UNITED STATES BANKRUPTCY COURT WESTERN DISTRICT OF WISCONSIN

In re:

CRAPP FARMS PARTNERSHIP

Chapter 11 Case No. 3-17-11601-cjf

Debtor.

EMERGENCY MOTION FOR EXTENSION OF AGREED ORDER AUTHORIZING DEBTOR'S USE OF CASH COLLATERAL AND PROVIDING ADEQUATE PROTECTION PAYMENT TO BMO HARRIS, N.A.

The above-named Debtor, by its attorneys, Krekeler Strother, S.C., pursuant to 11 U.S.C. Section 363 and FRBP 4001 and 9006, moves the Court for authority to use cash collateral and to provide adequate protection and, therefore, to extend the terms and provisions of the Agreed Order entered on June 1, 2017 to January 31, 2018. The grounds for this Motion are set forth in the Affidavit of Darrell C. Crapp and as follows:

- 1. On May 3, 2017 (the "Petition Date"), Crapp Farms filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Bankruptcy Code (the "Chapter 11 Case").
- 2. Crapp Farms is operating its businesses as a Debtor-in-Possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code. The Debtor's operations include a large pork and cattle facility, as well as excavating and farm trucking operations.
- 3. Crapp Farms hires skilled workers for production and operation and provides compensation and benefits to its employees, including but not limited to, health insurance, life insurance, and 401(k) benefits.
- 4. The Debtor's primary source of income is from the operations set forth above. The Debtor has no other source of income upon which it can rely to continue the operations.
- 5. The uninterrupted continuation of Crapp Farms' business is critically dependent upon a stable workforce, particularly to ensure the safety and welfare of the large livestock operation which currently includes over 2,500 cows and over 4,000 pigs.
- 6. BMO Harris, N.A. holds valid liens on the Debtor's accounts, contract rights, and livestock proceeds, among other collateral more particularly described in pleadings previously filed in this case.
- 7. Debtor requires continued use of cash collateral to continue its livestock, trucking and excavating operations, and to meet its ordinary expenses as set forth in the list of expenditures figured through January 31, 2018 attached to the Affidavit of Darrell C. Crapp and incorporated therein as Exhibit A.

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- 8. Unless this Court authorizes Crapp Farms' use of the cash collateral during this period of time, Crapp Farms will be unable to pay for services and expenses necessary to preserve and maximize the value of its operations and assets.
- 9. The revenue Crapp Farms will generate through January 31, 2018 is approximately \$550,764, as set forth on the LTE Revenue projections, attached to the Affidavit of Darrell C. Crapp and incorporated therein as Exhibit B.
- 10. Other revenue exceeding \$290,000 will be generated in approximately two (2) from the sale of approximately 220 calves after they reach a weight in excess of 1,360 pounds/each, at which time they will be sold for about \$0.98 per pound.
- 11. In addition, as of December 22, 2017, the date of the Affidavit of Darrell C. Crapp, the Debtor's debtor-in-possession bank account used for its trucking, excavating and livestock operations has a current balance of \$586,251.94.
- 12. On June 1, 2017, an Agreed Order between the Debtor and BMO Harris Bank, N.A., among other parties, was entered authorizing Debtor's limited use of cash collateral and make adequate protection payments to BMO Harris in accordance with the terms and conditions set forth in the Order.
- 13. Said Agreed Order expires on December 31, 2017.
- 14. Said Agreed Order adequately protects BMO Harris as it provided, among other things, a continuing first and paramount post-petition replacement lien on the Debtor's real and personal property, including but not limited to, equipment, livestock, fixtures, inventory, documents, general intangibles, accounts, and contract rights, and specifically including any and all accounts, deposit accounts, and contract rights of the Debtor, and proceeds thereof owned by Debtor and related to Debtor's current livestock, trucking, and excavating operations, as more specifically described in the Agreed Order. It also provided for adequate protection payments to BMO Harris.
- 15. Debtor has made all adequate protection payments under the Agreed Order in full and in a timely manner, and proposes to continue to make such adequate protection payments in accordance with said Agreed Order.

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WHEREFORE, Debtor requests that the Court enter an order granting Debtor's Motion for Extension of Agreed Order Authorizing Debtor's Use of Cash Collateral and Providing Adequate Protection Payment to BMO Harris, N.A. and for such other and further relief as the Court may deem just and equitable.

Dated this 26 day of December, 2017.

KREKELER STROTHER, S.C.

Kristin J. Sederholm

State Bar No. 1001895

Attorneys for Debtor, Crapp Farms Partnership

Address:

2901 W. Beltline Hwy., Suite 301 Madison, W1 53713 (608) 258-8555 (608) 258-8299 (Fax)