

B1 (Official Form 1)(4/10)

<b>United States Bankruptcy Court Western District of Texas</b>		<b>Voluntary Petition</b>
Name of Debtor (if individual, enter Last, First, Middle): <b>Hill Country Specialty Hospital, LLC</b>		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): <b>FDBA Gulf States LTAC of New Braunfels</b>		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) No./Complete EIN (if more than one, state all): <b>20-4456464</b>		Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all):
Street Address of Debtor (No. and Street, City, and State): <b>1445 Hanz Drive New Braunfels, TX</b>		Street Address of Joint Debtor (No. and Street, City, and State):
ZIP Code <b>78130</b>		ZIP Code
County of Residence or of the Principal Place of Business: <b>Comal</b>		County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address):		Mailing Address of Joint Debtor (if different from street address):
ZIP Code		ZIP Code
Location of Principal Assets of Business Debtor (if different from street address above):		
<b>Type of Debtor</b> (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)	<b>Nature of Business</b> (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  <b>Tax-Exempt Entity</b> (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).	<b>Chapter of Bankruptcy Code Under Which the Petition is Filed</b> (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  <b>Nature of Debts</b> (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.
<b>Filing Fee</b> (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.		<b>Chapter 11 Debtors</b> Check one box: <input type="checkbox"/> Debtor is a small business debtor as defined in 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 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).
<b>Statistical/Administrative Information</b> <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
<b>Estimated Number of Creditors</b> <input type="checkbox"/> 1-49 <input type="checkbox"/> 50-99 <input checked="" 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		
<b>Estimated Assets</b> <input 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 checked="" 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		
<b>Estimated Liabilities</b> <input 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 checked="" 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		

<b>Voluntary Petition</b> <i>(This page must be completed and filed in every case)</i>		Name of Debtor(s): <b>Hill Country Specialty Hospital, LLC</b>	
<b>All Prior Bankruptcy Cases Filed Within Last 8 Years</b> (If more than two, attach additional sheet)			
Location Where Filed: <b>- None -</b>		Case Number:	Date Filed:
Location Where Filed:		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>		<b>Exhibit B</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.		(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 11 U.S.C. §342(b)  <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="" type="checkbox"/> No			
<b>Exhibit D</b>			
(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.) <input type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made a part of this petition. If this is a joint petition: <input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.			
<b>Information Regarding the Debtor - Venue</b> (Check any applicable box)			
<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 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>Certification by a Debtor Who Resides as a Tenant of Residential Property</b> (Check all applicable boxes)			
<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.			
<input type="checkbox"/> Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).			

<p><b>Voluntary Petition</b> <i>(This page must be completed and filed in every case)</i></p>	<p>Name of Debtor(s): <b>Hill Country Specialty Hospital, LLC</b></p>
<p style="text-align: center;"><b>Signatures</b></p> <p style="text-align: center;"><b>Signature(s) of Debtor(s) (Individual/Joint)</b></p> <p>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 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><b>X</b> _____ Signature of Debtor</p> <p><b>X</b> _____ Signature of Joint Debtor</p> <p>_____ Telephone Number (If not represented by attorney)</p> <p>_____ Date</p>	<p style="text-align: center;"><b>Signature of a Foreign Representative</b></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"/> I 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><b>X</b> _____ Signature of Foreign Representative</p> <p>_____ Printed Name of Foreign Representative</p> <p>_____ Date</p>
<p style="text-align: center;"><b>Signature of Attorney*</b></p> <p><b>X</b> _____ Signature of Attorney for Debtor(s)</p> <p><b>Lynn Hamilton Butler 03527350</b> Printed Name of Attorney for Debtor(s)</p> <p><b>Brown McCarroll, L.L.P.</b> Firm Name</p> <p><b>111 Congress Avenue, Suite 1400</b> <b>Austin, TX 78701</b> Address</p> <p><b>512/472-5456 Fax: 512/479-1101</b> Telephone Number</p> <p><b>December 23, 2010</b> 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 style="text-align: center;"><b>Signature of Non-Attorney Bankruptcy Petition Preparer</b></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>_____ Address</p> <p><b>X</b> _____ 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>
<p style="text-align: center;"><b>Signature of Debtor (Corporation/Partnership)</b></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><b>X</b> <i>Brenda K Miles</i> Signature of Authorized Individual</p> <p><b>Brenda K. Miles</b> Printed Name of Authorized Individual</p> <p><b>Administrator/CEO</b> Title of Authorized Individual</p> <p><b>December 23, 2010</b> Date</p>	<p>_____ Date</p>

## MEMBER CONSENT AND COMPANY RESOLUTION

We, the undersigned Members of Hill Country Specialty Hospital, LLC. f/k/a Gulf States LTAC Of New Braunfels, L.L.C. a Texas limited liability company (the "Company"), do hereby approve, and do hereby certify that Members holding at least two-thirds of the Membership Interests in the Company have approved, the following resolutions of the Company adopted by written consent and that such resolutions have not been modified or rescinded:

**RESOLVED** that the filing of a petition under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* (as amended, the "Bankruptcy Code") on behalf of the Company is hereby authorized and directed and it is further directed that B. John Lange, III and Brenda K. Miles, acting jointly or individually, be, and are hereby, authorized to execute any and all documents necessary to effect the filing of said Chapter 11 proceeding;

**RESOLVED** that in connection with B. John Lange, III's and Brenda K. Miles's exercise of his or her authority in commencing such a Chapter 11 case under the Bankruptcy Code, he or she, acting jointly or individually, are authorized and directed to: (a) execute and deliver all documents necessary to perfect the filing of a Chapter 11 voluntary bankruptcy case on behalf of the Company; (b) appear in all bankruptcy proceedings on behalf of the Company, and otherwise do and perform all acts and deeds, and execute and deliver all necessary documents on behalf of the Company in connection with such a Chapter 11 bankruptcy case; (c) employ the firm of Brown McCarroll, LLP, ("Brown McCarroll") 111 Congress Avenue, Suite 1400, Austin, Texas 78701, to prepare and file a Petition pursuant to Chapter 11 of the Bankruptcy Code, to represent the Company as counsel in such bankruptcy case and in related matters pertaining to the Company's actions as the Debtor-in-Possession therein, and in connection therewith, to remit to Brown McCarroll a retainer in the amounts specified pursuant to terms of that certain letter agreement defining the scope of Brown McCarroll's engagement into which the Company and Brown McCarroll have previously entered; and (d) to take all such other steps as are reasonably necessary, in light of attendant circumstances, to accomplish the expeditious commencement of such a Chapter 11 case;

**RESOLVED** that the execution by B. John Lange, III and/or Brenda K. Miles of any document authorized by these resolutions, or any document executed in the accomplishment of any action or actions so authorized, shall become upon delivery the enforceable and binding act and obligation of the Company, without the necessity of the signature or attestation of any other officer or the affixing of the corporate seal; and

**RESOLVED** that B. John Lange, III and/or Brenda K. Miles are hereby authorized and directed to certify to, *inter alia*, the United States Bankruptcy Court any of the matters set forth in these resolutions.

**DATED** this \_\_\_\_ day of \_\_\_\_\_, 2010.

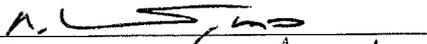
By: Members Of Hill Country Specialty Hospital, LLC f/k/a Gulf States LTAC Of New Braunfels, L.L.C.

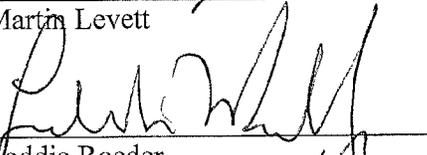
  
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Guido Calderon

  
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Carlos Campos

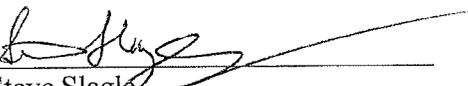
  
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Rubin Harris

  
\_\_\_\_\_  
Mark Hickman

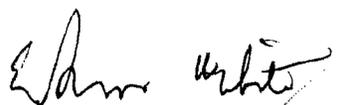
  
\_\_\_\_\_  
Martin Levett

  
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Loddie Roeder

  
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Frank Rubalcava

  
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Steve Slagle

  
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Ted Trusevich



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Elizabeth Ritchey White



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Haoran Yu

B4 (Official Form 4) (12/07)

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

In re Hill Country Specialty Hospital, LLC

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, 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)
<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>
Advanced Temporaries Inc. P.O. Box 8022 Tyler TX 75711-8022	Advanced Temporaries Inc. P.O. Box 8022 Tyler TX 75711-8022			26,437.50
Christus Santa Rosa New Braunfels P.O. Box 280 San Antonio TX 78291-0280	Christus Santa Rosa New Braunfels P.O. Box 280 San Antonio TX 78291-0280			457,227.49
Clinical Pathology Labs, INC. P O Box 141669 Austin TX 78714-1669	Clinical Pathology Labs, INC. P O Box 141669 Austin TX 78714-1669			29,406.64
Custom Medical Solutions 7100 Northland Circle, Suite 410 Brooklyn Park MN 55428	Custom Medical Solutions 7100 Northland Circle, Suite 410 Brooklyn Park MN 55428			31,526.71
Davita Renal Treatment Centers PO Box 403008 Atlanta GA 30384-3008	Davita Renal Treatment Centers PO Box 403008 Atlanta GA 30384-3008			70,025.92
Favorite Health Care Staffing P O Box 803356 Kansas City MO 64180-3356	Favorite Health Care Staffing P O Box 803356 Kansas City MO 64180-3356			35,443.14
First State Bank 401 Main Plaza New Braunfels, TX 78130	First State Bank 401 Main Plaza New Braunfels, TX 78130			328,937.42
Labcorp P.O. Box 12140 Burlington NC 27216	Labcorp P.O. Box 12140 Burlington NC 27216			27,536.37
Medline Industries, Inc. P O Box 121080 Dallas TX 75312-1080	Medline Industries, Inc. P O Box 121080 Dallas TX 75312-1080			12,846.65
Metro Ambulance 129 Commercial PI Schertz TX 78154	Metro Ambulance 129 Commercial PI Schertz TX 78154			13,166.80
Millenia Medical Servicing P O Box 33 Columbia SC 29202-0033	Millenia Medical Servicing P O Box 33 Columbia SC 29202-0033			236,270.89

B4 (Official Form 4) (12/07) - Cont.

In re Hill Country Specialty Hospital, LLC

Case No. \_\_\_\_\_

Debtor(s)

**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>
Pharmacare Services 777 E. Sonterra Blvd., Suite 300 San Antonio TX 78258	Pharmacare Services 777 E. Sonterra Blvd., Suite 300 San Antonio TX 78258			246,964.93
Philips Healthcare PO Box 100355 Atlanta GA 30384-0355	Philips Healthcare PO Box 100355 Atlanta GA 30384-0355			13,945.49
Philips Medical Capital PO Box 92449 Cleveland OH 44193-0003	Philips Medical Capital PO Box 92449 Cleveland OH 44193-0003			13,415.86
Prince Food Systems, Inc 11001 Wilcrest Dr. Suite 200 Houston TX 77099	Prince Food Systems, Inc 11001 Wilcrest Dr. Suite 200 Houston TX 77099			224,634.98
Professional IV Access P.O. Box 223 Macdona TX 78054	Professional IV Access P.O. Box 223 Macdona TX 78054			17,530.00
South Texas Blood & Tissue Center 6211 IH 10 West San Antonio TX 78201	South Texas Blood & Tissue Center 6211 IH 10 West San Antonio TX 78201			12,860.00
Southern Cross Ambulance, Inc. PO Box 311295 New Braunfels TX 78131-1295	Southern Cross Ambulance, Inc. PO Box 311295 New Braunfels TX 78131-1295			26,652.50
Texas Linen Company 1307 Smith Road Austin TX 78721	Texas Linen Company 1307 Smith Road Austin TX 78721			17,977.34
Universal Hospital Services, Inc P O Box 86 Minneapolis MN 55486-0940	Universal Hospital Services, Inc P O Box 86 Minneapolis MN 55486-0940			14,572.40

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

I, the Administrator/CEO 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 December 23, 2010Signature /s/ Brenda K. Miles

**Brenda K. Miles**  
**Administrator/CEO**

*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.