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13 UNITED STATES BANKRUPTCY COURT  
 14 EASTERN DISTRICT OF CALIFORNIA  
 15 SACRAMENTO DIVISION

11 In re: 12 ECS REFINING, INC., 13 Debtor.	11 CASE NO.: 18-22453-D-11 12 Chapter 11 13 DCN NO.: FWP-18 14 Date: August 22, 2018 15 Time: 10:30 a.m. 16 Courtroom: 34 17 501 I Street, 6 <sup>th</sup> Floor 18 Sacramento, CA
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19 **STATUS REPORT FOR HEARING ON AUGUST 22, 2018 ON CHAPTER 11**  
 20 **TRUSTEE’S MOTION TO EXTEND THE TIME TO ASSUME OR REJECT**  
 21 **NONRESIDENTIAL REAL PROPERTY LEASES**

22 W. Donald Gieseke, the duly-appointed and acting Chapter 11 Trustee (the “Trustee”) in  
 23 the ECS Refining, Inc. (the “Debtor”) case, hereby files this Status Report to update the Court and  
 24 parties in interest of developments that have arisen since the filing of his motion to extend the  
 25 time to assume or reject nonresidential real property leases for 90 days from August 22, 2018, up  
 26 to and including November 20, 2018, and for related relief (the “Motion”) filed on July 25, 2018  
 27 (Docket No. 358) as follows:

- 28 1. By the time of the hearing on the Motion, the Trustee expects to have completely vacated the Debtor’s leased premises in Medford and Portland, Oregon; Columbus, Ohio; and Rogers, Arkansas.
2. The Trustee expects that only a few drums of hazardous waste will remain at the

1 leased premises in Santa Fe Springs, California (“Santa Fe Springs Facility”). The Trustee has  
2 filed a motion to approve payment for transportation of the hazardous waste set for hearing on  
3 August 15, 2018. Assuming that motion is granted, the Trustee will arrange for removal of the  
4 drums as soon as possible. It is possible that the drums will have been removed from the Santa  
5 Fe Springs Facility by the August 22 hearing on the Motion.

6 3. The Trustee is negotiating with a potential purchaser for the inventory, machinery  
7 and equipment located at the Debtor’s leased premises in Santa Clara, California (“Santa Clara  
8 Facility”)<sup>1</sup>. Under the proposed transaction, the purchaser assumes the Debtor’s environmental  
9 cleanup obligations with respect to the Santa Clara Facility.

10 4. The Trustee is in the process of making arrangements for the removal and disposal  
11 of the inventory located in the Debtor’s Mesquite, Texas and Stockton, California facilities. The  
12 Trustee and SummitBridge National Investments V LLC (“SummitBridge”) are obtaining bids for  
13 the equipment and the cleanup of the equipment. The Trustee and SummitBridge are discussing  
14 the game plan for the equipment.

15 5. Only Prologis, L.P. (“Prologis”), the landlord at the Santa Fe Springs Facility,  
16 filed an objection to the Motion (Docket No. 390) (“Prologis Objection”).<sup>2</sup> Prologis objects to  
17 granting the Trustee any extension of time to assume or reject the lease of the Santa Fe Springs  
18 Facility. As discussed above, the Trustee expects to have vacated those premises, except for the  
19 above mentioned drums, by the August 22 hearing on the Motion. Unless extended, the lease of  
20 the Santa Fe Springs Facility will be deemed rejected by operation of law as of August 22, 2018.

21 6. As of August 22, 2018, the leases for the Debtor’s premises at Medford and  
22 Portland, Oregon; Columbus, Ohio; and Rogers, Arkansas will be rejected by operation of law.  
23 As a result, the Trustee intends to withdraw his request for an extension of time to assume or  
24 reject with respect to the following leases:

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28 <sup>1</sup> The Debtor leases premises at 705 and 735 Reed Street, Santa Clara, California.

<sup>2</sup> The Prologis Objection mistakenly references FWP-13, although it objects to FWP-18.

Location	Landlord	Status of Lease
407 Boardman St.	Cliff Krause 1538 Highcrest Drive Medford, OR 97504	Expires 12/01/2020
5858 Morgan Place	MTM Country Hollow Apartments 5858 Morgan Place Office Stockton, CA 95219	Month to month
6427 59th Place	MTM Diamond Line Delivery Service P.O. Box 938 Meridian, ID 83680	Month to month
711 Distribution Dr.	Distribution Drive Partners LLC 711 Distribution Drive Columbus, OH 43228	Expires 07/31/2018
Camden Place	Camden Place Ltd. Partnership 4311 Camden Circle Dublin, OH 43016	Expires 09/09/2018
Ozark Liquidation	Ozark Liquidation Services, LLC PO Box 8301 Fayetteville, AR 72703	Expired 07/08/2018

7. Because the Trustee is still in the process of addressing inventory and equipment at the Santa Clara Facility as well as the leased premises located in Stockton, California and Mesquite, Texas, the Trustee requests that the Court grant the Motion for an extension of time to assume or reject up to and including November 20, 2018, with respect to the leases with: (a) Forsyth Bolin Property Management; (b) David Fontana and Dorothy Smith; (c) ECS Big Town, LLC; and (d) Sinclair Partners, LLC. No opposition to the Motion has been filed by any of these parties.

Dated: August 14, 2018

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By: /s/ Paul J. Pascuzzi  
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