

B1 (Official Form 1) (4/10)

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS MCALLEN DIVISION		Voluntary Petition
Name of Debtor (if individual, enter Last, First, Middle): New Beginnings Behavioral Health Services, 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. or Individual-Taxpayer I.D. (ITIN)/Complete EIN (if more than one, state all): 74-2876340		Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN)/Complete EIN (if more than one, state all):
Street Address of Debtor (No. and Street, City, and State): 1215 S. Expressway 281 Edinburg, TX		Street Address of Joint Debtor (No. and Street, City, and State):
ZIP CODE 78540		ZIP CODE
County of Residence or of the Principal Place of Business: Hidalgo		County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address): 1215 S. Expressway 281 Edinburg, TX		Mailing Address of Joint Debtor (if different from street address):
ZIP CODE 78540		ZIP CODE
Location of Principal Assets of Business Debtor (if different from street address above):		ZIP CODE
Type of Debtor (Form of Organization) (Check one box.) <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i> <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.)	Nature of Business (Check one box.) <input checked="" type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101(51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input type="checkbox"/> Other Tax-Exempt Entity (Check box, if applicable.) <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).	Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box.) <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13 <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding Nature of Debts (Check one box.) <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts.
Filing Fee (Check one box.) <input checked="" type="checkbox"/> Full Filing Fee attached. <input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A. <input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.		Check one box: Chapter 11 Debtors <input type="checkbox"/> Debtor is a small business debtor as defined by 11 U.S.C. § 101(51D). <input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). Check if: <input checked="" type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,343,300 (amount subject to adjustment on 4/01/13 and every three years thereafter). Check all applicable boxes: <input type="checkbox"/> A plan is being filed with this petition. <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
Statistical/Administrative Information <input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input type="checkbox"/> 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
Estimated Number of Creditors <input checked="" type="checkbox"/> 1-49 <input type="checkbox"/> 50-99 <input type="checkbox"/> 100-199 <input type="checkbox"/> 200-999 <input type="checkbox"/> 1,000-5,000 <input type="checkbox"/> 5,001-10,000 <input type="checkbox"/> 10,001-25,000 <input type="checkbox"/> 25,001-50,000 <input type="checkbox"/> 50,001-100,000 <input type="checkbox"/> Over 100,000		
Estimated Assets <input checked="" type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion		
Estimated Liabilities <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input checked="" type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion		

B1 (Official Form 1) (4/10)

<p>Voluntary Petition <i>(This page must be completed and filed in every case.)</i></p>		<p>Name of Debtor(s): New Beginnings Behavioral Health Services, Inc.</p>	
<p>All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet.)</p>			
Location Where Filed: None	Case Number:	Date Filed:	
Location Where Filed:	Case Number:	Date Filed:	
<p>Pending Bankruptcy Case Filed by any Spouse, Partner or Affiliate of this Debtor (If more than one, attach additional sheet.)</p>			
Name of Debtor: None	Case Number:	Date Filed:	
District:	Relationship:	Judge:	
<p style="text-align: center;">Exhibit A</p> <p><small>(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.)</small></p> <p><input checked="" type="checkbox"/> Exhibit A is attached and made a part of this petition.</p>	<p style="text-align: center;">Exhibit B</p> <p><small>(To be completed if debtor is an individual whose debts are primarily consumer debts.)</small></p> <p>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 have delivered to the debtor the notice required by 11 U.S.C. § 342(b).</p> <p style="text-align: center;">X _____</p> <p style="text-align: right;">Date</p>		
<p>Exhibit C</p> <p>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?</p> <p><input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition.</p> <p><input checked="" type="checkbox"/> No.</p>			
<p>Exhibit D</p> <p>(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)</p> <p><input type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made a part of this petition.</p> <p>If this is a joint petition:</p> <p><input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.</p>			
<p>Information Regarding the Debtor - Venue (Check any applicable box.)</p> <p><input 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</p> <p><input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.</p> <p><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</p>			
<p>Certification by a Debtor Who Resides as a Tenant of Residential Property (Check all applicable boxes.)</p> <p><input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)</p> <p style="text-align: center;">_____</p> <p style="text-align: center;">(Name of landlord that obtained judgment)</p> <p style="text-align: center;">_____</p> <p style="text-align: center;">(Address of landlord)</p> <p><input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire</p> <p><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</p> <p><input type="checkbox"/> Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).</p>			

B1 (Official Form 1) (4/10)

<p>Voluntary Petition <i>(This page must be completed and filed in every case)</i></p>	<p>Name of Debtor(s): New Beginnings Behavioral Health Services, Inc.</p>
Signatures	
<p>Signature(s) of Debtor(s) (Individual/Joint)</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct.</p> <p>[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.</p> <p>[If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. § 342(b).</p> <p>I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p>X _____</p> <p>X _____</p> <p>_____ Telephone Number (If not represented by attorney)</p> <p>_____ Date</p>	<p>Signature of a Foreign Representative</p> <p>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.</p> <p>(Check only one box.)</p> <p><input type="checkbox"/> request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. § 1515 are attached.</p> <p><input type="checkbox"/> Pursuant to 11 U.S.C. § 1511, 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.</p> <p>X _____ (Signature of Foreign Representative)</p> <p>_____ (Printed Name of Foreign Representative)</p> <p>_____ Date</p>
<p>Signature of Attorney*</p> <p>X <u>/s/ Ellen C. Stone</u></p> <p>Ellen C. Stone Bar No. 19305000 estone@ellenstonelaw.com</p> <p>The Stone Law Firm, P.C. 4900 N. 10th St. Northtowne Centre, A-2 McAllen, TX 78504</p> <p>Phone No. (956) 630-2822 Fax (956) 631-0742</p> <p><u>3/31/2011</u> Date</p> <p><small>*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.</small></p>	<p>Signature of Non-Attorney Bankruptcy Petition Preparer</p> <p>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 19 is attached.</p> <p>_____ Printed Name and title, if any, of Bankruptcy Petition Preparer</p> <p>_____ 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.)</p>
<p>Signature of Debtor (Corporation/Partnership)</p> <p>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.</p> <p>The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p>New Beginnings Behavioral Health Services, Inc.</p> <p>X <u>/s/ Arabella Avila</u> Signature of Authorized Individual</p> <p>Arabella Avila Printed Name of Authorized Individual</p> <p>President Title of Authorized Individual</p> <p><u>3/31/2011</u> Date</p>	<p>Address</p> <p>X _____</p> <p>Date</p> <p>Signature of bankruptcy petition preparer or officer, principal, responsible person, or partner whose Social-Security number is provided above.</p> <p>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.</p> <p>If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.</p> <p><small>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.</small></p>

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
MCALLEN DIVISION**

IN RE: **New Beginnings Behavioral Health Services, Inc.**

CASE NO

CHAPTER **11**

EXHIBIT "A" TO VOLUNTARY PETITION

1. Debtor's employer identification number is <u>74-2876340</u> .		
2. If any of debtor's securities are registered under section 12 of the Securities and Exchange Act of 1934, the SEC file number is _____.		
3. The following financial data is the latest available information and refers to the debtor's condition on _____.		
a. Total Assets		
b. Total Liabilities		
Secured debt	Amounts	Approximate number of holders
Fixed, liquidated secured debt		
Contingent secured debt		
Disputed secured debt		
Unliquidated secured debt		
Unsecured debt	Amounts	Approximate number of holders
Fixed, liquidated unsecured debt		
Contingent unsecured debt		
Disputed unsecured debt		
Unliquidated unsecured debt		
Stock	Amounts	Approximate number of holders
Number of shares of preferred stock		
Number of shares of common stock		
Comments, if any		
4. Brief description of debtor's business:		

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
MCALLEN DIVISION**

IN RE: **New Beginnings Behavioral Health Services, Inc.**

CASE NO

CHAPTER **11**

EXHIBIT "A" TO VOLUNTARY PETITION

Continuation Sheet No. 1

5. List the name of any person who directly or indirectly owns, controls, or holds, with power to vote, 20% or more of the voting securities of the debtor:

6. List the name of all corporations 20% or more of the outstanding voting securities of which are directly or indirectly owned, controlled, or held, with power to vote, by debtor:

I, **Arabella Avila**, the **President** of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing Exhibit "A" to Voluntary Petition, and that it is true and correct to the best of my information and belief.

Date: **3/31/2011**

Signature: **/s/ Arabella Avila**
Arabella Avila
President

B6A (Official Form 6A) (12/07)

In re **New Beginnings Behavioral Health Services, Inc.**

Case No. _____
(if known)

SCHEDULE A - REAL PROPERTY

Description and Location of Property	Nature of Debtor's Interest in Property		Current Value of Debtor's Interest in Property, Without Deducting Any Secured Claim or Exemption	Amount Of Secured Claim
None				

Total: \$0.00

(Report also on Summary of Schedules)

B6B (Official Form 6B) (12/07)

In re **New Beginnings Behavioral Health Services, Inc.**Case No. _____
(if known)**SCHEDULE B - PERSONAL PROPERTY**

Type of Property	None	Description and Location of Property	Current Value of Debtor's Interest in Property, Without Deducting any Secured Claim or Exemption
1. Cash on hand.		Cash	\$0.00
2. Checking, savings or other financial accounts, certificates of deposit or shares in banks, savings and loan, thrift, building and loan, and home-stead associations, or credit unions, brokerage houses, or cooperatives.		Lone Star Checking Account Compass Bank Account Used to purchase gas	\$0.00 \$200.00
3. Security deposits with public utilities, telephone companies, landlords, and others.	X		
4. Household goods and furnishings, including audio, video and computer equipment.	X		
5. Books; pictures and other art objects; antiques; stamp, coin, record, tape, compact disc, and other collections or collectibles.	X		
6. Wearing apparel.	X		
7. Furs and jewelry.	X		
8. Firearms and sports, photographic, and other hobby equipment.	X		
9. Interests in insurance policies. Name insurance company of each policy and itemize surrender or refund value of each.	X		
10. Annuities. Itemize and name each issuer.	X		

B6B (Official Form 6B) (12/07) -- Cont.

In re **New Beginnings Behavioral Health Services, Inc.**Case No. _____
(if known)**SCHEDULE B - PERSONAL PROPERTY**

Continuation Sheet No. 1

Type of Property	None	Description and Location of Property	Current Value of Debtor's Interest in Property, Without Deducting any Secured Claim or Exemption
11. Interests in an education IRA as defined in 26 U.S.C. § 530(b)(1) or under a qualified State tuition plan as defined in 26 U.S.C. § 529(b)(1). Give particulars. (File separately the record(s) of any such interest(s). 11 U.S.C. § 521(c).)	X		
12. Interests in IRA, ERISA, Keogh, or other pension or profit sharing plans. Give particulars.	X		
13. Stock and interests in incorporated and unincorporated businesses. Itemize.	X		
14. Interests in partnerships or joint ventures. Itemize.	X		
15. Government and corporate bonds and other negotiable and non-negotiable instruments.	X		
16. Accounts receivable.		Medicaid	\$10,000.00
17. Alimony, maintenance, support, and property settlements to which the debtor is or may be entitled. Give particulars.	X		
18. Other liquidated debts owed to debtor including tax refunds. Give particulars.	X		

B6B (Official Form 6B) (12/07) -- Cont.

In re **New Beginnings Behavioral Health Services, Inc.**Case No. _____
(if known)**SCHEDULE B - PERSONAL PROPERTY**

Continuation Sheet No. 2

Type of Property	None	Description and Location of Property	Current Value of Debtor's Interest in Property, Without Deducting any Secured Claim or Exemption
19. Equitable or future interests, life estates, and rights or powers exercisable for the benefit of the debtor other than those listed in Schedule A - Real Property.	X		
20. Contingent and noncontingent interests in estate of a decedent, death benefit plan, life insurance policy, or trust.	X		
21. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of the debtor, and rights to setoff claims. Give estimated value of each.	X		
22. Patents, copyrights, and other intellectual property. Give particulars.	X		
23. Licenses, franchises, and other general intangibles. Give particulars.	X		
24. Customer lists or other compilations containing personally identifiable information (as defined in 11 U.S.C. § 101(41A)) provided to the debtor by individuals in connection with obtaining a product or service from the debtor primarily for personal, family, or household purposes.	X		
25. Automobiles, trucks, trailers, and other vehicles and accessories.		5 vans (15 Passanger) 2006 Chevrolet - \$9,550.00 2005 Chevrolet - \$6,625.00 1997 Ford - \$2,575.00	\$20,275.00

B6B (Official Form 6B) (12/07) -- Cont.

In re **New Beginnings Behavioral Health Services, Inc.**Case No. _____
(if known)**SCHEDULE B - PERSONAL PROPERTY**

Continuation Sheet No. 3

Type of Property	None	Description and Location of Property	Current Value of Debtor's Interest in Property, Without Deducting any Secured Claim or Exemption
		1996 Dodge - \$1,525.00	
26. Boats, motors, and accessories.	X		
27. Aircraft and accessories.	X		
28. Office equipment, furnishings, and supplies.		Computers, furniture, fixtures, equipment	\$8,000.00
29. Machinery, fixtures, equipment, and supplies used in business.	X		
30. Inventory.	X		
31. Animals.	X		
32. Crops - growing or harvested. Give particulars.	X		
33. Farming equipment and implements.	X		
34. Farm supplies, chemicals, and feed.	X		
35. Other personal property of any kind not already listed. Itemize.	X		
Total >			\$38,475.00

_____ **3** _____ continuation sheets attached
 (Include amounts from any continuation sheets attached. Report total also on Summary of Schedules.)

B6C (Official Form 6C) (4/10)

In re **New Beginnings Behavioral Health Services, Inc.**

Case No. _____
(If known)

SCHEDULE C - PROPERTY CLAIMED AS EXEMPT

Debtor claims the exemptions to which debtor is entitled under: Check if debtor claims a homestead exemption that exceeds \$146,450.*
(Check one box)

- 11 U.S.C. § 522(b)(2)
- 11 U.S.C. § 522(b)(3)

Description of Property	Specify Law Providing Each Exemption	Value of Claimed Exemption	Current Value of Property Without Deducting Exemption
Not Applicable			
		\$0.00	\$0.00

* Amount subject to adjustment on 4/1/13 and every three years thereafter with respect to commenced on or after the date of adjustment.

B6D (Official Form 6D) (12/07)

In re **New Beginnings Behavioral Health Services, Inc.**

Case No. _____
(if known)

SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS

Check this box if debtor has no creditors holding secured claims to report on this Schedule D.

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE AND AN ACCOUNT NUMBER (See Instructions Above.)	CODEBTR	DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
ACCT #: Hidalgo County Tax Assesor P.O. Box 178 Edinburg, TX 78540		DATE INCURRED: 2009 NATURE OF LIEN: FFE Taxes COLLATERAL: Computers, furniture, fixtures, equipm REMARKS: VALUE: \$8,000.00				\$3,000.00	
ACCT #: Hidalgo County Tax Assesor P.O. Box 178 Edinburg, TX 78540		DATE INCURRED: 2010 NATURE OF LIEN: FFE Taxes COLLATERAL: FFE REMARKS: VALUE: \$8,000.00				\$1,500.00	
ACCT #: Kelly Services, Inc. 999 West Big Beaver Road Troy, Michigan 48084-4782		DATE INCURRED: NATURE OF LIEN: Temporary Employment Services COLLATERAL: Abstracted Judgement REMARKS: VALUE: \$0.00				\$14,238.55	\$14,238.55
Representing: Kelly Services, Inc.		Wilson Law Firm, L.P. 323 W. Cano, Suite 200 Edinburg, TX 78539				Notice Only	Notice Only
Subtotal (Total of this Page) >						\$18,738.55	\$14,238.55
Total (Use only on last page) >							

1 continuation sheets attached

(Report also on Summary of Schedules.)
(If applicable, report also on Statistical Summary of Certain Liabilities)

B6D (Official Form 6D) (12/07) - Cont.

In re **New Beginnings Behavioral Health Services, Inc.**

Case No. _____
(if known)

SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE AND AN ACCOUNT NUMBER (See Instructions Above.)	CODEBTOR	DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
ACCT #: Lone Star National Bank 612 W. Nolana Suite #100 McAllen, TX 78504		DATE INCURRED: NATURE OF LIEN: Business Line of Credit COLLATERAL: Medicaid REMARKS: VALUE: \$10,000.00				\$39,000.00	\$29,000.00
Sheet no. <u>1</u> of <u>1</u> continuation sheets attached to Schedule of Creditors Holding Secured Claims						\$39,000.00	\$29,000.00
Total (Use only on last page) >						\$57,738.55	\$43,238.55

(Report also on Summary of Schedules.)

(If applicable, report also on Statistical Summary of Certain Liabilities)

B6E (Official Form 6E) (04/10)

In re **New Beginnings Behavioral Health Services, Inc.**Case No. _____
(If Known)**SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS** Check this box if debtor has no creditors holding unsecured priority claims to report on this Schedule E.**TYPES OF PRIORITY CLAIMS** (Check the appropriate box(es) below if claims in that category are listed on the attached sheet) **Domestic Support Obligations**

Claims for domestic support that are owed to or recoverable by a spouse, former spouse, or child of the debtor, or the parent, legal guardian, or responsible relative of such a child, or a governmental unit to whom such a domestic support claim has been assigned to

 Extensions of credit in an involuntary case

Claims arising in the ordinary course of the debtor's business or financial affairs after the commencement of the case but before the earlier of

 Wages, salaries, and commissions

Wages, salaries, and commissions, including vacation, severance, and sick leave pay owing to employees and commissions owing to qualifying independent sales representatives up to \$11,725* per person earned within 180 days immediately preceding the

 Contributions to employee benefit plans

Money owed to employee benefit plans for services rendered within 180 days immediately preceding the filing of the original petition, or the

 Certain farmers and fishermen

Claims of certain farmers and fishermen, up to \$5,775* per farmer or fisherman, against the debtor, as provided in 11 U.S.C. §

 Deposits by individuals

Claims of individuals up to \$2,600* for deposits for the purchase, lease or rental of property or services for personal, family, or household use,

 Taxes and Certain Other Debts Owed to Governmental Units

Taxes, customs duties, and penalties owing to federal, state, and local governmental units as set forth in 11 U.S.C. § 507(a)

 Commitments to Maintain the Capital of an Insured Depository Institution

Claims based on commitments to the FDIC, RTC, Director of the Office of Thrift Supervision, Comptroller of the Currency, or Board of Governors of the Federal Reserve System, or their predecessors or successors, to maintain the capital of an insured depository

 Claims for Death or Personal Injury While Debtor Was Intoxicated

Claims for death or personal injury resulting from the operation of a motor vehicle or vessel while the debtor was intoxicated from using

 Administrative allowances under 11 U.S.C. Sec. 330

Claims based on services rendered by the trustee, examiner, professional person, or attorney and by any paraprofessional person employed

** Amounts are subject to adjustment on 4/01/13, and every three years thereafter with respect to cases commenced on or after the date of*1 continuation sheets attached

B6E (Official Form 6E) (04/10) - Cont.

In re **New Beginnings Behavioral Health Services, Inc.**

Case No. _____
(If Known)

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS

TYPE OF PRIORITY Taxes and Certain Other Debts Owed to Governmental Units

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	CODEBTOR	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM	AMOUNT ENTITLED TO	AMOUNT NOT ENTITLED TO PRIORITY,
ACCT #xx-xxx6340 Internal Revenue Service Special Procedures Staff 300 E. 8th St. STOP 5026AUS Austin, TX 78701		DATE INCURRED: CONSIDERATION: 941 Taxes REMARKS:				\$386,013.57	\$386,013.57	\$0.00
Sheet no. <u>1</u> of <u>1</u> continuation sheets (Totals of this page) >						\$386,013.57	\$386,013.57	\$0.00
attached to Schedule of Creditors Holding Priority Claims Total >						\$386,013.57		
(Use only on last page of the completed Schedule E.								
Totals >							\$386,013.57	\$0.00
(Use only on last page of the completed Schedule E. If applicable, report also on the Statistical								

B6F (Official Form 6F) (12/07)

In re **New Beginnings Behavioral Health Services, Inc.**

Case No. _____
(if known)

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

Check this box if debtor has no creditors holding unsecured claims to report on this Schedule F.

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	CODEBTOR	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM
ACCT #: Argus Security 314 Ash Ave. McAllen, TX 78501		DATE INCURRED: CONSIDERATION: Security Services REMARKS:				\$2,500.00
ACCT #: Dale & Klein, LLP 1100 E. Jasmine Ave., Ste 202 McAllen, TX 78501		DATE INCURRED: CONSIDERATION: Legal Services REMARKS:				\$3,000.00
ACCT #: Electronic Medical Services 3827 N. 10th St., Ste. 301 McAllen, TX 78501		DATE INCURRED: CONSIDERATION: Billing Services REMARKS: \$750 monthly service fee				\$2,100.00
ACCT #: J2 Laboratories Inc. 3640 N. First Ave., Ste. 130 Tucson, AZ 85719		DATE INCURRED: CONSIDERATION: Drug Testing Services REMARKS:				\$1,500.00
ACCT #: Pinnacle 800 Fulgham Rd., Ste. 2 Plano, TX 75093		DATE INCURRED: CONSIDERATION: Drug Testing Services REMARKS:				\$1,000.00
ACCT #: Redwood Labs PO Box 5680 Santa Rosa, CA 95402-5680		DATE INCURRED: CONSIDERATION: Drug Testing Services REMARKS:				\$1,500.00
Subtotal >						\$11,600.00
Total >						
(Use only on last page of the completed Schedule F.) (Report also on Summary of Schedules and, if applicable, on the Statistical Summary of Certain Liabilities and Related Data.)						

1 continuation sheets attached

B6F (Official Form 6F) (12/07) - Cont.

In re **New Beginnings Behavioral Health Services, Inc.**

Case No. _____
(if known)

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	CODEBTOR	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM
ACCT #: Sterling Laboratories 2617 East L Street, Ste. A Tacoma, WA 25355		DATE INCURRED: CONSIDERATION: Drug Testing Services REMARKS:				\$1,000.00
Sheet no. <u>1</u> of <u>1</u> continuation sheets attached to						Subtotal > \$1,000.00
Schedule of Creditors Holding Unsecured Nonpriority Claims						Total > \$12,600.00
(Use only on last page of the completed Schedule F.) (Report also on Summary of Schedules and, if applicable, on the Statistical Summary of Certain Liabilities and Related Data.)						

B6G (Official Form 6G) (12/07)

In re **New Beginnings Behavioral Health Services, Inc.**

Case No. _____
(if known)

SCHEDULE G - EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Describe all executory contracts of any nature and all unexpired leases of real or personal property. Include any timeshare interests. State nature of debtor's interest in contract, i.e., "Purchaser," "Agent," etc. State whether debtor is the lessor or lessee of a lease. Provide the names and complete mailing addresses of all other parties to each lease or contract described. If a minor child is a party to one of the leases of contracts, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Check this box if debtor has no executory contracts or unexpired leases.

NAME AND MAILING ADDRESS, INCLUDING ZIP CODE, OF OTHER PARTIES TO LEASE OR CONTRACT.	DESCRIPTION OF CONTRACT OR LEASE AND NATURE OF DEBTOR'S INTEREST. STATE WHETHER LEASE IS FOR NONRESIDENTIAL REAL PROPERTY. STATE CONTRACT NUMBER OF ANY GOVERNMENT CONTRACT.
<p>Archer 717 N. 77 Sunshine Strip Harlingen, TX 78550</p>	<p>Copier Lease Contract to be ASSUMED</p>

B6H (Official Form 6H) (12/07)

In re **New Beginnings Behavioral Health Services, Inc.**

Case No. _____

(if known)

SCHEDULE H - CODEBTORS

Provide the information requested concerning any person or entity, other than a spouse in a joint case, that is also liable on any debts listed by the debtor in the schedules of creditors. Include all guarantors and co-signers. If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within the eight-year period immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or

Check this box if debtor has no codebtors.

NAME AND ADDRESS OF CODEBTOR	NAME AND ADDRESS OF CREDITOR

B6 Summary (Official Form 6 - Summary) (12/07)

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
MCALLEN DIVISION**

In re **New Beginnings Behavioral Health Services, Inc.**

Case No.

Chapter **11**

SUMMARY OF SCHEDULES

Indicate as to each schedule whether that schedule is attached and state the number of pages in each. Report the totals from Schedules A, B, D, E, F, I, and J in the boxes provided. Add the amounts from Schedules A and B to determine the total amount of the debtor's assets. Add the amounts of all claims from Schedules D, E, and F to determine the total amount of the debtor's liabilities. Individual debtors also must complete the "Statistical Summary of Certain Liabilities and Related Data" if they file a case under chapter 7, 11, or 13.

NAME OF SCHEDULE	ATTACHED (YES/NO)	NO. OF SHEETS	ASSETS	LIABILITIES	OTHER
A - Real Property	Yes	1	\$0.00		
B - Personal Property	Yes	4	\$38,475.00		
C - Property Claimed as Exempt	No				
D - Creditors Holding Secured Claims	Yes	2		\$57,738.55	
E - Creditors Holding Unsecured Priority Claims (Total of Claims on Schedule E)	Yes	2		\$386,013.57	
F - Creditors Holding Unsecured Nonpriority Claims	Yes	2		\$12,600.00	
G - Executory Contracts and Unexpired Leases	Yes	1			
H - Codebtors	Yes	1			
I - Current Income of Individual Debtor(s)	No				N/A
J - Current Expenditures of Individual Debtor(s)	No				N/A
	TOTAL	13	\$38,475.00	\$456,352.12	

B6 Declaration (Official Form 6 - Declaration) (12/07)

In re **New Beginnings Behavioral Health Services, Inc.**

Case No. _____

(if known)

DECLARATION CONCERNING DEBTOR'S SCHEDULES

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

I, the **President** of the **Corporation**
named as debtor in this case, declare under penalty of perjury that I have read the foregoing summary and schedules, consisting of
 15 sheets, and that they are true and correct to the best of my knowledge, information, and belief.

(Total shown on summary page plus 1.)

Date **3/31/2011**

Signature **/s/ Arabella Avila**
Arabella Avila
President

[An individual signing on behalf of a partnership or corporation must indicate position or relationship to debtor.]

B7 (Official Form 7) (04/10)

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
MCALLEN DIVISION**

In re: **New Beginnings Behavioral Health Services, Inc.**Case No. _____
(if known)

STATEMENT OF FINANCIAL AFFAIRS

1. Income from employment or operation of business

None

State the gross amount of income the debtor has received from employment, trade, or profession, or from operation of the debtor's business, including part-time activities either as an employee or in independent trade or business, from the beginning of this calendar year to the date this case was commenced. State also the gross amounts received during the two years immediately preceding this calendar year. (A debtor that maintains, or has maintained, financial records on the basis of a fiscal rather than a calendar year may report fiscal year income.

AMOUNT	SOURCE
\$1,144,905.00	2009 income

2010 income [pending]**2011 year to date income [pending]****2. Income other than from employment or operation of business**

None

State the amount of income received by the debtor other than from employment, trade, profession, or operation of the debtor's business during the two years immediately preceding the commencement of this case. Give particulars. If a joint petition is filed, state income for each spouse

3. Payments to creditors**Complete a. or b., as appropriate, and c.**

None

a. Individual or joint debtor(s) with primarily consumer debts: List all payments on loans, installment purchases of goods or services, and other debts to any creditor made within 90 days immediately preceding the commencement of this case unless the aggregate value of all property that constitutes or is affected by such transfer is less than \$600. Indicate with an asterisk (*) any payments that were made to a creditor on account

None

b. Debtor whose debts are not primarily consumer debts: List each payment or other transfer to any creditor made within 90 days immediately preceding the commencement of the case unless the aggregate value of all property that constitutes or is affected by such transfer is less than \$5,850*. If the debtor is an individual, indicate with an asterisk (*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and credit counseling agency.

None

c. All debtors: List all payments made within one year immediately preceding the commencement of this case to or for the benefit of creditors who are or were insiders. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both

B7 (Official Form 7) (04/10) - Cont.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
MCALLEN DIVISION**

In re: **New Beginnings Behavioral Health Services, Inc.**

Case No. _____
(if known)

STATEMENT OF FINANCIAL AFFAIRS
Continuation Sheet No. 1

4. Suits and administrative proceedings, executions, garnishments and attachments

None a. List all suits and administrative proceedings to which the debtor is or was a party within one year immediately preceding the filing of this bankruptcy case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both

CAPTION OF SUIT AND CASE NUMBER	NATURE OF PROCEEDING	COURT OR AGENCY AND LOCATION	STATUS OR DISPOSITION
Kelley Services, Inc. v. New Beginnings Behavioral Health Services, Inc. Cause No. CL-10-0668-E	Dispute over payment owed to temporary employee	In County Court at Law No. 5 Hidalgo County, Texas	Agreed Judgement \$13,776.20

None b. Describe all property that has been attached, garnished or seized under any legal or equitable process within one year immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning

5. Repossessions, foreclosures and returns

None List all property that has been repossessed by a creditor, sold at a foreclosure sale, transferred through a deed in lieu of foreclosure or returned to the seller, within one year immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must

6. Assignments and receiverships

None a. Describe any assignment of property for the benefit of creditors made within 120 days immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include any assignment by either or both spouses whether or not a

None b. List all property which has been in the hands of a custodian, receiver, or court-appointed official within one year immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property

7. Gifts

None List all gifts or charitable contributions made within one year immediately preceding the commencement of this case except ordinary and usual gifts to family members aggregating less than \$200 in value per individual family member and charitable contributions aggregating less than \$100

8. Losses

None List all losses from fire, theft, other casualty or gambling within one year immediately preceding the commencement of this case or since the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include losses by either or both

DESCRIPTION AND VALUE OF PROPERTY	DESCRIPTION OF CIRCUMSTANCES AND, IF LOSS WAS COVERED IN WHOLE OR IN PART BY INSURANCE, GIVE PARTICULARS	DATE OF LOSS
Destruction of a van due to theft.	On 3/4/2011 auto insurance paid Debtor \$5,420.00 to cover destruction of vehicle.	10/29/2010

B7 (Official Form 7) (04/10) - Cont.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
MCALLEN DIVISION**

In re: **New Beginnings Behavioral Health Services, Inc.**Case No. _____
(if known)

STATEMENT OF FINANCIAL AFFAIRS
Continuation Sheet No. 2

9. Payments related to debt counseling or bankruptcy

None

List all payments made or property transferred by or on behalf of the debtor to any persons, including attorneys, for consultation concerning debt consolidation, relief under the bankruptcy law or preparation of a petition in bankruptcy within one year immediately preceding the

NAME AND ADDRESS OF PAYEE	DATE OF PAYMENT, NAME OF PAYER IF OTHER THAN DEBTOR	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
The Stone Law Firm, P.C. 4900 N. 10th St. Northtowne Centre, A-2 McAllen, TX 78504	03/23/2011	\$5,000.00

10. Other transfers

None

a. List all other property, other than property transferred in the ordinary course of the business or financial affairs of the debtor, transferred either absolutely or as security within two years immediately preceding the commencement of this case. (Married debtors filing under chapter 12

None

b. List all property transferred by the debtor within ten years immediately preceding the commencement of this case to a self-settled trust or

11. Closed financial accounts

None

List all financial accounts and instruments held in the name of the debtor or for the benefit of the debtor which were closed, sold, or otherwise transferred within one year immediately preceding the commencement of this case. Include checking, savings, or other financial accounts, certificates of deposit, or other instruments; shares and share accounts held in banks, credit unions, pension funds, cooperatives, associations,

12. Safe deposit boxes

None

List each safe deposit or other box or depository in which the debtor has or had securities, cash, or other valuables within one year immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include boxes or

13. Setoffs

None

List all setoffs made by any creditor, including a bank, against a debt or deposit of the debtor within 90 days preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether

14. Property held for another person

None

List all property owned by another person that the debtor holds or controls.

15. Prior address of debtor

None

If the debtor has moved within three years immediately preceding the commencement of this case, list all premises which the debtor occupied during that period and vacated prior to the commencement of this case. If a joint petition is filed, report also any separate address

B7 (Official Form 7) (04/10) - Cont.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
MCALLEN DIVISION**

In re: **New Beginnings Behavioral Health Services, Inc.**

Case No. _____
(if known)

STATEMENT OF FINANCIAL AFFAIRS
Continuation Sheet No. 3

16. Spouses and Former Spouses

None If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within eight years immediately preceding the

17. Environmental Information

For the purpose of this question, the following definitions apply:

"Environmental Law" means any federal, state, or local statute or regulation regulating pollution, contamination, releases of hazardous or toxic substances, wastes or material into the air, land, soil, surface water, groundwater, or other medium, including, but not limited to, statutes or regulations regulating the cleanup of these substances, wastes, or material.

"Site" means any location, facility, or property as defined under any Environmental Law, whether or not presently or formerly owned or operated by the debtor, including, but not limited to, disposal sites.

None a. List the name and address of every site for which the debtor has received notice in writing by a governmental unit that it may be liable or potentially liable under or in violation of an Environmental Law. Indicate the governmental unit, the date of the notice, and, if

None b. List the name and address of every site for which the debtor provided notice to a governmental unit of a release of Hazardous Material.

None c. List all judicial or administrative proceedings, including settlements or orders, under any Environmental Law with respect to which the debtor is

18. Nature, location and name of business

None a. If the debtor is an individual, list the names, addresses, taxpayer-identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was an officer, director, partner, or managing executive of a corporation, partner in a partnership, sole proprietor, or was self-employed in a trade, profession, or other activity either full- or part-time within six years immediately preceding the commencement of this case, or in which the debtor owned 5 percent or more of the voting or equity securities within six years immediately preceding the commencement of this case.

If the debtor is a partnership, list the names, addresses, taxpayer-identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities, within six

NAME, ADDRESS, AND LAST FOUR DIGITS OF SOCIAL-SECURITY OR OTHER INDIVIDUAL TAXPAYER-I.D. NO. (ITIN) / COMPLETE EIN	NATURE OF BUSINESS	BEGINNING AND ENDING DATES
New Beginnings Behavioral Health Services, Inc. 1215 S. Expressway 281 Edinburg, TX 78540	Drug and Rehabilitation Outpatient Clinic	1998-present

B7 (Official Form 7) (04/10) - Cont.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
MCALLEN DIVISION**

In re: **New Beginnings Behavioral Health Services, Inc.**

Case No. _____
(if known)

STATEMENT OF FINANCIAL AFFAIRS
Continuation Sheet No. 4

None

b. Identify any business listed in response to subdivision a., above, that is "single asset real estate" as defined in 11 U.S.C. §

The following questions are to be completed by every debtor that is a corporation or partnership and by any individual debtor who is or has been, within six years immediately preceding the commencement of this case, any of the following: an officer, director, managing executive, or owner of more than 5 percent of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership, a sole proprietor, or self-employed in a trade, profession, or other activity, either full- or part-time.

19. Books, records and financial statements

None

a. List all bookkeepers and accountants who within two years immediately preceding the filing of this bankruptcy case kept or supervised the

NAME AND ADDRESS
Mike Garcia, Accountant
501 Short Line
Edinburg, TX 78539
(956) 342-1575
mtgarcia56@gmail.com

DATES SERVICES RENDERED
2010-present

Santiago Gonzalez Jr. CPA
1307 S. Closner Blvd
Edinburg, TX 78539
(956) 383-5378

2009-present

None

b. List all firms or individuals who within two years immediately preceding the filing of this bankruptcy case have audited the books of account

None

c. List all firms or individuals who at the time of the commencement of this case were in possession of the books of account and records of the

NAME	ADDRESS
New Beginnings Behavioral Health Services, Inc.	1215 S. Expressway 281
c/o Arabella Avila	Edinburg, TX 78540

None

d. List all financial institutions, creditors and other parties, including mercantile and trade agencies, to whom a financial statement was issued by

20. Inventories

None

a. List the dates of the last two inventories taken of your property, the name of the person who supervised the taking of each inventory, and the

None

b. List the name and address of the person having possession of the records of each of the inventories reported in a., above.

B7 (Official Form 7) (04/10) - Cont.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
MCALLEN DIVISION**

In re: **New Beginnings Behavioral Health Services, Inc.**Case No. _____
(if known)

STATEMENT OF FINANCIAL AFFAIRS
Continuation Sheet No. 5

21. Current Partners, Officers, Directors and Shareholders

None



a. If the debtor is a partnership, list the nature and percentage of partnership interest of each member of the partnership.

None



b. If the debtor is a corporation, list all officers and directors of the corporation, and each stockholder who directly or indirectly owns, controls, or

22. Former partners, officers, directors and shareholders

None



a. If the debtor is a partnership, list each member who withdrew from the partnership within one year immediately preceding the commencement

NAME AND ADDRESS

**Todd Kitsmiller
2509 Sequoia Dr.
Mission, TX 78572**

DATE OF WITHDRAWAL**3/24/2011**

None



b. If the debtor is a corporation, list all officers, or directors whose relationship with the corporation terminated within one year immediately

NAME, ADDRESS AND TITLE

**Todd Kitsmiller
2509 Sequoia Dr.
Mission, TX 78572
Vice President**

DATE OF TERMINATION**3/24/2011****23. Withdrawals from a partnership or distributions by a corporation**

None



If the debtor is a partnership or corporation, list all withdrawals or distributions credited or given to an insider, including compensation in any form, bonuses, loans, stock redemptions, options exercised and any other perquisite during one year immediately preceding the

24. Tax Consolidation Group

None



If the debtor is a corporation, list the name and federal taxpayer-identification number of the parent corporation of any consolidated group for tax purposes of which the debtor has been a member at any time within six years immediately preceding the commencement of the

25. Pension Funds

None



If the debtor is not an individual, list the name and federal taxpayer-identification number of any pension fund to which the debtor, as an employer, has been responsible for contributing at any time within six years immediately preceding the commencement of the case.

B7 (Official Form 7) (04/10) - Cont.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
MCALLEN DIVISION**

In re: **New Beginnings Behavioral Health Services, Inc.**

Case No. _____
(if known)

STATEMENT OF FINANCIAL AFFAIRS
Continuation Sheet No. 6

[If completed on behalf of a partnership or corporation]

I declare under penalty of perjury that I have read the answers contained in the foregoing statement of financial affairs and any attachments thereto and that they are true and correct to the best of my knowledge, information and belief.

Date 3/31/2011

Signature /s/ Arabella Avila
Arabella Avila
President

[An individual signing on behalf of a partnership or corporation must indicate position or relationship to debtor.]

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

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
MCALLEN DIVISION**

IN RE: **New Beginnings Behavioral Health Services, Inc.**

CASE NO

CHAPTER **11**

DISCLOSURE OF COMPENSATION OF ATTORNEY FOR DEBTOR

1. Pursuant to 11 U.S.C. § 329(a) and Fed. Bankr. P. 2016(b), I certify that I am the attorney for the above-named debtor(s) and that compensation paid to me within one year before the filing of the petition in bankruptcy, or agreed to be paid to me, for services rendered or to be rendered on behalf of the debtor(s) in contemplation of or in connection with the bankruptcy case is as follows:

For legal services, I have agreed to accept:	Fixed Fee: <u> \$10,000.00</u>
Prior to the filing of this statement I have received:	<u> \$10,000.00</u>
Balance Due:	<u> \$0.00</u>

2. The source of the compensation paid to me was:

Debtor Other (specify)

3. The source of compensation to be paid to me is:

Debtor Other (specify)

4. I have not agreed to share the above-disclosed compensation with any other person unless they are members and associates of my law firm.

I have agreed to share the above-disclosed compensation with another person or persons who are not members or associates of my law firm. A copy of the agreement, together with a list of the names of the people sharing in the compensation, is attached.

5. In return for the above-disclosed fee, I have agreed to render legal service for all aspects of the bankruptcy case, including:

- a. Analysis of the debtor's financial situation, and rendering advice to the debtor in determining whether to file a petition in bankruptcy;
b. Preparation and filing of any petition, schedules, statements of affairs and plan which may be required;

6. By agreement with the debtor(s), the above-disclosed fee does not include the following services:

CERTIFICATION

I certify that the foregoing is a complete statement of any agreement or arrangement for payment to me for representation of the debtor(s) in this bankruptcy proceeding.

 3/31/2011

Date

 /s/ Ellen C. Stone

Ellen C. Stone
The Stone Law Firm, P.C.
4900 N. 10th St.
Northtowne Centre, A-2
McAllen, TX 78504
Phone: (956) 630-2822 / Fax: (956) 631-0742
estone@ellenstonelaw.com

Bar No. 19305000

 /s/ Arabella Avila

Arabella Avila
President

B4 (Official Form 4) (12/07)

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
MCALLEN DIVISION**

IN RE: **New Beginnings Behavioral Health Services, Inc.**

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, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. § 112; Fed. R. Bankr. P. 1007(m).

(1)	(2)	(3)	(4)	(5)
Name of creditor and complete mailing address, including	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar	Nature of claim (trade debt, bank loan,	Indicate if claim is contingent, unliquidated, disputed, or subject to	Amount of claim [if secured also state value of security]
Internal Revenue Service Special Procedures Staff 300 E. 8th St. STOP 5026AUS Austin, TX 78701		941 Taxes		\$386,013.57
Lone Star National Bank 612 W. Nolana Suite #100 McAllen, TX 78504		Business Line of Credit		\$39,000.00 Value: \$10,000.00
Kelly Services, Inc. 999 West Big Beaver Road Troy, Michigan 48084-4782		Temporary Employment Services		\$14,238.55 Value: \$0.00
Dale & Klein, LLP 1100 E. Jasmine Ave., Ste 202 McAllen, TX 78501		Legal Services		\$3,000.00
Argus Security 314 Ash Ave. McAllen, TX 78501		Security Services		\$2,500.00
Electronic Medical Services 3827 N. 10th St., Ste. 301 McAllen, TX 78501		Billing Services		\$2,100.00

B4 (Official Form 4) (12/07)

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
MCALLEN DIVISION**

IN RE: **New Beginnings Behavioral Health Services, Inc.**

Case No.

Chapter **11**

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

Continuation Sheet No. 1

(1)	(2)	(3)	(4)	(5)
Name of creditor and complete mailing address, including	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar	Nature of claim (trade debt, bank loan,	Indicate if claim is contingent, unliquidated, disputed, or subject to	Amount of claim [if secured also state value of security]
Redwood Labs PO Box 5680 Santa Rosa, CA 95402-5680		Drug Testing Services		\$1,500.00
J2 Laboratories Inc. 3640 N. First Ave., Ste. 130 Tucson, AZ 85719		Drug Testing Services		\$1,500.00
Sterling Laboratories 2617 East L Street, Ste. A Tacoma, WA 25355		Drug Testing Services		\$1,000.00
Pinnacle 800 Fulgham Rd., Ste. 2 Plano, TX 75093		Drug Testing Services		\$1,000.00

**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: **3/31/2011** Signature: **/s/ Arabella Avila**
Arabella Avila
President

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
MCALLEN DIVISION**

IN RE: **New Beginnings Behavioral Health Services, Inc.**

CASE NO

CHAPTER **11**

VERIFICATION OF CREDITOR MATRIX

The above named Debtor hereby verifies that the attached list of creditors is true and correct to the best of his/her knowledge.

Date 3/31/2011

Signature */s/ Arabella Avila*
Arabella Avila
President

Date _____

Signature _____

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
MCALLEN DIVISION**

IN RE:
New Beginnings Behavioral Health Services, Inc.

CHAPTER 11

DEBTOR(S)

CASE NO

LIST OF EQUITY SECURITY HOLDERS

Registered Name of Holder of Security Last Known Address or Place of Business	Class of Security	Number Registered	Kind of Interest Registered
--	-------------------	-------------------	--------------------------------

**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: 3/31/2011

Signature: /s/ Arabella Avila
Arabella Avila
President