

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

GLOBAL CLEAN ENERGY
HOLDINGS, INC., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 25-90113 (ARP)
)
)
) (Joint Administration Requested)
) (Emergency Hearing Requested)

**DEBTORS' EMERGENCY
MOTION FOR ENTRY OF AN ORDER
(I) APPROVING THE DEBTORS' PROPOSED
ADEQUATE ASSURANCE OF PAYMENT FOR FUTURE
UTILITY SERVICES, (II) PROHIBITING UTILITY PROVIDERS
FROM ALTERING, REFUSING, OR DISCONTINUING SERVICES,
(III) APPROVING THE DEBTORS' PROPOSED PROCEDURES FOR RESOLVING
ADEQUATE ASSURANCE REQUESTS, AND (IV) GRANTING RELATED RELIEF**

Emergency relief has been requested. Relief is requested not later than 11:00 a.m. (prevailing Central Time) on April 16, 2025.

If you object to the relief requested or you believe that emergency consideration is not warranted, you must appear at the hearing if one is set, or file a written response prior to the date that relief is requested in the preceding paragraph. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

A hearing will be conducted on this matter on April 16, 2025, at 11:00 a.m. (prevailing Central Time) in Courtroom 400, 4th floor, 515 Rusk Street, Houston, Texas 77002.

Participation at the hearing will only be permitted by an audio and video connection.

Audio communication will be by use of the Court's dial-in facility. You may access the facility at (832) 917-1510. Once connected, you will be asked to enter the conference room number. Judge Perez's conference room number is 282694. Video communication will be by use of the GoToMeeting platform. Connect via the free GoToMeeting application or click the link on Judge Perez's home page. The meeting code is "JudgePerez". Click the settings icon in the upper right corner and enter your name under the personal information setting.

Hearing appearances must be made electronically in advance of both electronic and in-person hearings. To make your appearance, click the "Electronic Appearance" link on Judge Perez's homepage. Select the case name, complete the required fields, and click "Submit" to complete your appearance.

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at <https://dm.epiq11.com/GCEHoldings>. The location of Debtor Global Clean Energy Holdings, Inc.'s principal place of business and the Debtors' service address in these chapter 11 cases is: 6451 Rosedale Highway, Bakersfield, California 93308.

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) state the following in support of this motion (this “Motion”):²

Relief Requested

1. The Debtors seek entry of an order, substantially in the form attached hereto (the “Order”): (a) determining that the Adequate Assurance Procedures (as defined herein) provide the Utility Providers (as defined herein) with adequate assurance of payment within the meaning of section 366 of the Bankruptcy Code; (b) prohibiting the Utility Providers from altering, refusing, or discontinuing services; (c) approving procedures for resolving any dispute concerning adequate assurance in the event that a Utility Provider is not satisfied with the Proposed Adequate Assurance (as defined herein); and (d) granting related relief.

Jurisdiction and Venue

2. The United States Bankruptcy Court for the Southern District of Texas (the “Court”) pursuant to 28 U.S.C. §§ 157 and 1334 and the *Order of Reference to Bankruptcy Judges* from the United States District Court for the Southern District of Texas, entered May 24, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b). The Debtors confirm their consent to the Court’s entry of a final order in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

3. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

² A detailed description of the Debtors and their businesses, including the facts and circumstances giving rise to the Debtors’ chapter 11 cases, is set forth in the *Declaration of Noah Verleun, Chief Executive Officer of Global Clean Energy Holdings, Inc., in Support of the Debtors’ Chapter 11 Petitions* (the “Verleun First Day Declaration”) and the *Declaration of John Walsh, Managing Director of Alvarez & Marsal North America, LLC, in Support of the Debtors’ First Day Motions* (the “Walsh First Day Declaration”) and together with the Verleun First Day Declaration the “First Day Declarations”), filed contemporaneously herewith and incorporated by reference herein. Capitalized terms used but not otherwise defined in this Motion shall have the meanings ascribed to them in the First Day Declarations.

4. The bases for the relief requested herein are sections 105(a) and 366 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”), rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), rules 1075-1 and 9013-1 of the Bankruptcy Local Rules for the Southern District of Texas (the “Bankruptcy Local Rules”), and the *Procedures for Complex Cases in the Southern District of Texas* (the “Complex Case Procedures”).

Background

5. Global Clean Energy Holdings, Inc. (together with its Debtor and non-Debtor subsidiaries, “Global Clean” or the “Company”) is a vertically integrated company focused on producing ultra-low carbon renewable fuels from its patented varieties of *Camelina sativa* (“Camelina”), a nonfood feedstock. This unique “farm-to-fuel” business model allows Global Clean to achieve greater efficiencies throughout the value chain, lower the carbon intensity of its finished product, and provide a solution to the “food versus fuel” dilemma through its focus on a feedstock that does not compete with food. Global Clean currently owns the world’s largest portfolio of patented Camelina genetics and has established operations across the globe to plant, process, transport, and refine their Camelina into biomass feedstock, biofuel oil, and renewable fuel, including at its state-of-the-art renewable fuels facility in Bakersfield, California (the “Bakersfield Facility”). Global Clean employs or retains over 150 people and, in 2024, managed contracts with hundreds of growers around the world that planted more than 124,000 acres of Camelina in support of its worldwide operations.

6. On April 16, 2025 (the “Petition Date”), each Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. A detailed description of the Debtors, their businesses, and the facts and circumstances supporting the Debtors’ chapter 11 cases is set forth

in greater detail in the First Day Declarations, filed contemporaneously herewith and incorporated by reference herein.

7. The Debtors have filed a motion contemporaneously herewith requesting procedural consolidation and joint administration of these chapter 11 cases pursuant to Bankruptcy Rule 1015(b) and Bankruptcy Local Rule 1015-1. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in these chapter 11 cases, and no official committees have been appointed or designated.

Utility Services and Proposed Adequate Assurance

I. The Utility Services and Utility Providers.

8. In connection with the operation of their businesses and management of their properties, the Debtors obtain electricity, natural gas, telecommunications, water, waste removal, internet, and other similar services (collectively, the “Utility Services”) from a number of utility providers (collectively, the “Utility Providers”). A nonexclusive list of the Utility Providers and their affiliates that provide Utility Services to the Debtors as of the Petition Date (the “Utility Providers List”) is attached to the Order as Exhibit 1.³ The relief requested herein is requested with respect to all Utility Providers providing Utility Services to the Debtors and is not limited to those on the Utility Providers List. The Debtors pay the Utility Providers set forth in the Utility Providers List directly as such payments come due.

³ Although the Debtors believe that the Utility Providers List includes all of their Utility Providers, the Debtors reserve the right to supplement such list if they inadvertently omitted any Utility Provider. Additionally, inclusion or exclusion of an entity on the Utility Providers List is not an admission by the Debtors that such entity is, or is not, a utility within the meaning of section 366 of the Bankruptcy Code, and the Debtors reserve all rights with respect to any such determination. The Debtors request relief applicable to all Utility Providers, regardless of whether such Utility Provider is specifically identified on Exhibit 1 of the Order.

9. Uninterrupted Utility Services are essential to the Debtors' ongoing business operations and, hence, the overall success of these chapter 11 cases. The constant maintenance of the Bakersfield Facility is key to the Debtors' businesses. Accordingly, the Debtors require uninterrupted access to the Utility Services to maintain their operations in the ordinary course of business. To the extent any Utility Provider were to refuse or discontinue service, even for a brief period, the Debtors' business operations—particularly at the Bakersfield Facility—would be severely disrupted, and could potentially endanger the health and safety of the Debtors' employees. Further, any disruption of Utility Services would materially impair the Debtors' revenue-generating and production capabilities to the detriment of all stakeholders in these chapter 11 cases. It is therefore essential that the Utility Services continue uninterrupted during these chapter 11 cases.

10. As of the Petition Date, the Debtors estimate \$1,100,000 is in arrears on account of prepetition Utility Services. On average, the Debtors pay approximately \$635,000 each month for third-party Utility Services.

II. Proposed Adequate Assurance of Payment.

11. The Debtors intend to timely pay undisputed postpetition obligations owed to the Utility Providers in the ordinary course of business. The cash held by the Debtors, the cash generated in the ordinary course of the Debtors' businesses, and the Debtors' anticipated access to cash collateral and debtor-in-possession financing will provide the Debtors with sufficient liquidity to pay the Utility Providers for Utility Services in accordance with the Debtors' prepetition practices during the pendency of these chapter 11 cases.

12. As additional assurance of payment, the Debtors propose to deposit \$317,680 (the "Adequate Assurance Deposit") into a segregated account (the "Adequate Assurance Account") as soon as reasonably practicable, but no later than fifteen (15) business days after the

Order is entered (or as soon as reasonably practicable thereafter). The Adequate Assurance Deposit represents an amount equal to approximately one half of the Debtors' average monthly cost of Utility Services, calculated based on the Debtors' monthly utility payments over the twelve-month period preceding the Petition Date. The Adequate Assurance Deposit will be held in the Adequate Assurance Account for the benefit of the Utility Providers for the duration of these chapter 11 cases and may be applied to any postpetition defaults in payment to the Utility Providers in accordance with the Adequate Assurance Procedures.

13. The Adequate Assurance Deposit, in conjunction with the Debtors' cash flow from operations, cash on hand, and anticipated access to cash collateral and the Debtors' proposed debtor-in-possession financing facility (collectively, the "Proposed Adequate Assurance"), demonstrates the Debtors' ability to pay for future Utility Services in accordance with their prepetition practices and constitutes sufficient adequate assurance to the Utility Providers in full satisfaction of section 366 of the Bankruptcy Code.

III. The Adequate Assurance Procedures.

14. Any Utility Provider that is not satisfied with the Proposed Adequate Assurance may make a request for additional or different adequate assurance of future payment (each, an "Adequate Assurance Request") pursuant to the adequate assurance procedures set forth in the Order (the "Adequate Assurance Procedures"). The Adequate Assurance Procedures will provide a streamlined process for Utility Providers to address potential concerns with respect to the Proposed Adequate Assurance, while allowing the Debtors to continue their business operations uninterrupted. The Adequate Assurance Procedures permit a Utility Provider to object to the Proposed Adequate Assurance by serving an Adequate Assurance Request upon certain Notice Parties (as defined in the Order). The Debtors, in their sole discretion, may resolve any Adequate Assurance Request by mutual agreement with the Utility Provider without further order

of the Court. If the Debtors determine that the Adequate Assurance Request cannot be resolved by mutual agreement, the Debtors may seek resolution from the Court. Absent compliance with the Adequate Assurance Procedures, the Utility Providers, including, without limitation, those listed on the Utility Providers List, shall be (a) deemed to have received adequate assurance of payment “satisfactory” to such Utility Provider in compliance with section 366 of the Bankruptcy Code and (b) prohibited from altering, refusing, or discontinuing Utility Services, or otherwise discriminating against the Debtors, on account of any unpaid prepetition charges or any perceived inadequacy of the Proposed Adequate Assurance.

IV. Modifications to the Utility Providers List.

15. The Debtors have made an extensive and good-faith effort to identify all Utility Providers and include them on the Utility Providers List. To the extent the Debtors subsequently identify additional Utility Providers or discontinue any Utility Services, the Debtors seek authority, in their sole discretion, to amend the Utility Providers List to add or remove any Utility Provider.

16. The Debtors further request that the relief requested in this Motion, including the proposed Adequate Assurance Procedures, and the Order shall apply to any Utility Provider subsequently added to the Utility Providers List (each, a “Subsequently Identified Utility Provider”), regardless of when such Utility Provider was added to the Utility Providers List. For any Subsequently Identified Utility Provider, the Debtors will increase the Adequate Assurance Deposit as soon as reasonably practicable by an amount equal to approximately one half of the Debtors’ average monthly cost from the Subsequently Identified Utility Provider. The Debtors will serve a copy of this Motion and the Order on any Subsequently Identified Utility Provider, and any Subsequently Identified Utility Provider shall have twenty-one (21) days from the date of service of this Motion and the Order to make an Adequate Assurance Request. The Debtors shall

have the period specified in the proposed Adequate Assurance Procedures to seek to resolve any Subsequently Identified Utility Provider's Adequate Assurance Request by mutual agreement with the Utility Provider without further order of this Court or shall schedule a hearing with this Court to determine the adequacy of the assurance payment in accordance with the proposed Adequate Assurance Procedures.

17. For any Utility Provider that is subsequently removed from the Utility Providers List, the Debtors request the authority, in their discretion and without further order of the Court, to decrease the Adequate Assurance Deposit by an amount equal to approximately one half of the Debtors' average monthly payment for Utilities Services to the subsequently removed Utility Provider. The Debtors will provide fourteen (14) days' notice to the Utility Provider that it is being removed from the Utility Providers List and that the corresponding amount in the Adequate Assurance Deposit will be deducted from the Adequate Assurance Account. If such Utility Provider objects to such removal, the Debtors may request a hearing before the Court.

18. The Debtors request that all Utility Providers, including any Subsequently Identified Utility Providers, be prohibited from altering, refusing, or discontinuing any Utility Services to the Debtors absent further order of the Court.

Basis for Relief

I. Sufficient Cause Exists to Approve the Adequate Assurance Procedures.

19. Section 366 of the Bankruptcy Code protects a debtor against the immediate termination or alteration of utility services after the Petition Date. Section 366(c) of the Bankruptcy Code requires the debtor to provide "adequate assurance" of payment for postpetition services in a form "satisfactory" to the utility provider within thirty (30) days of the petition date, or the utility provider may alter, refuse, or discontinue service. 11 U.S.C. § 366(c)(2). Section 366(c)(1) of the Bankruptcy Code provides a non-exhaustive list of examples

for what constitutes “assurance of payment.” Although assurance of payment must be “adequate,” it need not constitute an absolute guarantee of a debtor’s ability to pay. *See In re Great Atl. & Pac. Tea Co.*, No. 11-CV-1338 (CS), 2011 WL 5546954, at *5 (S.D.N.Y. Nov. 14, 2011) (finding that “[c]ourts will approve an amount that is adequate enough to insure against unreasonable risk of nonpayment, but are not required to give the equivalent of a guaranty of payment in full”); *In re Tekoil & Gas Corp.*, No. 08-80270G3-11, 2008 WL 2928555, at *2 n.1 (Bankr. S.D. Tex. July 21, 2008) (citing *In re Viking Offshore (USA) Inc.*, No. 08-31219-H3-11, 2008 WL 782449, at *3 n.3 (Bankr. S.D. Tex. Mar. 20, 2008) (“[A] debtor may continue to pay a utility, and a utility may continue to provide service, in the absence of an injunction preventing the utility from terminating service.”)).

20. When considering whether a given assurance of payment is “adequate,” courts should examine the totality of the circumstances to determine whether the utility provider will be subject to an unreasonable risk of nonpayment. *See In re Keydata Corp.*, 12 B.R. 156, 158 (B.A.P. 1st Cir. 1981) (citing *In re Cunha*, 1 B.R. 330 (Bankr. E.D. Va. 1979)). In determining the level of adequate assurance, however, “a bankruptcy court must focus upon the need of the utility for assurance, and . . . require that the debtor supply no more than that, since the debtor almost perforce has a conflicting need to conserve scarce financial resources.” *Va. Elec. & Power Co. v. Caldor, Inc.-N.Y.*, 117 F.3d 646, 650 (2d Cir. 1997) (internal quotations omitted) (citing *In re Penn Jersey Corp.*, 72 B.R. 981, 985 (Bankr. E.D. Pa. 1987), *abrogated on other grounds by In re Lease-A-Fleet, Inc.*, 131 B.R. 945 (Bankr. E.D. Pa. 1991)).

21. Termination of the Utility Services could result in the Debtors’ inability to operate their businesses to the detriment of all stakeholders. *See In re Pilgrim’s Pride Corp.*, No. 08-45664

(DML), 2009 WL 7313309, at *2 (Bankr. N.D. Tex. Jan. 4, 2009) (“The consequences of an unexpected termination of utility service to [the debtors] could be catastrophic.”).

22. Here, the Utility Providers are adequately assured against any risk of nonpayment for future services. The Debtors endeavor to pay all utility bills on time in the ordinary course of business. The Adequate Assurance Deposit and the Debtors’ ongoing ability to meet obligations as they come due in the ordinary course of business provide assurance to the Utility Providers that the Debtors will pay their future obligations.

23. Courts are permitted to fashion reasonable procedures, such as the Adequate Assurance Procedures proposed herein, to implement the protections afforded under section 366 of the Bankruptcy Code. *See, e.g., In re Circuit City Stores Inc.*, No. 08-35653, 2009 WL 484553, at *5 (Bankr. E.D. Va. Jan. 14, 2009) (stating that “the plain language of [section] 366 of the Bankruptcy Code allows the Court to adopt the [p]rocedures set forth in the [u]tility [o]rder”). Such procedures are important because, without them, the Debtors “could be forced to address numerous requests by utility companies in an unorganized manner at a critical period in their efforts to reorganize.” *Id.* Notwithstanding a determination that the Proposed Adequate Assurance constitutes sufficient adequate assurance, any rights that the Utility Providers believe they have under sections 366(b) and 366(c)(2) of the Bankruptcy Code are wholly preserved under the Adequate Assurance Procedures. The Utility Providers still may choose, in accordance with the Adequate Assurance Procedures, to request modification of the Proposed Adequate Assurance. Moreover, the Adequate Assurance Procedures avoid a haphazard and chaotic process whereby each Utility Provider could make an extortionate, last-minute demand for adequate assurance that would force the Debtors to pay under the threat of losing critical Utility Services.

24. The Adequate Assurance Procedures are reasonable and in accord with the purposes of section 366 of the Bankruptcy Code. Similar procedures have been approved by this Court. *See, e.g., In re Northvolt AB*, No. 24-90577 (ARP) (Bankr. S.D. Tex. Nov. 21, 2024) (approving adequate assurance deposit equal to approximately half of the Debtors’ monthly utility expenses on a final basis); *In re Vertex Energy, Inc.*, No. 24-90507 (CML) (Bankr. S. D. Tex. Sept. 25, 2024) (same); *In re Digit. Media Sols., Inc.*, No. 24-90468 (ARP) (Bankr. S.D. Tex. Sept. 13, 2024) (same); *In re SmileDirectClub, Inc.*, No. 23-90786 (CML) (Bankr. S.D. Tex. Oct. 2, 2023) (same); *In re Center for Autism and Related Disorders, LLC*, No. 23-90709 (DRJ) (Bankr. S.D. Tex. June 12, 2023) (same).

25. Further, the Court possesses the power under section 105(a) of the Bankruptcy Code to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” The Adequate Assurance Procedures and the Proposed Adequate Assurance are necessary and appropriate to carry out the provisions of the Bankruptcy Code, particularly section 366 thereof. Accordingly, the Court should exercise its powers under sections 366 and 105(a) of the Bankruptcy Code and approve the Adequate Assurance Procedures and the Proposed Adequate Assurance.

Emergency Consideration

26. Pursuant to Bankruptcy Local Rule 9013-1, the Debtors request emergency consideration of this Motion pursuant to Bankruptcy Rule 6003, which empowers a court to grant relief within the first twenty-one (21) days following the commencement of a chapter 11 case if “relief is needed to avoid immediate and irreparable harm.” For the reasons discussed above, an immediate and orderly transition into chapter 11 is critical to the viability of the Debtors’ operations. Failure to receive the requested relief in this Motion during the first twenty-one (21)

days of these chapter 11 cases would severely disrupt the Debtors' operations at this important juncture and cause irreparable harm. The requested relief is necessary for the Debtors to operate their businesses in the ordinary course, preserve the ongoing value of their operations, and maximize the value of their estates for the benefit of all stakeholders. The Debtors have demonstrated that the requested relief is "necessary to avoid immediate and irreparable harm," as contemplated by Bankruptcy Rule 6003, and the Court should grant the requested relief.

Processing of Checks and Electronic Fund Transfers Should Be Authorized

27. The Debtors have sufficient funds to pay the amounts described herein in the ordinary course of business by virtue of expected cash flows from ongoing business operations and anticipated access to debtor-in-possession financing and the consensual use of cash collateral. Under the Debtors' existing cash management system, the Debtors can readily identify checks or wire transfer requests as relating to an authorized payment in respect of the relief requested herein. Accordingly, the Debtors do not believe that checks or wire transfer requests that are unrelated to authorized payments will be honored inadvertently. The Debtors request that the Court authorize all applicable financial institutions, when the Debtors request, to receive, process, honor, and pay any and all checks, direct debit, wire transfer, ACH, or other payment requests in respect of the relief requested herein.

Waiver of Bankruptcy Rules 6004(a) and 6004(h)

28. The Debtors request that the Court enter an order providing that notice of the relief requested herein satisfies Bankruptcy Rule 6004(a) and that the Debtors have established cause to exclude such relief from the fourteen-day stay period under Bankruptcy Rule 6004(h).

Reservation of Rights

29. Notwithstanding anything to the contrary herein, nothing contained in this Motion or any actions taken pursuant to any order granting the relief requested by this Motion is intended

as or should be construed or deemed to be: (a) an implication or admission as to the amount of, basis for, priority, or validity of any claim against a Debtor entity under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Motion or any order granting the relief requested by this Motion or a finding that any particular claim is an administrative expense claim or other priority claim; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (g) a waiver or limitation of the Debtors' or any other party in interest's rights under the Bankruptcy Code or any other applicable law; (h) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to the relief requested in this Motion are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens; (i) a waiver of the obligation of any party in interest to file a proof of claim; or (j) otherwise affecting the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract or unexpired lease. If the Court grants the relief sought herein, any payment made pursuant to the Court's order is not intended and should not be construed as an admission as to the validity of any particular claim or a waiver of the Debtors' or any other party in interest's rights to subsequently dispute such claim.

Notice

30. The Debtors will provide notice of this Motion to the following parties or their respective counsel: (a) the Office of the United States Trustee for the Southern District of Texas; (b) the holders of the 30 largest unsecured claims against the Debtors (on a consolidated basis);

(c) the agents under the Debtors' DIP Facilities and counsel thereto; (d) counsel to the RCF Lenders and Vitol; (e) counsel to the Prepetition Term Loan Agent; (f) counsel to CTCI; (g) the United States Attorney's Office for the Southern District of Texas; (h) the Internal Revenue Service; (i) the Environmental Protection Agency; (j) the United States Securities and Exchange Commission; (k) the state attorneys general for states in which the Debtors conduct business; (l) the Utility Providers; and (m) any party that has requested notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested, no other or further notice need be given.

[Remainder of page intentionally left blank]

WHEREFORE, the Debtors request that the Court enter the Order granting the relief requested herein and such other relief as the Court deems appropriate under the circumstances.

Houston, Texas
Dated: April 16, 2025

/s/ Jason L. Boland

NORTON ROSE FULBRIGHT US LLP

Jason L. Boland (SBT 24040542)
Robert B. Bruner (SBT 24062637)
Julie Harrison (SBT 24092434)
Maria Mokrzycka (SBT 24119994)
1550 Lamar Street, Suite 2000
Houston, Texas 77010-3095
Telephone: (713) 651-5151
Facsimile: (713) 651-5246
Email: jason.boland@nortonrosefulbright.com
bob.bruner@nortonrosefulbright.com
julie.harrison@nortonrosefulbright.com
maria.mokrzycka@nortonrosefulbright.com

KIRKLAND & ELLIS LLP

KIRKLAND & ELLIS INTERNATIONAL LLP

Joshua A. Sussberg, P.C. (*pro hac vice* pending)
Brian Schartz, P.C. (TX Bar No. 24099361)
Ross J. Fiedler (*pro hac vice* pending)
601 Lexington Avenue
New York, New York 10022
Telephone: (212) 446-4800
Facsimile: (212) 446-4900
Email: jsussberg@kirkland.com
bschartz@kirkland.com
ross.fiedler@kirkland.com

- and -

KIRKLAND & ELLIS LLP

KIRKLAND & ELLIS INTERNATIONAL LLP

Peter A. Candel (*pro hac vice* pending)
333 West Wolf Point Plaza
Chicago, Illinois 60654
Telephone: (312) 862-2000
Facsimile: (312) 862-2200
Email: peter.candel@kirkland.com

*Proposed Co-Counsel to the Debtors
and Debtors in Possession*

*Proposed Co-Counsel to the Debtors
and Debtors in Possession*

Certificate of Accuracy

In accordance with Bankruptcy Local Rule 9013-1(i), I hereby certify that the foregoing statements regarding the nature of the emergency are true and accurate to the best of my knowledge.

/s/ Jason L. Boland

Jason L. Boland

Certificate of Service

I certify that on April 16, 2025, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas. Additionally, the foregoing document will be served as set forth in a forthcoming affidavit filed by the Debtors' proposed claims agent.

/s/ Jason L. Boland

Jason L. Boland

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

GLOBAL CLEAN ENERGY
HOLDINGS, INC., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 25-90113 (ARP)
)
)
) (Joint Administration Requested)
)
) Re: Docket No. ____

**ORDER (I) APPROVING THE DEBTORS' PROPOSED
ADEQUATE ASSURANCE OF PAYMENT FOR FUTURE
UTILITY SERVICES, (II) PROHIBITING UTILITY PROVIDERS
FROM ALTERING, REFUSING, OR DISCONTINUING SERVICES,
(III) APPROVING THE DEBTORS' PROPOSED PROCEDURES FOR RESOLVING
ADEQUATE ASSURANCE REQUESTS, AND (IV) GRANTING RELATED RELIEF**

Upon the emergency motion (the "Motion")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Order"): (a) approving the Proposed Adequate Assurance of payment for future Utility Services; (b) prohibiting Utility Providers from altering, refusing, or discontinuing services; (c) approving the Adequate Assurance Procedures for resolving Adequate Assurance Requests; and (d) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declarations; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Order of Reference to Bankruptcy Judges* from the United States District Court for the Southern District of Texas, entered May 24, 2012; and this Court having found that this is a core proceeding

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at <https://dm.epiq11.com/GCEHoldings>. The location of Debtor Global Clean Energy Holdings, Inc.'s principal place of business and the Debtors' service address in these chapter 11 cases is: 6451 Rosedale Highway, Bakersfield, California 93308.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

pursuant to 28 U.S.C. § 157(b); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is **HEREBY ORDERED THAT:**

1. The Adequate Assurance Deposit and the Adequate Assurance Procedures are hereby approved and are deemed adequate assurance of future payment as required by section 366 of the Bankruptcy Code.

2. Within three (3) business days after entry of the Order, the Debtors shall serve a copy of the Motion and this Order to the Utility Providers on the Utility Providers List attached hereto as **Exhibit 1**.

3. The Debtors are authorized to cause the Adequate Assurance Deposit to be held in the Adequate Assurance Account during the pendency of these chapter 11 cases. No liens senior to the interests of the Utility Providers shall encumber the Adequate Assurance Deposit or the Adequate Assurance Account.

4. The following Adequate Assurance Procedures are hereby approved:

- a. Subject to paragraphs (b)-(j) below, the Debtors shall deposit the Adequate Assurance Deposit in the amount of \$317,680 in the Adequate Assurance Account for the benefit of the Utility Providers as soon as reasonably practicable, but no later than fifteen (15) business days after the entry of this Order (or as soon as reasonably practicable thereafter).
- b. The funds in the Adequate Assurance Account shall constitute adequate assurance for each Utility Provider in the amount set forth for such Utility Provider in the column labeled “Proposed Adequate Assurance” on the Utility Providers List, and as may be amended or modified in accordance with this Order.
- c. A Utility Provider may request a disbursement from the Adequate Assurance Account if the Debtors have not satisfied their postpetition payment obligation with respect to the Utility Services in accordance with the terms and conditions of such service, and such payment obligation remains unpaid beyond any applicable grace period. No disbursement will be made for an Adequate Assurance Request from the Adequate Assurance Account unless the requesting Utility Provider provides notice to the following parties: (i) the Debtors, Global Clean Energy Holdings, Inc., 6451 Rosedale Highway, Bakersfield, California 93308 Attn: Antonio D’Amico; (ii) proposed co-counsel to the Debtors, Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022 Attn: Ross J. Fiedler (ross.fiedler@kirkland.com); and Kirkland & Ellis LLP, 333 West Wolf Point Plaza, Chicago, Illinois 60654, Attn: Peter A. Candel (peter.candel@kirkland.com) and Seth T. Sanders (seth.sanders@kirkland.com); (iii) proposed co-counsel to the Debtors, Norton Rose Fulbright US LLP, 1550 Lamar Street, Suite 2000, Houston, Texas 77010, Attn: Jason L. Boland (jason.boland@nortonrosefulbright.com), Robert B. Bruner (bob.bruner@nortonrosefulbright.com), Julie Harrison (julie.harrison@nortonrosefulbright.com) and Maria Mokrzycka (maria.mokrzycka@nortonrosefulbright.com); (iv) U.S. Trustee, 515 Rusk Street, Suite 3516, Houston, Texas 77002 Attn: Ha Nguyen, (Ha.Nguyen@usdoj.gov), and C. Ross Travis (C.Ross.Travis@usdoj.gov); (v) co-counsel to the Prepetition Term Loan Agent, (a) Latham & Watkins LLP, 330 North Wabash Avenue, Suite 2800, Chicago, Illinois 60611, Attn: James Ktsanes (james.ktsanes@lw.com) and Latham & Watkins LLP, 1271 Avenue of the Americas, New York, New York 10020, Attn: Nacif Taousse (nacif.taousse@lw.com) and (b) Hunton Andrews Kurth LLP, 600 Travis Street, Suite 4200, Houston, Texas 77002, Attn: Tad Davidson (taddavidson@hunton.com); (vi) counsel to CTCL, (a) Davis Wright Tremaine, 920 Fifth Avenue, Suite 330, Seattle, Washington 98104, Attn: Ragan L. Powers (raganpowers@dwt.com) and Hugh R. McCullough (hughmccullough@dwt.com) and (b) Haynes and Boone, LLP, 2801 N. Harwood Street, Suite 2300, Dallas, Texas 75201, Attn: Stephen M. Pezanosky (stephen.pezanosky@haynesboone.com) and Ian T. Peck

(ian.peck@haynesboone.com); (vii) counsel to the Prepetition RCF Agent, Sidley Austin LLP, One South Dearborn, Chicago, Illinois 60603, Attn: Jackson Garvey (jgarvey@sidley.com) and Sidley Austin LLP, 1000 Louisiana Street, Suite 5900, Houston, Texas 77002, Attn: Maegan Quejada (mquejada@sidley.com); and (viii) counsel to any statutory committee appointed in these cases (collectively, the “Notice Parties”). The Debtors shall honor such request within ten (10) business days after the date the request is received by the Debtors, subject to the ability of the Debtors and any such requesting Utility Provider to resolve any dispute regarding such request without further order of the Court. To the extent a Utility Provider receives a disbursement from the Adequate Assurance Account, the Debtors shall replenish the Adequate Assurance Account in the amount so disbursed.

- d. The portion of the Adequate Assurance Deposit attributable to each Utility Provider shall be returned to the Debtors automatically, without further order of the Court, on the earlier of (i) reconciliation and payment by the Debtors of the Utility Provider’s final invoice in accordance with applicable nonbankruptcy law following the Debtors’ termination of Utility Services from such Utility Provider, or (ii) the effective date of any chapter 11 plan confirmed in these chapter 11 cases.
- e. Any Utility Provider desiring additional assurances of payment in the form of deposits, prepayments, or otherwise must serve an Adequate Assurance Request on the Notice Parties within thirty (30) days of the Petition Date; *provided* that any Subsequently Identified Utility Provider desiring additional assurances of payment in the form of deposits, prepayments, or otherwise must serve an Adequate Assurance Request on the Notice Parties within twenty-one (21) days from the date of service of the Motion and this Order.
- f. The Adequate Assurance Request must (i) be made in writing, (ii) set forth the location(s) for which Utility Services are provided, the account number(s) for such location(s), the outstanding balance for each such account, and a summary of the Debtors’ payment history relevant to the affected account(s), (iii) explain why the Utility Provider believes the Proposed Adequate Assurance is not sufficient adequate assurance of future payment under section 366 of the Bankruptcy Code or the basis for the Adequate Assurance Request, each as applicable, and (iv) list all Prepetition Deposits (if applicable) that the Utility Provider holds for the Utility Services related to the Adequate Assurance Request.
- g. Unless and until a Utility Provider timely files and serves an Adequate Assurance Request in accordance with the Adequate Assurance Procedures, the Utility Provider will be (i) deemed to have received “satisfactory” adequate assurance of payment in compliance with section 366 of the Bankruptcy Code and (ii) forbidden from discontinuing, altering, or

refusing Utility Services to, or discriminating against, the Debtors on account of any unpaid prepetition charges or requiring additional assurance of payment other than the Proposed Adequate Assurance.

- h. The Debtors may, in consultation with CTCI (subject to the continued effectiveness of the Restructuring Support Agreement), the Prepetition RCF Agent, and the Prepetition Term Loan Agent, without further order from the Court, resolve an Adequate Assurance Request by mutual agreement with a Utility Provider, and the Debtors may, in connection with any such agreement, provide a Utility Provider with additional adequate assurance of payment including cash deposits, prepayments, or other forms of security if the Debtors believe that such adequate assurance is reasonable; *provided, however*, that to the extent the Debtors provide a Utility Provider with additional adequate assurance of payment pursuant to this Order, such Utility Provider shall promptly and automatically, without further order of the Court, return or release, as applicable, such additional adequate assurance of payment to the Debtors on the earlier of (i) reconciliation and payment by the Debtors of the Utility Provider's final invoice in accordance with applicable nonbankruptcy law following the Debtors' termination of Utility Services from such Utility Provider or (ii) the effective date of any chapter 11 plan confirmed in these chapter 11 cases.
- i. If the Debtors and the Utility Provider are not able to reach an alternative resolution within fourteen (14) days of receipt of the Adequate Assurance Request, the Debtors or the Utility Provider may request a hearing before the Court to determine the adequacy of assurances of payment with respect to a particular Utility Provider (the "Determination Hearing") pursuant to section 366(c)(3) of the Bankruptcy Code.
- j. Pending resolution of the Determination Hearing, the Utility Provider filing such Adequate Assurance Request will be prohibited from altering, refusing, or discontinuing Utility Services to the Debtors on account of unpaid charges for prepetition services or on account of any objections to the Proposed Adequate Assurance.
- k. Any Utility Provider that objects to the Adequate Assurance Procedures may file an objection (an "Adequate Assurance Procedures Objection"). The Adequate Assurance Procedures Objection must: (i) be made in writing; (ii) explain why the Utility Provider believes the Proposed Adequate Assurance Procedures are not sufficient under section 366 of the Bankruptcy Code or the basis for seeking the Adequate Assurance Procedures Objection, as applicable; and (iii) be filed no later than fourteen (14) days after the entry of this Order; *provided* that if a Subsequently Identified Utility Provider objects to the Adequate Assurance Procedures, such Subsequently Identified Utility Provider must file their objection within fourteen (14) days from the date of service on such Subsequently Identified Utility Provider of this Motion and this Order. If the Debtors and

the Utility Provider are not able to resolve such Adequate Assurance Procedures Objection within fourteen (14) days of receipt of such Adequate Assurance Procedures Objection, a hearing to resolve the Adequate Assurance Procedures Objection shall be held no later than thirty (30) days following the Petition Date or, for Subsequently Identified Utility Providers, within twenty-eight (28) days from the date of service on such Subsequently Identified Utility Provider of this Motion and this Order, absent agreement of the parties.

5. The Utility Providers are prohibited from requiring additional adequate assurance of payment other than pursuant to the Adequate Assurance Procedures set forth herein.

6. Absent compliance with the Adequate Assurance Procedures set forth in this Order, the Utility Providers including, without limitation, those listed on **Exhibit 1** attached hereto, are prohibited from altering, refusing, or discontinuing Utility Services, or otherwise discriminating against the Debtors, on account of any unpaid prepetition charges or any perceived inadequacy of the Debtors' Proposed Adequate Assurance.

7. The inclusion of any entity in, as well as any omission of any entity from, the Utility Providers List shall not be deemed an admission by the Debtors that such entity is, or is not, a utility within the meaning of section 366 of the Bankruptcy Code, and the Debtors reserve all rights and defenses with respect thereto.

8. The Debtors are authorized, but not directed, in consultation with CTCI (subject to the continued effectiveness of the Restructuring Support Agreement), the Prepetition RCF Agent, and the Prepetition Term Loan Agent, to: (a) add any Subsequently Identified Utility Provider to the Utility Providers List; (b) remove any Utility Provider from the Utility Providers List; and (c) add to or subtract from the Adequate Assurance Deposit the portion of such deposit allocated to the added or removed Utility Providers or Subsequently Identified Utility Providers; *provided* that the Debtors shall provide notice (as set forth in paragraph 10 herein) to the Subsequently Identified Utility Provider of its addition to the Utility Providers List and of its corresponding

proposed Adequate Assurance Deposit; *provided, further*, that the Debtors shall provide fourteen (14) days' notice to the Utility Provider that it is being removed from the Utility Providers List and that the corresponding amount in the Adequate Assurance Deposit will be deducted from the Adequate Assurance Account.

9. With respect to an addition to the Utility Providers List, for any Subsequently Identified Utility Provider, the Debtors will increase the Adequate Assurance Deposit as soon as reasonably practicable by an amount equal to approximately one half of the Debtors' average monthly cost of services from the Subsequently Identified Utility Provider. If an objection is received, the Debtors may request a hearing before this Court at the next omnibus hearing date, or such other date that the Debtors and the Subsequently Identified Utility Provider may agree. The Debtors shall not deduct the Adequate Assurance Deposit in the amount set aside for any Utility Provider that the Debtors seek to terminate or delete from the Utility Providers List unless and until the fourteen (14) day notice period has expired.

10. The Debtors must: (a) serve any Subsequently Identified Utility Provider a copy of the Motion and this Order within three (3) business days of such provider being added to the Utility Providers List; (b) allocate additional amounts to the Adequate Assurance Deposit in accordance with this Order; and (c) provide notice to the Subsequently Identified Utility Provider of its proposed Adequate Assurance Deposit.

11. Any Subsequently Identified Utility Provider shall (a) be bound to the Adequate Assurance Procedures and (b) have twenty-one (21) days from the date of service of the Motion and this Order to make a request for additional adequate assurance of payment in accordance with the Adequate Assurance Procedures.

12. The Debtors are authorized, but not directed, to make payments to the Utility Providers in the ordinary course of business on a postpetition basis.

13. Notwithstanding anything to the contrary contained in the Motion or this Order, any payment to be made and any relief or authorization granted hereunder shall be limited by and subject to the requirements imposed on the Debtors in any order entered by this Court authorizing the Debtors to obtain postpetition financing and to use cash collateral in effect as of the time such payment is to be made (such orders, "DIP Orders") and any budgets provided for therein. Such payment shall be subject to the terms, conditions, limitations, and requirements of the DIP Orders in all respects. To the extent of any conflict between the terms of this Order and the terms of the DIP Orders, the terms of the DIP Orders shall govern.

14. Notwithstanding anything to the contrary herein, nothing contained in the Motion or any actions taken pursuant to any order granting the relief requested by the Motion is intended as or should be construed or deemed to be: (a) an implication or admission as to the amount of, basis for, priority, or validity of any claim against a Debtor entity under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in the Motion or any order granting the relief requested by the Motion or a finding that any particular claim is an administrative expense claim or other priority claim; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (g) a waiver or limitation of the Debtors' or any other party in interest's rights under the Bankruptcy Code or any

other applicable law; (h) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to the relief requested in the Motion are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens; (i) a waiver of the obligation of any party in interest to file a proof of claim; or (j) otherwise affecting the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract or unexpired lease.

15. The Debtors are authorized, but not directed, to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with the relief granted herein.

16. Nothing in this Order authorizes or directs the Debtors to accelerate any payments not otherwise due.

17. Nothing in this Order constitutes a finding that any entity is or is not a Utility Provider hereunder or under section 366 of the Bankruptcy Code, whether or not such entity is listed on the Utility Providers List.

18. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).

19. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a), the Bankruptcy Local Rules, and the Complex Case Procedures are satisfied by such notice.

20. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

21. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

22. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Exhibit 1

Utility Providers List

Utility Providers List

Provider	Address	Service(s) Provided	Average Monthly Expenditure	Adequate Assurance Deposit
3 RIVERS COMMUNICATIONS	406 2ND AVENUE FAIRFIELD, MT 59436	Telecommunications	\$610	\$305
AT&T	208 S AKARD ST DALLAS, TX 75202	Telecommunications	\$1,056	\$528
CHEVRON USA, INC.	9525 CAMINO MEDIA BAKERSFIELD, CA 93311	Natural Gas & Electricity	\$88,332	\$44,166
CITY OF BAKERSFIELD WATER SYSTEM (CAL WATER)	3725 S H ST BAKERSFIELD, CA 93304-6538	Water	\$6,010	\$3,005
CITY OF GREAT FALLS	1005 25TH AVE NE GREAT FALLS, MT 59404	Water	\$906	\$453
CITY OF HARPER	201 W MAIN ST HARPER, KS 67058	Natural Gas & Electricity	\$89	\$44
ENERGY WEST	1ST AVENUE SOUTH GREAT FALLS, MT 59401	Natural Gas & Electricity	\$586	\$293
KERN COUNTY WATER AGENCY	3200 RIO MIRADA DR BAKERSFIELD, CA 93308	Water	\$7,041	\$3,521

Provider	Address	Service(s) Provided	Average Monthly Expenditure	Adequate Assurance Deposit
MOMENTUM TELECOM INC.	1 CONCOURSE PARKWAY NE SUITE 600 ATLANTA, GA 30328	Telecommunications	\$3,928	\$1,964
NORTHWESTERN ENERGY	11 E. PARK ST BUTTE, MT 59701-1711	Natural Gas & Electricity	\$2,364	\$1,182
PG&E	2 P&G PLAZA CINCINNATI, OH 45202	Natural Gas & Electricity	\$503,771	\$251,886
SO CAL GAS	555 W 5TH ST STE 14H1 LOS ANGELES, CA 90013-1010	Natural Gas	\$2,566	\$1,283
VARNER BROS INC.	1808 ROBERTS LN BAKERSFIELD, CA 93308	Waste Removal	\$17,556	\$8,778
VERIZON BUSINESS GLOBAL, LLC	1095 AVENUE OF AMERICAS 8TH FLOOR NEW YORK, NY 10036	Telecommunications	\$481	\$241
WHEATLAND ELECTRIC COOPERATIVE INC.	906 CENTRAL STREET HARPER, KS 67058-0247	Electricity	\$66	\$33
Total			\$635,361	\$317,680