

B25B (Official Form 25B) (12/08)

United States Bankruptcy Court
Southern District of Florida

In re Energis Petroleum, LLC
Debtor(s)

Case No. 15-19945-BKC-PGH
Chapter 11

**FIRST AMENDED DISCLOSURE STATEMENT, DATED MARCH 7, 2017, FILED
BY CREDITORS RICHARD GARWOOD AND MARY ANN GARWOOD**

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I. INTRODUCTION

This is the disclosure statement (the "Disclosure Statement") in the chapter 11 case of **Energis Petroleum, LLC** (the "Debtor"). This Disclosure Statement contains information about the Debtor and describes the **Chapter 11 Plan of Reorganization** (the "Plan") filed by **Richard and Mary Ann Garwood** (collectively "**Garwood**") on March 7, 2017. A full copy of the Plan is attached to this Disclosure Statement as Exhibit A. *Your rights may be affected. You should read the Plan and this Disclosure Statement carefully and discuss them with your attorney. If you do not have an attorney, you may wish to consult one.*

The proposed distributions under the Plan are discussed at pages 5 through 8 of this Disclosure Statement. General unsecured creditors are classified in Class II, and will receive a distribution of approximately 27.67% of their allowed claims, if the Court sustains the objection to the unsecured claim of National Business Communications, Inc., and 22.56% if the Court overrules the objection to the claim of National Business Communications, Inc., to be distributed as described below in this Disclosure Statement.

A. Purpose of This Document

This Disclosure Statement describes:

The Debtor and significant events during the bankruptcy case,
How the Plan proposes to treat claims or equity interests of the type you hold (i.e., what you will receive on your claim or equity interest if the plan is confirmed),
Who can vote on or object to the Plan,
What factors the Bankruptcy Court (the "Court") will consider when deciding whether to confirm the Plan,
Why [the Proponent] believes the Plan is feasible, and how the treatment of your claim or equity interest under the Plan compares to what you would receive on your claim or equity interest in liquidation, and
The effect of confirmation of the Plan.

Be sure to read the Plan as well as the Disclosure Statement. This Disclosure Statement describes the Plan, but it is the Plan itself that will, if confirmed, establish your rights.

B. Deadlines for Voting and Objecting; Date of Plan Confirmation Hearing

The Court has not yet confirmed the Plan described in this Disclosure Statement. This section describes the procedures pursuant to which the Plan will or will not be confirmed.

1. *Time and Place of the Hearing to [Finally Approve This Disclosure Statement and] Confirm the Plan*

The hearing at which the Court will determine whether to finally approve this Disclosure Statement and confirm the Plan will take place on ____ day of ____, 2017, at ____ am/pm in Courtroom A, at the United States Bankruptcy Courthouse for the Southern District of Florida, West Palm Beach Division, The Flagler Waterview Building, 1515 North Flagler Drive, Eighth Floor, West Palm Beach, FL 33401.

2. *Deadline For Voting to Accept or Reject the Plan*

If you are entitled to vote to accept or reject the plan, vote on the enclosed ballot and return the ballot in the enclosed envelope to the United States Bankruptcy Courthouse for the Southern District of Florida, West Palm Beach Division, The Flagler Waterview Building, 1515 North Flagler Drive, Eighth Floor, West Palm Beach, FL 33401. See section IV.A. below for a discussion of voting eligibility requirements.

Your ballot must be received by the date as set forth in the Court's Order or it will not be counted.

3. *Deadline For Objecting to the Adequacy of Disclosure and Confirmation of the Plan*

Objections to this Disclosure Statement or to the confirmation of the Plan must be filed with the Court and served upon Richard and Mary Ann Garwood, c/o Brett A. Elam, P.A., 105 South Narcissus Avenue, Suite 802, West Palm Beach, FL 33401 by the date as set forth in the Court's Order setting a hearing on the approval of the Disclosure Statement.

4. *Identity of Person to Contact for More Information*

If you want additional information about the Plan, you should contact Richard and Mary Ann Garwood, c/o Brett A. Elam, P.A., 105 South Narcissus Avenue, Suite 802, West Palm Beach, FL 33401.

II. BACKGROUND

A. Description and History of the Debtor's Business

The Debtor is a **Florida limited liability company**. Since December 26, 2003, the Debtor has been in the business of owning and operating a convenient store in Okeechobee, Florida. The Debtor also leased space within the premises of the convenient store to a Dunkin Donuts franchise. However, in or around November 2014, the Debtor's fuel supplier, SE Petro Distributors, Inc., ("SE Petro") ceased supplying the Debtor with fuel based upon an alleged unpaid balance due on the Debtor's account of \$118,000.00. Additionally, the second mortgage encumbering the Debtor's real property was purchased by SE Petro, which was effective September 1, 2014. Based upon this issue, the Debtor terminated the fuel supply contract with SE Petro, but was unable to find a replacement fuel supplier. As a result, the Debtor was unable to sale fuel from its pumps. Moreover, the Debtor's tenant, Dunkin Donuts, failed to pay its monthly lease payments. Based upon the aforementioned issues, the Debtor was forced to file the instant Chapter 11 bankruptcy.

B. Insiders of the Debtor

Scott Duffy – managing member (at the time of filing his salary was zero, but was \$15,000.00 in 2014).

Keith Duffy – managing member (at the time of filing his salary was zero, but was \$15,000.00 in 2014).

C. Management of the Debtor Before and During the Bankruptcy

During the two years prior to the date on which the bankruptcy petition was filed, the officers, directors, managers or other persons in control of the Debtor (collectively the "Managers") were Scott Duffy and Keith Duffy.

The Managers of the Debtor during the Debtor's chapter 11 case have been the same as pre-petition, Scott Duffy and Keith Duffy.

Garwoods' Plan of Reorganization proposes to utilize all remaining funds from the sale of substantially all of the assets of the Debtor to pay the remaining creditors in this case. Additionally, under the Garwoods' proposed Plan, the disbursing agent will be the Debtor's counsel, Steven Wallace. Other than the distributions by Wallace, subsequent to the Effective Date, the Debtor will cease to exist, therefore, there will be no post-confirmation managers of the Debtor.

D. Events Leading to Chapter 11 Filing

The Debtor owned a parcel of real property located in Okeechobee, Florida. The real property was located at 4993 US Highway 441 South, Okeechobee, Florida 34974 ("Real Property"). The Real Property was encumbered by a first and second mortgage. The note and first mortgage was in favor of Okeechobee REO,

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Inc., ("REO") and was in the amount of \$1,358,285.75. The note and second mortgage was in favor of SE Petro in the amount of \$434,537.49. Additionally, the Debtor disclosed a third note and mortgage in the amount of \$300,000.00, which was allegedly secured by the Real Property, in favor of National Business Communications, Inc., ("NBC") as well as a judgment lien in favor of PM Okeechobee, LLC, ("PM") in the amount of \$85,000.00. During the period prior to the filing of the instant bankruptcy, the Debtor was receiving its fuel supply from SE Petro. In or about September 2014, the Debtor's second mortgage was purchased by SE Petro. Additionally, SE Petro ceased supplying fuel to the Debtor as well based on an unpaid invoice in the amount of \$118,000.00, which was allegedly not a valid invoice. Due to the cease in the fuel supply, the Debtor's tenant, Dunkin Donuts, stopped paying its monthly lease payments, which caused the Debtor to experience financial distress. Based upon this financial distress, the Debtor was forced to file the instant Chapter 11 bankruptcy. Moreover, the Debtor received numerous investments by individuals leading up to the filing of the bankruptcy, which was used by the Debtor to allegedly perform its day to day operations. However, the investments were never paid back, nor were the monthly payments made on the investments.

E. Significant Events During the Bankruptcy Case

During the course of the Chapter 11 bankruptcy, the Debtor marketed its Real Property for sale. Pursuant to the marketing efforts of the Debtor, an Asset Purchase Agreement with USA Petroleum, Inc., for purchase and sale of the Real Property, as well as the Debtor's personal property, was obtained in the amount of \$3,200,000.00. The Debtor filed an expedited motion to approve the sale, which was heard by the Court. The Court approved the sale of the Real Property, which ultimately closed on or about February 10, 2016. From the proceeds of the sale, the Debtor paid a real estate commission of \$96,000.00, as well as the first lien on the real property in favor of Okeechobee REO, LLC in the amount of \$1,538,130.58 and the second lien on the real property in favor of Southeast Petroleum, Inc., in the amount of \$470,161.11. Additionally, the Debtor held in escrow an amount equal to the perfected final judgment of PM Okeechobee, LLC, in the amount of \$85,583.75 and the alleged secured claim of NBC in the amount of \$508,257.53. After the payment of the amounts allowed pursuant to the Court's Order, pursuant to the January 2017 Monthly Operating Report (**DE#351**), the Debtor is holding \$962,600.76 in escrow. Prior to the approval to pay NBC, the unsecured creditors, Richard and Mary Ann Garwood, ("collectively "Garwood") filed an objection. The Court sustained the Garwood's objection pending the outcome of an adversary proceeding filed against NBC. The Garwoods sought and obtained approval from the Court to file an adversary proceeding against NBC to invalidate its security agreement with the Debtor. The Court entered final judgment invalidating the NBC's security agreement as a preferential transfer on September 7, 2016. Pursuant to the Default Final Judgment, the proof of claim filed on behalf of NBC in the amount of \$508,257.53 was determined to be an unsecured debt. Shortly after the entry of the Default Final Judgment, Garwood objected to NBC's proof of claim in its entirety. Additionally, NBC objected to all of the scheduled and filed proofs of claim filed by the individuals who had invested in the Debtor. The Garwood's objection was based upon the lack of documentation, as well as the calculation of the outstanding amount of the debt, while NBC's objections were based upon the passing of the statute of limitations as to all debts. Currently, the Court has not ruled on any of the outstanding claims objections. Additionally, the Debtor objected to certain claims. Specifically, the Debtor objected to Proofs of Claim 2-1, 3-1, 6-1, and 13-1. On March 1, 2017, the Court sustained the Debtor's objection. The Court entered an Order striking in its entirety Proofs of Claim 2-1 (proof of claim of Kelsey Yother) and 3-1 (Barry S. Mittelberg, P.A.). As to Proofs of Claim 6-1 (Gerald and Edyth Shulman) and 13-1 (The HT Hackney Company), the Court only struck those claims as duplicative. Currently, the only remaining Proofs of Claim in the Estate are as follows: 1) Proof of Claim 1-1 by The HT Hackney Co.; 2) Proof of Claim 4-1 by the Internal Revenue Service; 3) Proof of Claim 5-1 by Gerald and Edyth Shulman; 4) Proof of Claim 7-1 by Leslie Davis, P.A.; 5) Proof of Claim 12-1 by Southeast Petro Distributors, Inc.; 6) Proof of Claim 15-1 by Capacity Insurance Company; 7) Proof of Claim 16-1 by the Florida Department of Revenue; 8) Proof of Claim 17-1 by NBC, which is subject to objection by Garwood; 9) Proof of Claim 18-1 by PM Okeechobee, LLC; and 10) Proof of Claim 19-1 by Craig A. Huffman, Esq.

Currently, the Debtor is holding funds from the sale of the Real Property in the amount of \$920,600.76. This amount was after the Debtor paid the secured claims of SE Petro, REO and PM, as well as the paying closing costs totaling \$89,520.05. Additionally, the total amount of unsecured claims in this Estate total \$1,788,237.79, which includes the unsecured claim of the Florida Department of Revenue and does not include the claim of NBC. However, if the Court overrules the pending objection to the claim of NBC, the unsecured claims in the Estate will total \$2,296,495.32.

F. Projected Recovery of Avoidable Transfers

The Garwoods, on behalf of the debtor, have not yet completed their investigation with regard to prepetition transactions, other than the adversary proceeding, which has already been filed. If you received a payment or other transfer within 90 days of the bankruptcy, or other transfer avoidable under the Code, the Debtor, or the Garwoods, may seek to avoid such transfer. However, currently the Garwoods are unaware of any potential preferential transfers to pursue.

G. Claims Objections

Except to the extent that a claim is already allowed pursuant to a final non-appealable order, the Debtor reserves the right to object to claims. Therefore, even if your claim is allowed for voting purposes, you may not be entitled to a distribution if an objection to your claim is later upheld. The procedures for resolving disputed claims are set forth in Article V of the Plan.

H. Current and Historical Financial Conditions

The identity and fair market value of the estate's assets are not relevant to this analysis, as the Court has already approved the sale of same in the amount of \$3,200,000.00. The valuation of the Debtor's assets was derived from the managing members of the Debtor, and the sworn Schedules filed in the Debtor's bankruptcy case, as well as the Bankruptcy Court's Order Approving Sale (DE#211)

The most recent post-petition operating report filed since the commencement of the Debtor's bankruptcy case are set forth in Exhibit B.

III. SUMMARY OF THE PLAN OF REORGANIZATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS

A. What is the Purpose of the Plan of Reorganization?

As required by the Code, the Plan places claims and equity interests in various classes and describes the treatment each class will receive. The Plan also states whether each class of claims or equity interests is impaired or unimpaired. If the Plan is confirmed, your recovery will be limited to the amount provided by the Plan.

B. Unclassified Claims

Certain types of claims are automatically entitled to specific treatment under the Code. They are not considered impaired, and holders of such claims do not vote on the Plan. They may, however, object if, in their view, their treatment under the Plan does not comply with that required by the Code. As such, the Plan Proponent has not placed the following claims in any class:

1. *Administrative Expenses*

Administrative expenses are costs or expenses of administering the Debtor's chapter 11 case which are allowed under § 507(a)(2) of the Code. Administrative expenses also include the value of any goods sold to the Debtor in the ordinary course of business and received within 20 days before the date of the bankruptcy petition. The Code requires that all administrative expenses be paid on the effective date of the Plan, unless a particular claimant agrees to a different treatment.

Richard and Mary Ann Garwood shall have an allowed administrative claim in this Estate in approximately the amount of \$30,000.00 pursuant to 11 U.S.C. § 503(b)(3)(B) and (4).

Pursuant to 11 U.S.C. § 503(b)(3)(B):

After notice and a hearing, there shall be allowed administrative expenses, other than claims allowed under section 502(f) of this title, including—the actual, necessary expenses, other than compensation and reimbursement specified in paragraph (4) of this subsection, incurred by—a creditor that recovers, after the court's approval, for the benefit of the estate any property transferred or concealed by the debtor.

Additionally, pursuant to 11 U.S.C. § 503(b)(4):

After notice and a hearing, there shall be allowed administrative expenses, other than claims allowed under section 502(f) of this title, including—reasonable compensation for professional services rendered by an attorney or an accountant of an entity whose expense is allowable under subparagraph (A), (B), (C), (D), or (E) of paragraph (3) of this subsection, based on the time, the nature, the extent, and the value of such services, and the cost of comparable services other than in a case under this title, and reimbursement for actual, necessary expenses incurred by such attorney or accountant.

As discussed previously, Garwood obtained an Order from the Court, which allowed them to file an adversary proceeding against NBC seeking to avoid and recover the perfection of NBC's security interest as a preferential transfer. NBC perfected its security interest related to its debt within ninety (90) days of the Petition Date. Upon obtaining Court approval, Garwood invalidated NBC's security interest, which reclassified NBC's debt as an unsecured claim, rather than a secured claim. Based upon the invalidation of NBC's security interest, NBC's allowed claim, if any, will be paid on a pro rata basis with all other unsecured creditors. Pursuant to 11 U.S.C. § 503(b)(3)(B), an entity whose actions results in property being recovered for the benefit of the Estate shall be entitled to an administrative claim for its actual and necessary expenses incurred. Moreover, pursuant to 11 U.S.C. § 503(b)(4), the Garwoods are entitled to an administrative claim for reasonable compensation for professional services incurred in their actions as well. The following chart lists the Debtor's estimated administrative expenses, and their proposed treatment under the Plan:

<u>Type</u>	<u>Estimated Amount Owed</u>	<u>Proposed Treatment</u>
Expenses Arising in the Ordinary Course of Business After the Petition Date		Paid in full on the effective date of the Plan, or according to terms of obligation if later
The Value of Goods Received in the Ordinary Course of Business Within 20 Days Before the Petition Date		Paid in full on the effective date of the Plan, or according to terms of obligation if later
Professional Fees, as approved by the Court.		Paid in full on the effective date of the Plan, or according to separate written

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		agreement, or according to court order if such fees have not been approved by the Court on the effective date of the Plan
Clerk's Office Fees		Paid in full on the effective date of the Plan
Other administrative expenses	Garwoods allowed administrative claim pursuant to 11 U.S.C. § 503(b)(3)(B) & (4) in the amount of approximately \$30,000.00	Paid in full on the effective date of the Plan or according to separate written agreement
Office of the U.S. Trustee Fees		Paid in full on the effective date of the Plan
TOTAL		

2. *Priority Tax Claims*

Priority tax claims are unsecured income, employment, and other taxes described by § 507(a)(8) of the Code. Unless the holder of such a § 507(a)(8) priority tax claim agrees otherwise, it must receive the present value of such claim, in regular installments paid over a period not exceeding 5 years from the order of relief.

The following chart lists the Debtor's estimated § 507(a)(8) priority tax claims and their proposed treatment under the Plan:

Description (name and type of tax)	Estimated Amount Owed	Date of Assessment Tax period	Treatment
Florida Department of Revenue Sales and Use Tax	The Florida Department of Revenue filed a Proof of Claim in the amount of \$310,831.58. However, only \$255,200.76 shall be paid as a priority tax claim. The remaining portion of this claim, \$55,630.82, shall receive a distribution as a Class III unsecured creditor.	April 2015	The allowed claim of the Florida Department of Revenue shall be paid in full within thirty (30) days of the Effective Date.
Department of Treasury Internal Revenue Service	\$5,294.95	September 14, 2015	The allowed claim of the Internal Revenue Service shall be paid in full within

**thirty (30) days of
the Effective
Date.**

C. Classes of Claims and Equity Interests

The following are the classes set forth in the Plan, and the proposed treatment that they will receive under the Plan:

1. *Classes of Secured Claims*

Allowed Secured Claims are claims secured by property of the Debtor's bankruptcy estate (or that are subject to setoff) to the extent allowed as secured claims under § 506 of the Code. If the value of the collateral or setoffs securing the creditor's claim is less than the amount of the creditor's allowed claim, the deficiency will be classified as a general unsecured claim.

The following chart lists all classes containing Debtor's secured prepetition claims and their proposed treatment under the Plan:

<u>Class #</u>	<u>Description</u>	<u>Insider ? (Yes or No)</u>	<u>Impairmen t</u>	<u>Treatment</u>
1	<p><i>Secure claim of:</i> Internal Revenue Service</p> <p>Collateral Description All the Debtor's assets</p> <p>Allowed Secured Amount \$10,237.40</p> <p>Priority of lien First priority</p> <p>Principal owed \$10,237.40</p> <p>Pre-pet. arrearage</p> <p>Total claim \$10,237.40</p>	N	Unimpaired	<p>The Claim of Class I shall be paid in full within thirty (30) days of the Effective Date from the proceeds of the sale of the Debtor's Real Property.</p>

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Class #	Description	Insider ? (Yes or No)	Impairment	Treatment
2	<p><i>Secure claim of:</i> Gerald and Edyth Shulman</p> <p>Collateral Description All the Debtor's assets</p> <p>Allowed Secured Amount \$149,116.14</p> <p>Priority of lien First priority</p> <p>Principal owed \$149,116.14</p> <p>Pre-pet. arrearage</p> <p>Total claim \$149,116.14</p>	N	Unimpaired	<p>The Claim of Class I shall be paid in full within thirty (30) days of the Effective Date from the proceeds of the sale of the Debtor's Real Property.</p>

2. *Classes of Priority Unsecured Claims*

Certain priority claims that are referred to in §§ 507(a)(1), (4), (5), (6), and (7) of the Code are required to be placed in classes. The Code requires that each holder of such a claim receive cash on the effective date of the Plan equal to the allowed amount of such claim. However, a class of holders of such claims may vote to accept different treatment. There are no unsecured priority claims in this Estate.

3. *Class of General Unsecured Claims*

General unsecured claims are not secured by property of the estate and are not entitled to priority under § 507(a) of the Code.

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The following chart identifies the Plan's proposed treatment of Class III, which contains general unsecured claims against the Debtor:

Class #	Description	Impairment	Treatment
3	General Unsecured Class	Impaired	The claimants in this Class shall be paid on a pro rata basis from the remaining funds after the payment of the other existing claims in the Estate. If the Court sustains the objection to the claim of NBC, this Class shall receive a pro rata distribution of the remaining funds, which results in an approximate distribution of 28.67% of the allowed claims. However, if the Court overrules the objection the claim of NBC, this Class shall only receive approximately 22.33% of their allowed claims.

4. *Class of Equity Interest Holders*

Equity interest holders are parties who hold an ownership interest (i.e., equity interest) in the Debtor. In a corporation, entities holding preferred or common stock are equity interest holders. In a partnership, equity interest holders include both general and limited partners. In a limited liability company ("LLC"), the equity interest holders are the members. Finally, with respect to an individual who is a debtor, the Debtor is the equity interest holder.

Class #	Description	Impairment	Treatment
4	Equity	Impaired	The Debtor has already ceased operations, therefore, there will be no operations after the Effective Date. The equity interests of the Debtor shall not receive a distribution from the Estate.

D. Means of Implementing the Plan

1. Source of Payments

Payments and distributions under the Plan will be funded from the proceeds remaining from the sale of the Real Property. Currently, there is \$920,604.51 remaining from the proceeds of the sale of the Debtor's Real Property. The only remaining creditors are unsecured creditors. As such, the funds remaining shall be paid to the unsecured creditors on a pro rata basis after payment of the allowed Administrative Claims.

2. Post-confirmation Management

There shall be no post-confirmation management of the Debtor. Post-confirmation the Debtor will only be disbursing the proceeds from the sale pursuant to the Confirmation Order. Additionally, there will be an appointed disbursing agent pursuant to the Confirmation Order.

3. Disbursing Agent

The disbursing agent pursuant to this Plan shall be Steven Wallace and the The Wallace Law Group, P.A., who shall be paid its normal hourly rate after approval of its fees by the Bankruptcy Court.

E. Risk Factors

The proposed Plan has the following risks:

The only existing risks relate to the Debtor failing to turn over the proceeds from the sale of the Real Property. Moreover, the Debtor, or Debtor's principals, may have already absconded with the proceeds, which would result in separate lawsuits having to be filed to recover the funds. If the funds were recovered, the full amount may not be recovered or the individuals who have absconded with the funds may not be collectible.

F. Executory Contracts and Unexpired Leases

The Plan, in Exhibit 5.1, lists all executory contracts and unexpired leases that the Debtor will assume under the Plan. Assumption means that the Debtor has elected to continue to perform the obligations under such contracts and unexpired leases, and to cure defaults of the type that must be cured under the Code, if any. Exhibit 5.1 also lists how the Debtor will cure and compensate the other party to such contract or lease for any such defaults.

If you object to the assumption of your unexpired lease or executory contract, the proposed cure of any defaults, or the adequacy of assurance of performance, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan, unless the Court has set an earlier time.

All executory contracts and unexpired leases that are not listed in Exhibit 5.1 will be rejected under the Plan. Consult your adviser or attorney for more specific information about particular contracts or leases.

If you object to the rejection of your contract or lease, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan.

The Deadline for Filing a Proof of Claim Based on a Claim Arising from the Rejection of a Lease or Contract Is thirty (30) days after the order rejecting said executory contract becomes final and non-appealable. Any claim based on the rejection of a contract or lease will be barred if the proof of claim is not timely filed, unless the Court orders otherwise.

G. Tax Consequences of Plan

Creditors and Equity Interest Holders Concerned with How the Plan May Affect Their Tax Liability Should Consult with Their Own Accountants, Attorneys, and/or Advisors.

IV. CONFIRMATION REQUIREMENTS AND PROCEDURES

To be confirmable, the Plan must meet the requirements listed in §§ 1129(a) or (b) of the Code. These include the requirements that: the Plan must be proposed in good faith; at least one impaired class of claims must accept the plan, without counting votes of insiders; the Plan must distribute to each creditor and equity interest holder at least as much as the creditor or equity interest holder would receive in a chapter 7 liquidation case, unless the creditor or equity interest holder votes to accept the Plan; and the Plan must be feasible. These requirements are not the only requirements listed in § 1129, and they are not the only requirements for confirmation.

A. Who May Vote or Object

Any party in interest may object to the confirmation of the Plan if the party believes that the requirements for confirmation are not met.

Many parties in interest, however, are not entitled to vote to accept or reject the Plan. A creditor or equity interest holder has a right to vote for or against the Plan only if that creditor or equity interest holder has a claim or equity interest that is both (1) allowed or allowed for voting purposes and (2) impaired.

In this case, the Plan Proponent believes that Class II is impaired and that holders of claims in this Class are therefore entitled to vote to accept or reject the Plan. The Plan Proponent believes that Class I is unimpaired and that holders of claims in this Class, therefore, do not have the right to vote to accept or reject the Plan.

1. What Is an Allowed Claim or an Allowed Equity Interest?

Only a creditor or equity interest holder with an allowed claim or an allowed equity interest has the right to vote on the Plan. Generally, a claim or equity interest is allowed if either (1) the Debtor has scheduled the claim on the Debtor's schedules, unless the claim has been scheduled as disputed, contingent, or unliquidated, or (2) the creditor has filed a proof of claim or equity interest, unless an objection has been filed to such proof of claim or equity interest. When a claim or equity interest is not allowed, the creditor or equity interest holder holding the claim or equity interest cannot vote unless the Court, after notice and hearing, either overrules the objection or allows the claim or equity interest for voting purposes pursuant to Rule 3018(a) of the Federal Rules of Bankruptcy Procedure.

The deadline for filing a proof of claim in this case was October 5, 2015.

2. *What Is an Impaired Claim or Impaired Equity Interest?*

As noted above, the holder of an allowed claim or equity interest has the right to vote only if it is in a class that is *impaired* under the Plan. As provided in § 1124 of the Code, a class is considered impaired if the Plan alters the legal, equitable, or contractual rights of the members of that class.

3. *Who is **Not** Entitled to Vote*

The holders of the following five types of claims and equity interests are *not* entitled to vote:

holders of claims and equity interests that have been disallowed by an order of the Court;

holders of other claims or equity interests that are not "allowed claims" or "allowed equity interests" (as discussed above), unless they have been "allowed" for voting purposes.

holders of claims or equity interests in unimpaired classes;

holders of claims entitled to priority pursuant to §§ 507(a)(2), (a)(3), and (a)(8) of the Code; and

holders of claims or equity interests in classes that do not receive or retain any value under the Plan;

administrative expenses.

Even If You Are Not Entitled to Vote on the Plan, You Have a Right to Object to the Confirmation of the Plan and to the Adequacy of the Disclosure Statement.

4. *Who Can Vote in More Than One Class*

A creditor whose claim has been allowed in part as a secured claim and in part as an unsecured claim, or who otherwise hold claims in multiple classes, is entitled to accept or reject a Plan in each capacity, and should cast one ballot for each claim.

B. Votes Necessary to Confirm the Plan

If impaired classes exist, the Court cannot confirm the Plan unless (1) at least one impaired class of creditors has accepted the Plan without counting the votes of any insiders within that class, and (2) all impaired classes have voted to accept the Plan, unless the Plan is eligible to be confirmed by "cram down" on non-accepting classes, as discussed later in Section B.2..

1. *Votes Necessary for a Class to Accept the Plan*

A class of claims accepts the Plan if both of the following occur: (1) the holders of more than one-half (1/2) of the allowed claims in the class, who vote, cast their votes to accept the Plan, and (2) the holders of at least two-thirds (2/3) in dollar amount of the allowed claims in the class, who vote, cast their votes to accept the Plan.

A class of equity interests accepts the Plan if the holders of at least two-thirds (2/3) in amount of the allowed equity interests in the class, who vote, cast their votes to accept the Plan.

2. *Treatment of Nonaccepting Classes*

Even if one or more impaired classes reject the Plan, the Court may nonetheless confirm the Plan if the nonaccepting classes are treated in the manner prescribed by § 1129(b) of the Code. A plan that binds nonaccepting classes is commonly referred to as a "cram down" plan. The Code allows the Plan to bind nonaccepting classes of claims or equity interests if it meets all the requirements for consensual confirmation except the voting requirements of § 1129(a)(8) of the Code, does not "discriminate unfairly," and is "fair and equitable" toward each impaired class that has not voted to accept the Plan.

You should consult your own attorney if a "cramdown" confirmation will affect your claim or equity interest, as the variations on this general rule are numerous and complex.

C. Liquidation Analysis

To confirm the Plan, the Court must find that all creditors and equity interest holders who do not accept the Plan will receive at least as much under the Plan as such claim and equity interest holders would receive in a chapter 7 liquidation. A liquidation analysis is unnecessary, as the Bankruptcy Court has approved the sale of the Debtor's real property and personal property.

D. Feasibility

The Court must find that confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtor or any successor to the Debtor, unless such liquidation or reorganization is proposed in the Plan.

1. Ability to Initially Fund Plan

The Plan Proponent believes that the Debtor will have enough cash on hand on the effective date of the Plan to pay all the claims and expenses that are entitled to be paid on that date. Tables showing the amount of cash on hand on the effective date of the Plan, and the sources of that cash are included within the Debtor's most recent Monthly Operating Report, which is attached hereto as Exhibit B.

2. Ability to Make Future Plan Payments and Operate Without Further Reorganization

The Plan Proponent must also show that it will have enough cash over the life of the Plan to make the required Plan payments. As there will only be a one time payment within thirty (30) days of the Effective Date, there will be no ongoing payments. Only the funds remaining from the sale of the Real Property will be disbursed to creditors.

You Should Consult with Your Accountant or other Financial Advisor If You Have Any Questions Pertaining to These Projections.

V. EFFECT OF CONFIRMATION OF PLAN

A. NO DISCHARGE OF DEBTOR

No Discharge. In accordance with § 1141(d)(3) of the Code, the Debtor will not receive any discharge of debt in this bankruptcy case.

B. Modification of Plan

The Plan Proponent may modify the Plan at any time before confirmation of the Plan. However, the Court may require a new disclosure statement and/or revoting on the Plan.

Upon request of the Debtor, the United States trustee, or the holder of an allowed unsecured claim, the Plan may be modified at any time after confirmation of the Plan but before the completion of payments under the Plan, to (1) increase or reduce the amount of payments under the Plan on claims of a particular class, (2) extend or reduce the time period for such payments, or (3) alter the amount of distribution to a creditor whose claim is provided for by the Plan to the extent necessary to take account of any payment of the claim made other than under the Plan.

C. Final Decree

Once the estate has been fully administered, as provided in Rule 3022 of the Federal Rules of Bankruptcy Procedure, the Plan Proponent, or such other party as the Court shall designate in the Plan Confirmation Order, shall file a motion with the Court to obtain a final decree to close the case. Alternatively, the Court may enter such a final decree on its own motion.

VI. OTHER PLAN PROVISIONS

A. Injunction Related to Discharge

Except as otherwise expressly provided in the Plan, the Confirmation Order or a separate order of the Court, all Persons who have held, hold or may hold Claims against the Debtor are permanently enjoined, on and after the Effective Date, from (i) commencing or continuing in any manner any action or other proceeding of any kind with respect to any such Claim, (ii) enforcing, attaching, collecting or recovering by any manner or means of any judgment, award, decree or order against the Debtors on account of any such Claim, (iii) creating, perfecting or enforcing any Lien or asserting control of any kind against the Debtor or against the property or interests in property of the Debtor on account of any such Claim, and (iv) asserting any right of setoff, subrogation or recoupment of any kind against any obligation due from the Debtor or against the property or interests in property of the Debtor on account of any such Claim.

B. Injunction Against Interference with the Plan

Upon the entry of a Confirmation Order with respect to the Plan, all holders of Claims and Equity Interests and other parties in interest, along with their respective present or former employees, agents, officers, directors, or principals, shall be enjoined from taking any actions to interfere with the implementation or consummation of the Plan, except with respect to actions any such entity may take in connection with the pursuit of appellate rights.

C. Term of Bankruptcy Injunction or Stay

All injunctions or stays provided for in the Case under sections 105 or 362 of the Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date.

D. Retention of Jurisdiction

The Court shall have exclusive jurisdiction of all matters arising out of, and related to, the Case and the Plan pursuant to, and for the purposes of, sections 105(a) and 1142 of the Code and for, among other things, the following purposes:

(a) to hear and determine pending applications for the assumption or rejection of executory contracts or unexpired leases, if any are pending, and the allowance of Claims resulting, therefrom;

(b) to determine any and all adversary proceedings, motions, applications and contested matters, and other litigated matters pending on the Confirmation Date;

B25B (Official Form 25B) (12/08) - Cont.**16**

(c) to hear and determine all Actions, including, without limitation, Actions commenced by the Debtors or any other party in interest with standing to do so, pursuant to sections 505, 542, 543, 544, 545, 547, 548, 549, 550, 551, and 553 of the Code, collection matters related thereto, and settlements thereof;

(d) to hear and determine any objections to or the allowance, classification, priority, compromise, estimation or payments of any Administrative Claims, Claims or Equity Interests;

(e) to ensure that Distributions to holders of Allowed Claims are accomplished as provided in the Plan;

(f) to enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, revoked, modified or vacated;

(g) to issue such orders in aid of execution and consummation of the Plan, to the extent authorized by section 1142 of the Code;

(h) to consider any amendments to or modifications of the Plan, to cure any defect or omission, or to reconcile any inconsistency in the Plan, the Plan Supplement, or any order of the Court, including, without limitation, the Confirmation Order;

(i) to hear and determine all applications for compensation and reimbursement of expenses of Professionals under sections 330, 331, and 503(b) of the Code;

(j) to hear and determine disputes arising in connection with the interpretation, implementation or enforcement of the Plan;

(k) to recover all Assets of the Debtors and Property of the Estate, wherever located;

(l) to enforce the Plan, the Confirmation Order and any other order, judgment, injunction or ruling entered or made in the Case, including, without limitation, the discharge, injunction, exculpation and releases provided for in the Plan;

(m) to take any action and issue such orders as may be necessary to construe, enforce, implement, execute, and consummate the Plan or to maintain the integrity of the Plan following consummation;

(n) to hear and determine matters concerning state, local and federal taxes in accordance with sections 346, 505, and 1146 of the Code (including, but not limited to, an expedited determination under section 505(b) of the Code of the tax liability of the Debtors for all taxable periods through the Effective Date for all taxable periods of the Debtors through the liquidation and dissolution of such entity);

(o) to enter and implement orders and to take such other actions as may be necessary or appropriate to restrain interference by any Person or Entity with the consummation or implementation of the Plan, including, without limitation, to issue, administer, and enforce injunctions, releases, assignments, or indemnity obligations contained in the Plan and the Confirmation Order;

(p) to hear any other matter not inconsistent with the Code; and

(q) to enter a final decree closing the Case; provided however, that nothing in the Plan shall divest or deprive any other court or agency of any jurisdiction it may have over the Reorganized Debtor under applicable environmental laws.

<u>/s/ Richard Garwood</u>	<u>/s/ Mary Ann Garwood</u>
RICHARD GARWOOD	MARY ANN GARWOOD

<u>/s/ Brett A. Elam</u>
BRETT A. ELAM

EXHIBITS

B25A (Official Form 25A) (12/11)

**United States Bankruptcy Court
Southern District of Florida
West Palm Beach Division**

In re **Energis Petroleum, LLC**
Debtor(s)

Case No. **15-19945-BKC-PGH**
Chapter **11**

**FIRST AMENDED PLAN OF REORGANIZATION, DATED MARCH 7, 2017, FILED BY
CREDITORS, RICHARD GARWOOD AND MARY ANN GARWOOD**

**ARTICLE I
SUMMARY**

This Plan of Reorganization (the "Plan") under chapter 11 of the Bankruptcy Code (the "Code") proposes to pay creditors of **Energis Petroleum, LLC** (the "Debtor") from the proceeds remaining from the sale of substantially all of the Debtor's assets.

This Plan provides for one (1) class of secured claims; and one (1) class of unsecured claims; and there are no class of equity security holders. Unsecured creditors holding allowed claims will receive distributions, which the proponent of this Plan has valued at approximately 28.67 cents on the dollar, if the Court sustains the objection to the claim of National Business Communications, Inc. However, unsecured creditors holding allowed claims will receive distributions, which the proponent of this Plan has valued at approximately 22.33 cents on the dollar, if the Court overrules the objection to the claim of National Business Communications, Inc. This Plan also provides for the payment of administrative and priority claims on the Effective Date.

All creditors and equity security holders should refer to Articles III through VI of this Plan for information regarding the precise treatment of their claim. A disclosure statement that provides more detailed information regarding this Plan and the rights of creditors and equity security holders has been circulated with this Plan. **Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one. (If you do not have an attorney, you may wish to consult one.)**

**ARTICLE II
CLASSIFICATION OF CLAIMS AND INTERESTS**

- 2.01 Class 1. The claim of the Internal Revenue Service to the extent allowed as a secured claim under § 506 of the Code.
- 2.02 Class 2. The claim of Gerald and Edyth Shulman to the extent allowed as a secured claim under § 506 of the Code.
- 2.03 Class 3. All unsecured claims allowed under § 502 of the Code.
- 2.04 Class 4. Equity Interests of the Debtor.

**ARTICLE III
TREATMENT OF ADMINISTRATIVE EXPENSE CLAIMS,
U.S. TRUSTEES FEES, AND PRIORITY TAX CLAIMS**

3.01 Unclassified Claims. Under section §1123(a)(1), administrative expense claims, "gap" period claims in an involuntary case allowed under § 502(f) of the Code, and priority tax claims are not in classes.

B25A (Official Form 25A) (12/11) - Cont.

3.02 Administrative Expense Claims. Each holder of an administrative expense claim allowed under § 503 of the Code, and a "gap" claim in an involuntary case allowed under § 502(f) of the Code, will be paid in full on the effective date of this Plan (as defined in Article VII), in cash, or upon such other terms as may be agreed upon by the holder of the claim and the Debtor. The creditors, Richard Garwood and Mary Ann Garwood (collectively "Garwood"), shall have an administrative claim in the approximate amount of \$30,000.00. Garwood obtained an Order from the Court, which allowed them to file an adversary proceeding against NBC seeking to avoid and recover the perfection of NBC's security interest as a preferential transfer. NBC perfected its security interest related to its debt within ninety (90) days of the Petition Date. Upon obtaining Court approval, Garwood invalidated NBC's security interest, which reclassified NBC's debt as an unsecured claim, rather than a secured claim. Based upon the invalidation of NBC's security interest, NBC's allowed claim, if any, will be paid on a pro rata basis with all other unsecured creditors. Pursuant to 11 U.S.C. § 503(b)(3)(B), an entity whose actions results in property being recovered for the benefit of the Estate shall be entitled to an administrative claim for its actual and necessary expenses incurred. Moreover, pursuant to 11 U.S.C. § 503(b)(4), the Garwoods are entitled to an administrative claim for reasonable compensation for professional services incurred in their actions as well.

3.03 Priority Tax Claims. Each holder of a priority tax claim will be paid.

3.04 United States Trustee Fees. All fees required to be paid by 28 U.S.C. §1930(a)(6) (U.S. Trustee Fees) will accrue and be timely paid until the case is closed, dismissed, or converted to another chapter of the Code. Any U.S. Trustee Fees owed on or before the effective date of this Plan will be paid on the effective date.

ARTICLE IV
TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN

4.01 Claims and interests shall be treated as follows under this Plan:

Class	Impairment	Treatment
Class 1 – Secured Claim of the Internal Revenue Service	Unimpaired	The Claim of Class I shall be paid in full within thirty (30) days of the Effective Date from the proceeds of the sale of the Debtor's Real Property. This Class shall be paid a total of \$10,237.40.

B25A (Official Form 25A) (12/11) - Cont.

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Class 2 – Secured Claim of Gerald and Edyth Shulman	Unimpaired	The Claim of Class II shall be paid in full within thirty (30) days of the Effective Date from the proceeds of the sale of the Debtor's Real Property. This Class shall be paid a total of \$149,116.14.
Class 3 – General Unsecured Creditors	Impaired	The claimants in this Class shall be paid on a pro rata basis from the remaining funds after the payment of the other existing claims in the Estate. If the Court sustains the objection to the claim of NBC, this Class shall receive a pro rata distribution of the remaining funds, which results in an approximate distribution of 28.67% of the allowed claims. However, if the Court overrules the objection the claim of NBC, this Class shall only receive approximately 22.33% of their allowed claims.
Class 4 – Equity Interests of the Debtor	Impaired	The equity interest of the Debtor shall not receive a distribution from this Estate. Moreover, after the Effective Date, the Debtor shall cease to exist.

ARTICLE V
ALLOWANCE AND DISALLOWANCE OF CLAIMS

5.01 Disputed Claim. A disputed claim is a claim that has not been allowed or disallowed [by a final non-appealable order], and as to which either: (i) a proof of claim has been filed or deemed filed, and the Debtor or another party in interest has filed an objection; or (ii) no proof of claim has been filed, and the Debtor has scheduled such claim as disputed, contingent, or unliquidated.

5.02 Delay of Distribution on a Disputed Claim. No distribution will be made on account of a disputed claim unless such claim is allowed by a final non-appealable order.

5.03 Settlement of Disputed Claims. The Debtor will have the power and authority to settle and compromise a disputed claim with court approval and compliance with Rule 9019 of the Federal Rules of Bankruptcy Procedure.

ARTICLE VI
PROVISIONS FOR EXECUTORY CONTRACTS AND UNEXPIRED LEASES

6.01 Assumed Executory Contracts and Unexpired Leases.

(a) The Debtor assumes the following executory contracts and/or unexpired leases effective upon the date of the entry of the order approving said rejection, assumption or assignment:

Name of Other Parties to Lease or Contract	Description of Contract or Lease
PM Okeechobee, LLC (contract will be assumed and assigned to USA Petroleum, Inc., pursuant to the Asset Purchase Agreement)	Joint Operating Agreement of the real property located at 4993 US Highway 441, Okeechobee, FL 34974
PM Okeechobee, LLC (lease will be assumed and assigned to USA Petroleum, Inc., pursuant to the Asset Purchase Agreement)	Lease of the real property located at 4993 US Highway 441, Okeechobee, FL 34974.

(b) The Debtor will be conclusively deemed to have rejected all executory contracts and/or unexpired leases not expressly assumed under section 6.01(a) above, or before the date of the order confirming this Plan, upon the [Insert "effective date of this Plan," "the date of the entry of the order confirming this Plan," or other applicable date]. A proof of a claim arising from the rejection of an executory contract or unexpired lease under this section must be filed no later than thirty (30) days after the date of the order confirming this Plan.

ARTICLE VII
MEANS FOR IMPLEMENTATION OF THE PLAN

The Debtor sold real property 4993 US Highway 441 South, Okeechobee, Florida 34974, as well as the personal property owned by the Debtor. The transaction was conducted pursuant to an Asset Purchase Agreement with USA Petroleum, Inc. The Debtor obtained \$3,200,000.00 for the real property and its personal property. From the proceeds of the sale, the Debtor satisfied the secured claims of Okeechobee REO, Inc., ("REO") in the amount of \$1,358,285.75, SE Petro in the amount of \$434,537.49, and a judgment lien in favor of PM Okeechobee, LLC, ("PM") in the amount of \$85,000.00. As such, pursuant to the January 2017 Monthly Operating Report (**DE#351**) the Debtor is currently holding funds in the amount of \$920,600.76 from the sale, after payment of the secured debts. The Debtor shall utilize these proceeds to make the payments under this Plan.

ARTICLE VIII
GENERAL PROVISIONS

8.01 Definitions and Rules of Construction. The definitions and rules of construction set forth in §§ 101 and 102 of the Code shall apply when terms defined or construed in the Code are used in this Plan.

8.02 Effective Date of Plan. The effective date of this Plan is the first business day following the date that is fourteen days after the entry of the order of confirmation. If, however, a stay of the confirmation order is in effect on that date, the effective date will be the first business day after the date on which the stay of the confirmation order expires or is otherwise terminated.

8.03 Severability. If any provision in this Plan is determined to be unenforceable, the determination will in no way limit or affect the enforceability and operative effect of any other provision of this Plan.

8.04 Binding Effect. The rights and obligations of any entity named or referred to in this Plan will be binding upon, and will inure to the benefit of the successors or assigns of such entity.

8.05 Captions. The headings contained in this Plan are for convenience of reference only and do not affect the meaning or interpretation of this Plan.

8.06 Controlling Effect. Unless a rule of law or procedure is supplied by federal law (including the Code or the Federal Rules of Bankruptcy Procedure), the laws of the State of Florida govern this Plan and any agreements, documents, and instruments executed in connection with this Plan, except as otherwise provided in this Plan.

ARTICLE IX
NO DISCHARGE OF DEBTOR

9.01 No Discharge. In accordance with § 1141(d)(3) of the Code, the Debtor will not receive any discharge of debt in this bankruptcy case.

ARTICLE X
OTHER PROVISIONS

10.01 Injunction Related to Discharge. Except as otherwise expressly provided in the Plan, the Confirmation Order or a separate order of the Court, all Persons who have held, hold or may hold Claims against the Debtor are permanently enjoined, on and after the Effective Date, from (i) commencing or continuing in any manner any action or other proceeding of any kind with respect to any such Claim, (ii) enforcing, attaching, collecting or recovering by any manner or means of any judgment, award, decree or order against the Debtors on account of any such Claim, (iii) creating, perfecting or enforcing any Lien or asserting control of any kind against the Debtor or against the property or interests in property of the Debtor on account of any such Claim, and (iv) asserting any right of setoff, subrogation or recoupement of any kind against any obligation due from the Debtor or against the property or interests in property of the Debtor on account of any such Claim.

10.02 Injunction Against Interference with the Plan. Upon the entry of a Confirmation Order with respect to the Plan, all holders of Claims and Equity Interests and other parties in interest, along with their respective present or former employees, agents, officers, directors, or principals, shall be enjoined from taking any actions to interfere with the implementation or consummation of the Plan, except with respect to actions any such entity may take in connection with the pursuit of appellate rights.

B25A (Official Form 25A) (12/11) - Cont.

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10.03 Term of Bankruptcy Injunction or Stay. All injunctions or stays provided for in the Case under sections 105 or 362 of the Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date.

10.04 Retention of Jurisdiction. The Court shall have exclusive jurisdiction of all matters arising out of, and related to, the Case and the Plan pursuant to, and for the purposes of, sections 105(a) and 1142 of the Code and for, among other things, the following purposes:

(a) to hear and determine pending applications for the assumption or rejection of executory contracts or unexpired leases, if any are pending, and the allowance of Claims resulting, therefrom;

(b) to determine any and all adversary proceedings, motions, applications and contested matters, and other litigated matters pending on the Confirmation Date;

(c) to hear and determine all Actions, including, without limitation, Actions commenced by the Debtors or any other party in interest with standing to do so, pursuant to sections 505, 542, 543, 544, 545, 547, 548, 549, 550, 551, and 553 of the Code, collection matters related thereto, and settlements thereof;

(d) to hear and determine any objections to or the allowance, classification, priority, compromise, estimation or payments of any Administrative Claims, Claims or Equity Interests;

(e) to ensure that Distributions to holders of Allowed Claims are accomplished as provided in the Plan;

(f) to enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, revoked, modified or vacated;

(g) to issue such orders in aid of execution and consummation of the Plan, to the extent authorized by section 1142 of the Code;

(h) to consider any amendments to or modifications of the Plan, to cure any defect or omission, or to reconcile any inconsistency in the Plan, the Plan Supplement, or any order of the Court, including, without limitation, the Confirmation Order;

(i) to hear and determine all applications for compensation and reimbursement of expenses of Professionals under sections 330, 331, and 503(b) of the Code;

(j) to hear and determine disputes arising in connection with the interpretation, implementation or enforcement of the Plan;

(k) to recover all Assets of the Debtors and Property of the Estate, wherever located;

(l) to enforce the Plan, the Confirmation Order and any other order, judgment, injunction or ruling entered or made in the Case, including, without limitation, the discharge, injunction, exculpation and releases provided for in the Plan;

B25A (Official Form 25A) (12/11) - Cont.**7**

(m) to take any action and issue such orders as may be necessary to construe, enforce, implement, execute, and consummate the Plan or to maintain the integrity of the Plan following consummation;

(n) to hear and determine matters concerning state, local and federal taxes in accordance with sections 346, 505, and 1146 of the Code (including, but not limited to, an expedited determination under section 505(b) of the Code of the tax liability of the Debtors for all taxable periods through the Effective Date for all taxable periods of the Debtors through the liquidation and dissolution of such entity);

(o) to enter and implement orders and to take such other actions as may be necessary or appropriate to restrain interference by any Person or Entity with the consummation or implementation of the Plan, including, without limitation, to issue, administer, and enforce injunctions, releases, assignments, or indemnity obligations contained in the Plan and the Confirmation Order;

(p) to hear any other matter not inconsistent with the Code; and

(q) to enter a final decree closing the Case; provided however, that nothing in the Plan shall divest or deprive any other court or agency of any jurisdiction it may have over the Reorganized Debtor under applicable environmental laws.

/s/ Richard Garwood

RICHARD GARWOOD

Plan Proponents

/s/ Mary Ann Garwood

MARY ANN GARWOOD

/s/ Brett A. Elam

BRETT A. ELAM

Attorney for Plan Proponent

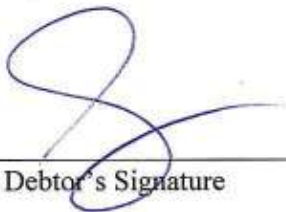
UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
WEST PALM BEACH DIVISION

IN RE:	}	CASE NUMBER: 15-19945-PGH
	}	
ENERGIS PETROLEUM	}	
	}	JUDGE HYMAN
	}	
DEBTOR.	}	CHAPTER 11

DEBTOR'S STANDARD MONTHLY OPERATING REPORT (BUSINESS)

FOR THE PERIOD
FROM 1/1/2017 TO 1/31/2017

Comes now the above-named debtor and files its Monthly Operating Reports in accordance with the Guidelines established by the United States Trustee and FRBP 2015.



Attorney for Debtor's Signature

Debtor's Address
and Phone Number:

Energis Petroleum, LLC

21707 San Simeon Circle

Boca Raton, Florida 33426

561-756-1073

Attorney's Address
and Phone Number:

Steven E. Wallace, Esq.

2240 W. Woolbright Road #403

Boynton Beach, Florida 33426

561-877-6020

Note: The original Monthly Operating Report is to be filed with the court and a copy simultaneously provided to the United States Trustee Office. Monthly Operating Reports must be filed by the 20th day of the following month.

For assistance in preparing the Monthly Operating Report, refer to the following resources on the United States Trustee Program Website, http://www.usdoj.gov/ust/r21/reg_info.htm

- 1) Instructions for Preparations of Debtor's Chapter 11 Monthly Operating Report
- 2) Initial Filing Requirements
- 3) Frequently Asked Questions (FAQs) <http://www.usdoj.gov/ust/>

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD BEGINNING 1/1/2017 AND ENDING 1/31/2017

Name of Debtor: Energis Petroleum, LLCCase Number 15-19945-PGHDate of Petition: 6/1/2015

	<u>CURRENT MONTH</u>	<u>CUMULATIVE PETITION TO DATE</u>
1. FUNDS AT BEGINNING OF PERIOD	<u>962,600.76</u>	<u>a) 527.52</u>
(b)		
2. RECEIPTS:		
A. Cash Sales	<u>0.00</u>	<u>494,627.82</u>
Minus: Cash Refunds	<u>(-)0.00</u>	<u>-41.00</u>
Net Cash Sales	<u>0.00</u>	<u>494,586.82</u>
B. Accounts Receivable	<u>0.00</u>	<u>0.00</u>
C. Other Receipts (See MOR-3)	<u>0</u>	<u>55,537.91</u>
(If you receive rental income, you must attach a rent roll.)		*funds held in attorney trust account
3. TOTAL RECEIPTS (Lines 2A+2B+2C)	<u>0.00</u>	<u>550,124.73</u>
4. TOTAL FUNDS AVAILABLE FOR OPERATIONS (Line 1 + Line 3)	<u>962,600.76</u>	<u>550,652.26</u>
5. DISBURSEMENTS		
A. Advertising	<u>0.00</u>	<u>0.00</u>
B. Bank Charges	<u>0.00</u>	<u>8,194.54</u>
C. Contract Labor	<u>0.00</u>	<u>7,091.71</u>
D. Fixed Asset Payments (not incl. in "N")	<u>0.00</u>	<u>0.00</u>
E. Insurance	<u>0.00</u>	<u>12,792.36</u>
F. Inventory Payments (See Attach. 2)	<u>0.00</u>	<u>338,876.85</u>
G. Leases	<u>0.00</u>	<u>0.00</u>
H. Manufacturing Supplies	<u>0.00</u>	<u>0.00</u>
I. Office Supplies	<u>0.00</u>	<u>1,874.31</u>
J. Payroll - Net (See Attachment 4B)	<u>0.00</u>	<u>85,820.98 (leased)</u>
K. Professional Fees (Accounting & Legal)	<u>0.00</u>	<u>79.15</u>
L. Rent	<u>0.00</u>	<u>0.00</u>
M. Repairs & Maintenance	<u>0.00</u>	<u>8,152.14</u>
N. Secured Creditor Payments (See Attach. 2)	<u>0.00</u>	<u>0.00</u>
O. Taxes Paid - Payroll (See Attachment 4C)	<u>0.00</u>	<u>0.00</u>
P. Taxes Paid - Sales & Use (See Attachment 4C)	<u>0.00</u>	<u>20,485.43</u>
Q. Taxes Paid - Other (See Attachment 4C)	<u>0.00</u>	<u>0.00</u>
R. Telephone	<u>0.00</u>	<u>2,903.15</u>
S. Travel & Entertainment	<u>0.00</u>	<u>135.15</u>
Y. U.S. Trustee Quarterly Fees	<u>0.00</u>	<u>2,275.00</u>
U. Utilities	<u>0.00</u>	<u>42,883.93</u>
V. Vehicle Expenses	<u>0.00</u>	<u>5,279.12</u>
W. Other Operating Expenses (See MOR-3)	<u>0.00</u>	<u>14,132.39</u>
6. TOTAL DISBURSEMENTS (Sum of 5A thru W)	<u>0.00</u>	<u>550,886.21</u>
7. ENDING BALANCE (Line 4 Minus Line 6)	<u>962,600.76</u>	<u>(c) 962,600.76 (c)</u>

I declare under penalty of perjury that this statement and the accompanying documents and reports are true and correct to the best of my knowledge and belief.

This 24th day of February, 20 17.

(Signature)

(a) This number is carried forward from last month's report. For the first report only, this number will be the balance as of the petition date.

(b) This figure will not change from month to month. It is always the amount of funds on hand as of the date of the petition.

(c) These two amounts will always be the same if form is completed correctly.

MONTHLY SCHEDULE OF RECEIPTS AND DISBURSEMENTS (cont'd)**Detail of Other Receipts and Other Disbursements****OTHER RECEIPTS:**

Describe Each Item of Other Receipt and List Amount of Receipt. Write totals on Page MOR-2, Line 2C.

<u>Description</u>	<u>Current Month</u>	<u>Cumulative Petition to Date</u>
Rental Income	0.00	40,329.28
Loan Duffy	0.00	4,711.23
Utility Refund	0.00	10,497.40
TOTAL OTHER RECEIPTS		

“Other Receipts” includes Loans from Insiders and other sources (i.e. Officer/Owner, related parties directors, related corporations, etc.). Please describe below:

<u>Loan Amount</u>	<u>Source of Funds</u>	<u>Purpose</u>	<u>Repayment Schedule</u>

OTHER DISBURSEMENTS:

Describe Each Item of Other Disbursement and List Amount of Disbursement. Write totals on Page MOR-2, Line 5W.

<u>Description</u>	<u>Current Month</u>	<u>Cumulative Petition to Date</u>
Internet	0.00	1,646.67
Postage	0.00	433.91
Rental Equipment	0.00	1,437.73
Supplies	0.00	6,887.07
Trash Removal	0.00	3,467.76
License and Permits	0.00	257.25
Buyer Reimbursement	0.00	0.00
TOTAL OTHER DISBURSEMENTS	0.00	55,537.91

NOTE: Attach a current Balance Sheet and Income (Profit & Loss) Statement.

ATTACHMENT 1**MONTHLY ACCOUNTS RECEIVABLE RECONCILIATION AND AGING**Name of Debtor: Energis Petroleum, LLC Case Number: 15-19945-PGHReporting Period beginning 1/1/2017 Period ending 1/31/2017ACCOUNTS RECEIVABLE AT PETITION DATE: 0.00**ACCOUNTS RECEIVABLE RECONCILIATION**(Include all accounts receivable, pre-petition and post-petition, including charge card sales which have not been received):

Beginning of Month Balance	\$ 0.00	(a)
PLUS: Current Month New Billings		
MINUS: Collection During the Month	\$ 0.00	(b)
PLUS/MINUS: Adjustments or Writeoffs	\$ 0.00	*
End of Month Balance	\$ 0.00	(c)

*For any adjustments or Write-offs provide explanation and supporting documentation, if applicable:

POST PETITION ACCOUNTS RECEIVABLE AGING

(Show the total for each aging category for all accounts receivable)

0-30 Days	31-60 Days	61-90 Days	Over 90Days	Total
\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$0.00 (c)

For any receivables in the "Over 90 Days" category, please provide the following:

<u>Customer</u>	<u>Receivable Date</u>	<u>Status</u> (Collection efforts taken, estimate of collectibility, write-off, disputed account, etc.)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(a) This number is carried forward from last month's report. For the first report only, this number will be the balance as of the petition date.

(b) This must equal the number reported in the "Current Month" column of Schedule of Receipts and Disbursements (Page MOR-2, Line 2B).

(c) These two amounts must equal.

In the space below list all invoices or bills incurred and not paid since the filing of the petition. Do not include amounts owed prior to filing the petition. In the alternative, a computer generated list of payables may be attached provided all information requested below is included.

☐ Check here if pre-petition debts have been paid. Attach an explanation and copies of supporting documentation.

*For any adjustments provide explanation and supporting documentation, if applicable.

(a) This number is carried forward from last month's report. For the first report only, this number will be zero.

(b, c) The total of line (b) must equal line (c).

(d) This number is reported in the "Current Month" column of Schedule of Receipts and Disbursements (Page MOR-2, Line 5N).

ATTACHMENT 3
INVENTORY AND FIXED ASSETS REPORT

Name of Debtor: Energis Petroleum, LLC Case Number: 15-19945-PGH

Reporting Period beginning 1/1/2017 Period ending 1/31/2017

INVENTORY REPORT

INVENTORY BALANCE AT PETITION DATE: \$35,356.62
 INVENTORY RECONCILIATION:
 Inventory Balance at Beginning of Month \$ 0.00 (a)
 PLUS: Inventory Purchased During Month \$ 0.00
 MINUS: Inventory Used or Sold \$ 0.00
 PLUS/MINUS: Adjustments or Write-downs \$ 0.00 *
 Inventory on Hand at End of Month \$0.00 (business sold 2/10/2016)

METHOD OF COSTING INVENTORY: Cost

*For any adjustments or write-downs provide explanation and supporting documentation, if applicable.

INVENTORY AGING

Less than 6 months old	6 months to 2 years old	Greater than 2 years old	Considered Obsolete	Total Inventory
<u>100</u> %	<u>0</u> %	<u>0</u> %	<u>0</u> %	<u>= 100%*</u>

* Aging Percentages must equal 100%.

☐ Check here if inventory contains perishable items.

Description of Obsolete Inventory: _____

FIXED ASSET REPORT

FIXED ASSETS FAIR MARKET VALUE AT PETITION DATE: 3,319,097.00 (b)
 (Includes Property, Plant and Equipment)

BRIEF DESCRIPTION (First Report Only): _____

FIXED ASSETS RECONCILIATION:
 Fixed Asset Book Value at Beginning of Month \$ 0.00 (a)(b)
 MINUS: Depreciation Expense \$ 0.00
 PLUS: New Purchases \$ 0.00
 PLUS/MINUS: Adjustments or Write-downs \$ 0.00 *
 Ending Monthly Balance \$ 0.00 (business sold on 2/10/2016)

*For any adjustments or write-downs, provide explanation and supporting documentation, if applicable.

BRIEF DESCRIPTION OF FIXED ASSETS PURCHASED OR DISPOSED OF DURING THE REPORTING PERIOD: business sold via Court Approval on 2/10/2016

(a) This number is carried forward from last month's report. For the first report only, this number will be the balance as of the petition date.

- (b) Fair Market Value is the amount at which fixed assets could be sold under current economic conditions.
Book Value is the cost of the fixed assets minus accumulated depreciation and other adjustments.

ATTACHMENT 4A**MONTHLY SUMMARY OF BANK ACTIVITY - OPERATING ACCOUNT**Name of Debtor: Energis Petroleum, LLC Case Number: 15-19945-PGHReporting Period beginning 1/1/2017 Period ending 1/31/2017

Attach a copy of current month bank statement and bank reconciliation to this Summary of Bank Activity. A standard bank reconciliation form can be found at http://www.usdoj.gov/ust/r21/reg_info.htm. If bank accounts other than the three required by the United States Trustee Program are necessary, permission must be obtained from the United States Trustee prior to opening the accounts. Additionally, use of less than the three required bank accounts must be approved by the United States Trustee.

NAME OF BANK: None BRANCH: _____

ACCOUNT NAME: _____ ACCOUNT NUMBER: _____

PURPOSE OF ACCOUNT: OPERATING

Ending Balance per Bank Statement	\$	_____
Plus Total Amount of Outstanding Deposits	\$	_____
Minus Total Amount of Outstanding Checks and other debits	\$	_____ *
Minus Service Charges	\$	_____
Ending Balance per Check Register	\$	_____ **(a)

*Debit cards are used by _____

**If Closing Balance is negative, provide explanation: _____

The following disbursements were paid in Cash (do not include items reported as Petty Cash on Attachment 4D: (☐ Check here if cash disbursements were authorized by United States Trustee)

Date	Amount	Payee	Purpose	Reason for Cash Disbursement
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

TRANSFERS BETWEEN DEBTOR IN POSSESSION ACCOUNTS

"Total Amount of Outstanding Checks and other debits", listed above, includes:

\$	_____	Transferred to Payroll Account
\$	_____	Transferred to Tax Account

(a) The total of this line on Attachment 4A, 4B and 4C plus the total of 4D must equal the amount reported as "Ending Balance" on Schedule of Receipts and Disbursements (Page MOR-2, Line 7).

ATTACHMENT 4B**MONTHLY SUMMARY OF BANK ACTIVITY - PAYROLL ACCOUNT**Name of Debtor: Energis Petroleum, LLC Case Number: 15-19945-PGHReporting Period beginning 1/1/2017 Period ending 1/31/2017

Attach a copy of current month bank statement and bank reconciliation to this Summary of Bank Activity. A standard bank reconciliation form can be found at http://www.usdoj.gov/ust/r21/reg_info.htm.

NAME OF BANK: _____ BRANCH: _____

ACCOUNT NAME: None ACCOUNT NUMBER: _____PURPOSE OF ACCOUNT: PAYROLL

Ending Balance per Bank Statement	\$ _____
Plus Total Amount of Outstanding Deposits	\$ _____
Minus Total Amount of Outstanding Checks and other debits	\$ _____ *
Minus Service Charges	\$ _____
Ending Balance per Check Register	\$ _____ **(a)

Debit cards must not be issued on this account.***If Closing Balance is negative, provide explanation:** _____

The following disbursements were paid by Cash: (☐ Check here if cash disbursements were authorized by United States Trustee)

Date	Amount	Payee	Purpose	Reason for Cash Disbursement
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

The following non-payroll disbursements were made from this account:

Date	Amount	Payee	Purpose	Reason for disbursement from this account
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

(a) The total of this line on Attachment 4A, 4B and 4C plus the total of 4D must equal the amount reported as "Ending Balance" on Schedule of Receipts and Disbursements (Page MOR-2, Line 7).

TOTAL

\$

ATTACHMENT 4C**MONTHLY SUMMARY OF BANK ACTIVITY - TAX ACCOUNT**Name of Debtor: Energis Petroleum, LLC Case Number: 15-19945-PGHReporting Period beginning 1/1/2017 Period ending 1/31/2017

Attach a copy of current month bank statement and bank reconciliation to this Summary of Bank Activity. A standard bank reconciliation form can be found on the United States Trustee website, <http://www.usdoj.gov/ust/r21/index.htm>.

NAME OF BANK: _____ BRANCH: _____

ACCOUNT NAME: None ACCOUNT NUMBER: _____PURPOSE OF ACCOUNT: TAX

Ending Balance per Bank Statement	\$ _____
Plus Total Amount of Outstanding Deposits	\$ _____
Minus Total Amount of Outstanding Checks and other debits	\$ _____ *
Minus Service Charges	\$ _____
Ending Balance per Check Register	\$ _____ **(a)

Debit cards must not be issued on this account.***If Closing Balance is negative, provide explanation:** _____

The following disbursements were paid by Cash: (☐ Check here if cash disbursements were authorized by United States Trustee)

Date	Amount	Payee	Purpose	Reason for Cash Disbursement
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

The following non-tax disbursements were made from this account:

Date	Amount	Payee	Purpose	Reason for disbursement from this account
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

(a)The total of this line on Attachment 4A, 4B and 4C plus the total of 4D must equal the amount reported as "Ending Balance" on Schedule of Receipts and Disbursements (Page MOR-2, Line 7).

ATTACHMENT 4D**INVESTMENT ACCOUNTS AND PETTY CASH REPORT****INVESTMENT ACCOUNTS**

Each savings and investment account, i.e. certificates of deposits, money market accounts, stocks and bonds, etc., should be listed separately. Attach copies of account statements.

Type of Negotiable

N/A				Current
Instrument	Face Value	Purchase Price	Date of Purchase	Market Value
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

TOTAL

_____ (a)

PETTY CASH REPORT

The following Petty Cash Drawers/Accounts are maintained:

	(Column 2)	(Column 3)	(Column 4)
	Maximum	Amount of Petty	Difference between
Location of	Amount of Cash	Cash On Hand (Column 2) and	
Box/Account	in Drawer/Acct.	At End of Month	(Column 3)
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

TOTAL

\$ _____ (b)

For any Petty Cash Disbursements over \$100 per transaction, attach copies of receipts. If there are no receipts, provide an explanation _____

TOTAL INVESTMENT ACCOUNTS AND PETTY CASH(a + b) \$ 0.00

(c)

(c)The total of this line on Attachment 4A, 4B and 4C plus the total of 4D must equal the amount reported as "Ending Balance" on Schedule of Receipts and Disbursements (Page MOR-2, Line 7).

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ATTACHMENT 7SUMMARY OF OFFICER OR OWNER COMPENSATIONSUMMARY OF PERSONNEL AND INSURANCE COVERAGESName of Debtor: Energis Petroleum, LLC Case Number: 15-19945-PGHReporting Period beginning 1/1/2017 Period ending 1/31/2017

Report all forms of compensation received by or paid on behalf of the Officer or Owner during the month. Include car allowances, payments to retirement plans, loan repayments, payments of Officer/Owner's personal expenses, insurance premium payments, etc. Do not include reimbursement for business expenses Officer or Owner incurred and for which detailed receipts are maintained in the accounting records.

<u>Name of Officer or Owner</u>	<u>Title</u>	<u>Payment Description</u>	<u>Amount Paid</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

PERSONNEL REPORT

	<u>Full Time</u>	<u>Part Time</u>
Number of employees at beginning of period	<u>0</u>	_____
Number hired during the period	<u>0</u>	_____
Number terminated or resigned during period	<u>0</u>	_____
Number of employees on payroll at end of period	<u>0</u>	_____

CONFIRMATION OF INSURANCE

List all policies of insurance in effect, including but not limited to workers' compensation, liability, fire, theft, comprehensive, vehicle, health and life. For the first report, attach a copy of the declaration sheet for each type of insurance. For subsequent reports, attach a certificate of insurance for any policy in which a change occurs during the month (new carrier, increased policy limits, renewal, etc.).

<u>Agent and/or Carrier</u>	<u>Phone Number</u>	<u>Policy Number</u>	<u>Coverage Type</u>	<u>Expiration Date</u>	<u>Date Premium Due</u>
<u>N/A</u>	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

The following lapse in insurance coverage occurred this month:

<u>Policy Type</u>	<u>Date Lapsed</u>	<u>Date Reinstated</u>	<u>Reason for Lapse</u>
_____	_____	_____	_____
_____	_____	_____	_____

Check here if U. S. Trustee has been listed as Certificate Holder for all insurance policies.

