

United States Bankruptcy Court Eastern District of Texas

Voluntary Petition

Name of Debtor (if individual, enter Last, First, Middle): Grayson Flying Service, Inc.

Name of Joint Debtor (Spouse) (Last, First, Middle):

All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names):

All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):

Last four digits of Soc. Sec./Complete EIN or other Tax ID No. (if more than one, state all) 75-1915365

Last four digits of Soc. Sec./Complete EIN or other Tax ID No. (if more than one, state all)

Street Address of Debtor (No. & Street, City, and State): 5318 Airport Drive Denison, TX ZIP Code 75020

Street Address of Joint Debtor (No. & Street, City, and State): ZIP Code

County of Residence or of the Principal Place of Business: Grayson

County of Residence or of the Principal Place of Business:

Mailing Address of Debtor (if different from street address): ZIP Code

Mailing Address of Joint Debtor (if different from street address): ZIP Code

Location of Principal Assets of Business Debtor (if different from street address above):

Type of Debtor (Form of Organization) (Check one box) Individual (includes Joint Debtors) Corporation (includes LLC and LLP) Partnership Other (If debtor is not one of the above entities, check this box and provide the information requested below.) State type of entity:

Nature of Business (Check all applicable boxes.) Health Care Business Single Asset Real Estate as defined in 11 U.S.C. § 101 (51B) Railroad Stockbroker Commodity Broker Clearing Bank Nonprofit Organization qualified under 26 U.S.C. § 501(c)(3)

Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box) Chapter 7 Chapter 9 Chapter 11 Chapter 12 Chapter 13 Chapter 15 Petition for Recognition of a Foreign Main Proceeding Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding

Nature of Debts (Check one box) Consumer/Non-Business Business

Filing Fee (Check one box) Full Filing Fee attached Filing Fee to be paid in installments (Applicable to individuals only) Filing Fee waiver requested (Applicable to chapter 7 individuals only).

Chapter 11 Debtors Check one box: Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). Debtor's aggregate noncontingent liquidated debts owed to non-insiders or affiliates are less than \$2 million.

Statistical/Administrative Information Debtor estimates that funds will be available for distribution to unsecured creditors. Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.

THIS SPACE IS FOR COURT USE ONLY

Table with 10 columns: Estimated Number of Creditors (1-49, 50-99, 100-199, 200-999, 1000-5,000, 5001-10,000, 10,001-25,000, 25,001-50,000, 50,001-100,000, OVER 100,000). All boxes are empty.

Table with 9 columns: Estimated Assets (\$0 to \$50,000, \$50,001 to \$100,000, \$100,001 to \$500,000, \$500,001 to \$1 million, \$1,000,001 to \$10 million, \$10,000,001 to \$50 million, \$50,000,001 to \$100 million, More than \$100 million). All boxes are empty.

Table with 9 columns: Estimated Debts (\$0 to \$50,000, \$50,001 to \$100,000, \$100,001 to \$500,000, \$500,001 to \$1 million, \$1,000,001 to \$10 million, \$10,000,001 to \$50 million, \$50,000,001 to \$100 million, More than \$100 million). All boxes are empty.

<b>Voluntary Petition</b> (This page must be completed and filed in every case)	Name of Debtor(s): <b>Grayson Flying Service, Inc.</b>	
<b>Prior Bankruptcy Case Filed Within Last 8 Years</b> (If more than one, attach additional sheet)		
Location Where Filed: <b>- None -</b>	Case Number:	Date Filed:
<b>Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor</b> (If more than one, attach additional sheet)		
Name of Debtor: <b>- None -</b>	Case Number:	Date Filed:
District:	Relationship:	Judge:
<b>Exhibit A</b>  (To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)  <input type="checkbox"/> Exhibit A is attached and made a part of this petition.	<b>Exhibit B</b> (To be completed if debtor is an individual whose debts are primarily consumer debts.) I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I delivered to the debtor the notice required by §342(b) of the Bankruptcy Code.  <b>X</b> _____ Signature of Attorney for Debtor(s) Date	
<b>Exhibit C</b>  Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?  <input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition. <input checked="checked" type="checkbox"/> No	<b>Certification Concerning Debt Counseling by Individual/Joint Debtor(s)</b>  <input type="checkbox"/> I/we have received approved budget and credit counseling during the 180-day period preceding the filing of this petition.  <input type="checkbox"/> I/we request a waiver of the requirement to obtain budget and credit counseling prior to filing based on exigent circumstances. (Must attach certification describing.)	
<b>Information Regarding the Debtor (Check the Applicable Boxes)</b>  <b>Venue</b> (Check any applicable box)		
<input checked="checked" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.  <input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.  <input type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.		
<b>Statement by a Debtor Who Resides as a Tenant of Residential Property</b> <i>Check all applicable boxes.</i>		
<input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)  _____ (Name of landlord that obtained judgment)  _____ (Address of landlord)		
<input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and  <input type="checkbox"/> Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.		

**Voluntary Petition**

*(This page must be completed and filed in every case)*

Name of Debtor(s):  
**Grayson Flying Service, Inc.**

**Signatures**

**Signature(s) of Debtor(s) (Individual/Joint)**

I declare under penalty of perjury that the information provided in this petition is true and correct.  
[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.  
[If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by §342(b) of the Bankruptcy Code.  
I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

**X** \_\_\_\_\_  
Signature of Debtor

**X** \_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Telephone Number (If not represented by attorney)

\_\_\_\_\_  
Date

**Signature of a Foreign Representative**

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only one box.)

I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by §1515 of title 11 are attached.

Pursuant to §1511 of title 11, United States Code, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

**X** \_\_\_\_\_  
Signature of Foreign Representative

\_\_\_\_\_  
Printed Name of Foreign Representative

\_\_\_\_\_  
Date

**Signature of Attorney**

**X** /s/ Robert R. Coble  
Signature of Attorney for Debtor(s)

Robert R. Coble 04446100  
Printed Name of Attorney for Debtor(s)

Robert R. Coble Attorney at Law  
Firm Name

5080 Spectrum Dr. Suite 950E  
Addison, TX 75001

\_\_\_\_\_  
Address

Email: bcoble@texoma.net  
972-633-9990 Fax: 972-934-8810

\_\_\_\_\_  
Telephone Number

July 31, 2006  
Date

**Signature of Non-Attorney Bankruptcy Petition Preparer**

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19B is attached.

\_\_\_\_\_  
Printed Name and title, if any, of Bankruptcy Petition Preparer

\_\_\_\_\_  
Social Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.)(Required by 11 U.S.C. § 110.)

\_\_\_\_\_  
Address

**X** \_\_\_\_\_  
Date

Signature of Bankruptcy Petition Preparer or officer, principal, responsible person, or partner whose social security number is provided above.

Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual:

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

*A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both 11 U.S.C. §110; 18 U.S.C. §156.*

**Signature of Debtor (Corporation/Partnership)**

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.  
The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

**X** /s/ Al Rinehart  
Signature of Authorized Individual

Al Rinehart  
Printed Name of Authorized Individual

President  
Title of Authorized Individual

July 31, 2006  
Date

**United States Bankruptcy Court  
Eastern District of Texas**

In re Grayson Flying Service, Inc.  
Debtor(s)

Case No. \_\_\_\_\_  
Chapter 11

**LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS**

Following is the list of the debtor's creditors holding the 20 largest unsecured claims. The list is prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in this chapter 11 [or chapter 9] case. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101, or (2) secured creditors unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 20 largest unsecured claims. If a minor child is one of the creditors holding the 20 largest unsecured claims, indicate that by stating "a minor child" and do not disclose the child's name. See 11 U.S.C. § 112; Fed. R. Bankr. P. 1007(m).

(1)	(2)	(3)	(4)	(5)
<i>Name of creditor and complete mailing address including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	<i>Amount of claim [if secured, also state value of security]</i>
<b>Advanced Communications 320 West Chestnut Street Denison, TEXAS 75020-0000</b>	<b>Advanced Communications 320 West Chestnut Street Denison, TEXAS 75020-0000</b>			<b>1.00</b>
<b>Airsure 15301 Spectrum Drive #500 Addison, TEXAS 75001-0000</b>	<b>Airsure 15301 Spectrum Drive #500 Addison, TEXAS 75001-0000</b>			<b>1.00</b>
<b>Avial 2750 Regent Blvd. DFW Airport, TEXAS 75261-9048</b>	<b>Avial 2750 Regent Blvd. DFW Airport, TEXAS 75261-9048</b>			<b>1.00</b>
<b>City of Sherman Commercial Waste P.O. Box 1106 Sherman, TEXAS 75091-1106</b>	<b>City of Sherman Commercial Waste P.O. Box 1106 Sherman, TEXAS 75091-1106</b>			<b>1.00</b>
<b>D.S. Rinehart 5318 Airport Drive Denison, TEXAS 75020-0000</b>	<b>D.S. Rinehart 5318 Airport Drive Denison, TEXAS 75020-0000</b>			<b>1.00</b>
<b>First Texoma National Bank 2626 Loy Lake Road Sherman, TEXAS 75091-0000</b>	<b>First Texoma National Bank 2626 Loy Lake Road Sherman, TEXAS 75091-0000</b>			<b>1.00</b>
<b>Grayson County Airport 4700 Airport Drive Denison, TEXAS 75020-0000</b>	<b>Grayson County Airport 4700 Airport Drive Denison, TEXAS 75020-0000</b>			<b>1.00</b>
<b>Grayson Pro-Tech 3729 North Hwy 91 Denison, TEXAS 75020-0000</b>	<b>Grayson Pro-Tech 3729 North Hwy 91 Denison, TEXAS 75020-0000</b>			<b>1.00</b>
<b>Max Bryant, Inc. 301 N. Crockett Street Sherman, TEXAS 75090-0000</b>	<b>Max Bryant, Inc. 301 N. Crockett Street Sherman, TEXAS 75090-0000</b>			<b>1.00</b>
<b>Olmstead Oil 604 East Lamar Street Sherman, TEXAS 75090-0000</b>	<b>Olmstead Oil 604 East Lamar Street Sherman, TEXAS 75090-0000</b>			<b>1.00</b>
<b>Texas Commission on Environmental Qualit 2301 Gravel Drive Ft. Worth, TEXAS 76118-0000</b>	<b>Texas Commission on Environmental Qualit 2301 Gravel Drive Ft. Worth, TEXAS 76118-0000</b>			<b>1.00</b>

**LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS**  
(Continuation Sheet)

(1)	(2)	(3)	(4)	(5)
<i>Name of creditor and complete mailing address including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	<i>Amount of claim [if secured, also state value of security]</i>
<b>The Hiller Group 5321 Memorial Hwy Tampa, FLORI 33634-0000</b>	<b>The Hiller Group 5321 Memorial Hwy Tampa, FLORI 33634-0000</b>			<b>1.00</b>
<b>Wing Aero Products 3802 Industrial Street Rowlette, TEXAS 75088-0000</b>	<b>Wing Aero Products 3802 Industrial Street Rowlette, TEXAS 75088-0000</b>			<b>1.00</b>

**DECLARATION UNDER PENALTY OF PERJURY  
ON BEHALF OF A CORPORATION OR PARTNERSHIP**

I, the President of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing list and that it is true and correct to the best of my information and belief.

Date **July 31, 2006**

Signature **/s/ Al Rinehart**  
**Al Rinehart**  
**President**

*Penalty for making a false statement or concealing property:* Fine of up to \$500,000 or imprisonment for up to 5 years or both.  
18 U.S.C. §§ 152 and 3571.

Advanced Communications  
320 West Chestnut Street  
Denison, TEXAS 75020-0000

Airsure  
15301 Spectrum Drive #500  
Addison, TEXAS 75001-0000

Avial  
2750 Regent Blvd.  
DFW Airport, TEXAS 75261-9048

City of Sherman  
Commercial Waste  
P.O. Box 1106  
Sherman, TEXAS 75091-1106

D.S. Rinehart  
5318 Airport Drive  
Denison, TEXAS 75020-0000

First Texoma National Bank  
2626 Loy Lake Road  
Sherman, TEXAS 75091-0000

Grayson County Airport  
4700 Airport Drive  
Denison, TEXAS 75020-0000

Grayson Pro-Tech  
3729 North Hwy 91  
Denison, TEXAS 75020-0000

Max Bryant, Inc.  
301 N. Crockett Street  
Sherman, TEXAS 75090-0000

Michael C. Wynne  
Attorney at Law  
707 West Washington  
Sherman, TX 75092

Olmstead Oil  
604 East Lamar Street  
Sherman, TEXAS 75090-0000

Texas Commission on Environmental Qualit  
2301 Gravel Drive  
Ft. Worth, TEXAS 76118-0000

The Hiller Group  
5321 Memorial Hwy  
Tampa, FLORI 33634-0000

Wing Aero Products  
3802 Industrial Street  
Rowlette, TEXAS 75088-0000