding”), and appointing FTI to act as a foreign representative in these cases.
- G. On March 9, 2016, the Canadian Court held a second hearing (the “Comeback Hearing”) to determine whether to grant final approval to the terms of the Initial Order.
- H. On March 10, 2016, the Canadian Court announced its intention to grant the terms of the Initial Order on a final basis (the “Amended and Restated Initial Order”).
- I. The Canadian Proceeding is entitled to recognition by this Court pursuant to 11 U.S.C. § 1517.
- J. The Foreign Representative is a person within the meaning of 11 U.S.C. § 101(41) and is the duly appointed foreign representative of the Petitioners within the meaning of 11 U.S.C. § 101(24).
- K. This case was properly commenced pursuant to 11 U.S.C. §§ 1504 and 1515.
- L. The Canadian Proceeding is a foreign proceeding within the meaning of 11 U.S.C. § 101(23).
- M. Analyzing the Canadian Debtors in the aggregate, the Court finds that the center of main interest for both Argent Canada and Argent US is Canada. Accordingly, the Court finds that the Canadian Proceeding is a foreign main proceeding with respect to both Argent Canada and Argent US.
- N. In the alternative, to the extent that the Court is required to analyze the Canadian Debtors independently, the Court finds: (i) the Canadian Proceeding is a foreign main proceeding with respect to Argent Canada; and (ii) the Canadian Proceeding is a foreign nonmain proceeding with respect to Argent US, based on the evidence presented at the Recognition Hearing and for the reasons announced on the record.

NOW, THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:

1. The Canadian Proceeding is hereby recognized as a foreign main proceeding pursuant to 11 U.S.C. § 1517 with respect to Argent Canada and Argent US, the Petitioners.

2. In the alternative, to the extent that recognition of the Canadian Proceeding should be viewed independently as to each Petitioner, the Canadian Proceeding is recognized as a foreign main proceeding under 11 U.S.C. § 1517 with respect to Argent Canada; and the Canadian Proceeding is recognized as a foreign nonmain proceeding under 11 U.S.C. § 1517 with respect to Argent US.

3. The Foreign Representative is granted all of the relief afforded under 11 U.S.C. § 1520, including the following:

(a) sections 361 and 362 apply with respect to the debtor and the property of the debtor that is within the territorial jurisdiction of the United States;

(b) sections 363, 549, and 552 apply to a transfer of an interest of the debtor in property that is within the territorial jurisdiction of the United States to the same extent that the sections would apply to property of an estate;

(c) unless the court orders otherwise, the foreign representative may operate the debtor's business and may exercise the rights and powers of a trustee under and to the extent provided by sections 363 and 552; and

(d) section 552 applies to property of the debtor that is within the territorial jurisdiction of the United States;

4. To the extent the Canadian Proceeding is recognized as a foreign nonmain proceeding with respect to Argent US, the Court exercises its discretion under 11 U.S.C. § 1521 to grant Argent US all the relief afforded under 11 U.S.C. § 1520(a)(1)-(4).

5. All prior relief granted in the *Order Granting Emergency Application for Relief Pursuant to Section 105(a) and 1519 of the Bankruptcy Code* [Docket No. 30] is hereby extended on a final basis, to the extent not inconsistent with the relief granted under this Order.

6. The Foreign Representative and the Petitioners are authorized to implement the terms of the Initial Order and Amended and Restated Initial Order, as amended by the Canadian Court.

7. The Petitioners are authorized to maintain and enter into any addendums and/or extensions of the Client Service Agreement by and between the Petitioners and Insperty PEO Services, L.P. and perform any obligations under the same.

8. This Court shall retain jurisdiction with respect to the enforcement, amendment, or modification of this Order, any request for additional relief or any adversary proceeding brought in and through these chapter 15 bankruptcy cases and any request by an entity for relief from the provisions of this Order, for cause shown, that is properly commenced and within the jurisdiction of this Court. The relief provided herein shall survive the termination of the Canadian Proceeding subject to further order of this Court after notice and hearing.

9. This Order applies to all parties in interest in these chapter 15 cases and all of their agents, employees, and representatives, and all those who act in concert with them who receive notice of this Order.

Signed: March 11, 2016.



DAVID R. JONES
UNITED STATES BANKRUPTCY JUDGE