

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

CASE NAME Apacis Energy Services, LLC
CASE NUMBER 15-60069

PETITION DATE September 18, 2015

MONTHLY OPERATING REPORT SUMMARY FOR:

MONTH	YEAR: 2016	MONTH: April	September	October	November	December	January	February	March	April
REVENUES (MOR-6)			(70,081)	(282,789.57)	(172,235.60)	(1,221,125.37)	(12,031.00)	7,888.00	7,888.00	7,888.00
INCOME BEFORE INT. DEDUCT./TAX (MOR-6)			(70,081)	(282,789.57)	(172,235.60)	(1,221,125.37)	(12,031.00)	7,888.00	7,888.00	7,888.00
NET INCOME (LOSS) (MOR-3)			(70,081)	(282,789.57)	(172,235.60)	(1,221,125.37)	(12,031.00)	7,888.00	7,888.00	7,888.00
PAYMENTS TO INSIDERS (MOR-3)			-	-	-	-	-	(290,654.20)	(109,950.79)	(121,023.67)
PAYMENTS TO PROFESSIONALS (MOR-9)			-	-	-	-	-	(289,502.15)	(109,950.79)	(121,023.67)
TOTAL DISBURSEMENTS (MOR-7)			160,158.35	780,973.61	288,318.31	1,02,251.25	28,984.63	226,033.09	24,235.02	8,438.76

---The original of this document must be filed with the United States Bankruptcy Court and a copy must be sent to the United States Trustee---

REQUIRED INSURANCE MAINTAINED AS OF SIGNATURE DATE

	EXP. DATE
CASUALTY	8/12/2016
LIABILITY	8/12/2016
VEHICLE	8/12/2016
WORKERS	
OTHER	

Are all accounts receivable being collected within terms? No Yes
 Are all post-petition liabilities, including taxes, being paid within terms? No Yes
 Have any pre-petition liabilities been paid? No Yes
 If so, describe: Per court order allowing for certain payments
 Are all funds received being deposited into the DIP bank account? Yes No
 Were any assets disposed of outside the normal course of business? Yes No
 If so, describe: _____
 Are all U.S. Trustee Quarterly Fee Payments current? Yes No
 What is the status of the Plan of Reorganization? Yes No
The Plan of Reorganization has been filed and was approved on April 15, 2016.

ATTORNEY NAME Hugh Ruy III
FIRM NAME McKool Smith
ADDRESS 600 Travis Street, Suite 700
CITY, STATE, ZIP Houston, TX 77002
TELEPHONE 713-485-7315

I certify under penalty of perjury that the following complete Monthly Operating Report (MOR), consisting of MOR-1 through MOR-9 plus attachments, is true and correct.

SIGNED: [Signature] TITLE: Chief Restructuring Officer
Original Signature Date 5/27/2016
Loreta R. Cross Date
Print Name of Signatory

NOTES:
The Plan of Reorganization has been filed and was approved on April 15, 2016.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

Apache Energy Services, LLC
15-60069

CASE NAME
CASE NUMBER

COMPARATIVE BALANCE SHEETS

ASSETS	9/18/2015	MONTH September	MONTH October	MONTH November	MONTH December	MONTH January	MONTH February	MONTH March	MONTH April
CURRENT ASSETS									
Cash - Chase	520.35	425.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cash - Heartland	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Security Deposit	3,200.00	3,200.00	3,200.00	3,200.00	3,200.00	3,200.00	3,200.00	3,200.00	3,200.00
Rent Deposit	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00
Prepaid Insurance	14,830.33	14,025.68	14,830.33	14,830.33	90,815.03	90,815.03	90,815.03	90,816.03	90,816.03
Net Trade Accounts Receivable	2,611,903.35	2,442,840.02	1,662,289.76	1,373,971.45	264,463.61	223,033.56	5,538.63	4,342.37	4,342.37
Employee Advance	122,207.64	122,207.64	122,207.64	122,207.64	122,207.64	122,207.64	122,207.64	122,207.64	122,207.64
Note Receivable	290,000.00	290,000.00	290,000.00	290,000.00	290,000.00	290,000.00	290,000.00	290,000.00	290,000.00
Accrued Interest on Note Receivable	28,960.28	28,960.28	28,960.28	28,960.28	33,806.86	36,190.42	36,190.42	36,190.42	36,190.42
Prepaid Expenses	64,630.69	64,630.69	64,630.69	64,630.69	58,408.84	58,408.84	58,408.84	58,408.84	58,408.84
Deferred Financing Costs	14,825.59	14,825.59	14,825.59	14,825.59	9,434.59	6,739.09	6,739.09	6,739.09	6,739.09
Deferred Loss on Sale-Lesseeback	(62,635.01)	(62,635.01)	(62,635.01)	(62,635.01)	(40,609.85)	(29,597.27)	(29,597.27)	(29,597.27)	(29,597.27)
TOTAL CURRENT ASSETS	3,085,943.22	2,919,980.24	2,139,809.28	1,851,490.97	833,226.72	802,497.31	585,003.38	583,807.12	583,807.12
FIXED ASSETS	5,421,278.69	5,421,278.69	5,421,278.69	5,421,278.69	5,421,278.69	202,063.53	202,063.53	202,063.53	202,063.53
Less Accumulated Depreciation & Amortization *	(2,061,661.89)	(2,061,661.89)	(2,061,661.89)	(2,061,661.89)	(2,381,320.69)	(9,893.53)	(9,893.53)	(9,893.53)	(9,893.53)
NET FIXED ASSETS**	3,359,516.80	3,359,516.80	3,359,516.80	3,359,516.80	3,039,958.00	192,170.00	192,170.00	192,170.00	192,170.00
OTHER ASSETS									
Goodwill	1,897,380.00	1,897,380.00	1,897,380.00	1,897,380.00	1,897,380.00	1,897,380.00	1,897,381.00	1,897,381.00	1,897,381.00
TOTAL OTHER ASSETS	1,897,380.00	1,897,380.00	1,897,380.00	1,897,380.00	1,897,380.00	1,897,380.00	1,897,381.00	1,897,381.00	1,897,381.00
TOTAL ASSETS	8,346,940.02	8,116,977.04	7,396,806.08	7,108,487.77	5,770,564.72	2,892,047.31	2,674,554.38	2,673,358.12	2,673,358.12

Notes:
** Due to the sale of assets closed on 01/04/2016, the company performed a modified weighted-average purchase price allocation to reflect the asset sale. The company will perform a detailed purchase price allocation and record an impairment to FVAV on remaining assets at a later date.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

Apache Energy Services, LLC
15-60069

CASE NAME
CASE NUMBER

COMPARATIVE BALANCE SHEETS

	FILING DATE *	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH
	9/18/2015	September	October	November	December	January	February	March	April	May	June	July	August
LIABILITIES & OWNER'S EQUITY													
LIABILITIES													
POST PETITION (MOR-4)													
Trade Accounts Payable		6,771.23	6,771.23	6,771.23	5,971.23	5,971.23	5,971.23	5,971.23	5,971.23	5,971.23	5,971.23	5,971.23	5,971.23
Sales Tax Payable		1,888.65	1,888.65	1,888.65	1,906.25	1,906.25	1,906.25	1,906.25	1,906.25	1,906.25	1,906.25	1,906.25	1,906.25
PRE-PETITION LIABILITIES													
Trade Accounts Payable	2,589,146.13	2,588,346.13	2,826,503.92	2,826,503.92	2,826,503.92	2,826,503.92	2,826,503.92	2,826,503.92	2,826,503.92	2,826,503.92	2,826,503.92	2,826,503.92	2,826,503.92
Accrued Liabilities	1,088,426.42	1,088,426.42	1,088,426.42	1,088,426.42	1,088,426.42	1,088,426.42	1,088,426.42	1,088,426.42	1,088,426.42	1,088,426.42	1,088,426.42	1,088,426.42	1,088,426.42
Sales Tax Payable **	315,111.22	315,111.22	148,370.75	148,370.75	148,370.75	45,900.71	45,900.71	45,900.71	45,900.71	45,900.71	45,900.71	45,900.71	45,900.71
Payroll Tax Payable	2,353.38	2,353.38	2,353.38	2,353.38	2,353.38	2,353.38	2,353.38	2,353.38	2,353.38	2,353.38	2,353.38	2,353.38	2,353.38
Net Intercompany *	10,457,684.55	10,288,591.65	9,823,669.08	9,660,476.64	10,263,564.34	10,400,517.35	10,468,378.27	10,580,445.25	10,702,965.28	10,825,480.25	10,947,995.22	11,070,510.20	11,193,025.18
TOTAL PRE-PETITION LIABILITIES	14,452,721.70	14,282,828.80	13,994,323.55	13,726,131.11	14,329,219.01	14,363,701.78	14,431,562.70	14,543,629.68	14,666,149.71	14,788,670.64	14,901,191.13	15,013,701.61	15,126,212.09
TOTAL LIABILITIES	14,452,721.70	14,282,828.80	14,012,983.43	13,752,374.77	14,357,096.49	14,364,815.29	14,436,824.51	14,545,612.04	14,666,642.71	14,789,161.87	14,902,182.26	15,014,692.74	15,127,227.27
OWNER'S EQUITY													
Equity & Minority Interest													
Current Period Profit (Loss)	(6,691,204.09)	(6,691,274.17)	(7,201,599.76)	(7,229,309.41)	(9,151,954.18)	(2,910,442.33)	(3,199,944.68)	(3,309,935.47)	(3,430,959.14)	(3,551,973.81)	(3,672,988.48)	(3,793,003.15)	(3,913,017.82)
Retained Earnings at filing date	585,422.41	585,422.41	585,422.41	585,422.41	585,422.41	585,422.41	585,422.41	585,422.41	585,422.41	585,422.41	585,422.41	585,422.41	585,422.41
Retained Earnings post filing date	(6,105,781.68)	(6,105,781.68)	(6,616,177.35)	(6,643,887.00)	(8,566,531.77)	(11,472,767.98)	(11,702,270.13)	(11,872,560.92)	(12,042,851.59)	(12,213,142.26)	(12,383,432.93)	(12,553,723.60)	(12,724,014.27)
TOTAL OWNER'S EQUITY	8,346,940.02	8,176,977.04	7,396,806.08	7,108,497.77	5,770,564.72	2,892,047.51	2,674,554.38	2,673,558.12	2,673,558.12	2,673,558.12	2,673,558.12	2,673,558.12	2,673,558.12
TOTAL LIABILITIES & OWNER'S EQUITY													

Notes:

*Change in Net Intercompany reflects the allocation of proceeds on the sale of assets to Ensarvio, post-petition professional and consulting fees and the collections of accounts receivable, and is not a pay down of intercompany payables.

** Reflects adjusted sales tax payable numbers related to receipt of tax free status paperwork received from Occidental Petroleum.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

Apache Energy Services, LLC
15-60069

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CASE NUMBER

SCHEDULE OF POST-PETITION LIABILITIES

	FILING DATE	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH
	9/18/2015	September	October	November	December	January	February	March	April				
TRADE ACCOUNTS PAYABLE	-	-	6,771.23	6,771.23	5,971.23	-	-	-	-	-	-	-	-
TAXES PAYABLE													
Federal Payroll Taxes													
State Payroll Taxes													
Ad Valorem taxes													
Sales Taxes			11,888.65	19,472.43	1,906.25	1,113.51	5,261.81	1,989.36	493.00				
TOTAL TAXES PAYABLE	-	-	11,888.65	19,472.43	1,906.25	1,113.51	5,261.81	1,989.36	493.00				
SECURED DEBT POST-PETITION													
ACCURED INTEREST PAYABLE													
ACCURED PROFESSIONAL FEES *													
POST PETITION PREPAID RENT													
OTHER ACCURED LIABILITIES													
TOTAL POST-PETITION LIABILITIES	-	-	18,659.88	26,243.66	7,877.48	1,113.51	5,261.81	1,989.36	493.00				

Notes:

UNITED STATES BANKRUPTCY COURT
 SOUTHERN DISTRICT OF TEXAS
 HOUSTON DIVISION

CASE NAME Apache Energy Services, LLC
 CASE NUMBER 15-60069

AGING OF POST-PETITION LIABILITIES
 MONTH

DAYS	TOTAL	TRADE ACCOUNTS	FEDERAL TAXES	STATE TAXES	AD VALOREM TAXES	OTHER
0 - 30				493.00		
31 - 60						
61 - 90						
91 +						
TOTAL				493.00		

AGING OF ACCOUNTS RECEIVABLE

DAYS	September	October	November	December	January	February	March	April
0 - 30	21,346.50							
31 - 60	638,050.00	21,346.50						
61 - 90	875,406.14	238,606.87						
91 +	908,037.38	1,382,336.39	1,373,971.45	264,463.61	223,033.36	5,338.63	4,342.37	4,342.37
TOTAL	2,442,840.02	1,662,289.76	1,373,971.45	264,463.61	223,033.56	5,338.63	4,342.37	4,342.37

Notes:

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

CASE NAME Anasche Energy Services, LLC
CASE NUMBER 15-60069

STATEMENT OF INCOME (LOSS)

	MONTH September	MONTH October	MONTH November	MONTH December	MONTH January	MONTH February	MONTH March	MONTH April	FILING TO DATE
REVENUES									
Flow Meter Rental					804.00	7,888.00	7,888.00	7,888.00	24,468.00
Credits issued on pre-petition invoices					(12,835.00)	-	-	-	(12,835.00)
TOTAL REVENUES (MOR-1)					(12,031.00)	7,888.00	7,888.00	7,888.00	11,633.00
OPERATING EXPENSES									
Bank Service Charges	145.00	31.50	-	-	-	-	-	-	176.50
Insurance Premiums Received	(74.92)	(67.00)	-	-	-	-	-	-	(141.92)
Equipment Rental		3,140.00	-	-	-	-	-	-	3,140.00
Equipment Rehabilitation			2,400.00	-	-	-	-	-	2,400.00
Payroll Expense		29,352.19	7,023.47	8,779.32	9,936.91	9,962.11	12,421.15	6,459.00	83,934.15
Professional Fees		207,027.39	151,844.13	114,846.75	138,552.94	278,590.09	97,447.64	121,102.67	1,109,411.61
Consulting Fees		41,500.00	13,410.00	11,345.62	12,132.00	9,990.00	8,010.00	1,350.00	97,737.62
Rent Expense		800.00	4,245.50	3,247.50	-	-	-	-	8,293.00
Travel Expense		525.56	307.05	1,283.57	-	-	-	-	2,118.18
Office Expense		479.93	545	-	-	-	-	-	485.38
Quarterly Trustee Fees				325.00	-	-	-	-	325.00
Insurance Expense**				75,474.02	-	-	-	-	75,474.02
Bad Debt Expense**				1,003,821.59	-	-	-	-	1,005,821.59
Loss on sale of assets					28,513.00	-	-	-	28,513.00
Gain on sale-backback					(5,506.29)	-	-	-	(5,506.29)
Loss on Stolen Asset					2,714,627.00	-	-	-	2,714,627.00
TOTAL OPERATING EXPENSES	70.08	282,789.57	179,235.60	1,221,125.37	2,898,245.56	298,542.20	117,878.79	128,911.67	5,126,808.34
OPERATING INCOME	(70.08)	(282,789.57)	(179,235.60)	(1,221,125.37)	(2,910,286.56)	(290,654.20)	(109,990.79)	(121,023.67)	(5,115,175.84)
INCOME BEFORE INT. DEPR. TAX (MOR-1)	(70.08)	(282,789.57)	(179,235.60)	(1,221,125.37)	(2,910,286.56)	(290,654.20)	(109,990.79)	(121,023.67)	(5,115,175.84)
Depreciation Expense***				319,658.80					319,658.80
Interest Expense***				216,731.03	155.97	(1,132.05)			215,734.97
NET INCOME	(70.08)	(282,789.57)	(179,235.60)	(1,175,515.22)	(2,910,442.53)	(289,502.15)	(109,990.79)	(121,023.67)	(5,650,569.61)

Annual Accounting Required. Otherwise Footnote with Explanation

* Footnote describing these expenses is mandatory

** Unusual and/or infrequent item(s) outside the ordinary course of business requires footnote.

Notes:

* Insurance premiums were recorded as a prepaid asset on the parent's balance sheet and reported as a cash payment on the parent's MOR schedules. The expense amount for December reflects the allocation of post-petition premiums to the subsidiaries on a weighted-average basis in accordance with the company's accounting policy.

** The bad debt reserve was analyzed at year end in accordance with the company's accounting policy, and the expected recovery of outstanding accounts receivable has decreased, resulting in bad debt expense at year end.

*** Depreciation and interest expense for post-petition dates were recorded in December.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

Apache Energy Services, LLC
15-60069

CASE NAME
CASE NUMBER

STATEMENT OF INCOME (LOSS)

CASH RECEIPTS AND DISBURSEMENTS	STATEMENT OF INCOME (LOSS)												FILING TO DATE
	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	
	September	October	November	December	January	February	March	April					
CASH BEGINNING OF MONTH RECEIPTS	520.35	425.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	520.35
Accounts receivable collections	169,063.33	780,550.26	288,318.31	102,251.25	28,984.63	226,033.69	24,235.02	8,538.76					
Other *	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	169,063.33	780,550.26	288,318.31	102,251.25	28,984.63	226,033.69	24,235.02	8,538.76					
DISBURSEMENTS													
Bank Service Charges	95.00	-	-	-	-	-	-	-	-	-	-	-	95.00
AR collections deposited to parent account	169,063.33	780,550.26	288,318.31	102,251.25	28,984.63	226,033.69	24,235.02	8,538.76					
Cash from closed bank accounts transferred to parent	-	425.35	-	-	-	-	-	-	-	-	-	-	425.35
TOTAL DISBURSEMENTS FROM OPERATION	169,158.33	780,975.61	288,318.31	102,251.25	28,984.63	226,033.69	24,235.02	8,538.76					
TOTAL DISBURSEMENTS *	169,158.33	780,975.61	288,318.31	102,251.25	28,984.63	226,033.69	24,235.02	8,538.76					
NET CASH FLOW	(95.00)	(425.35)	-	-	-	-	-	-	-	-	-	-	(520.35)
CASH END OF MONTH	520.35	425.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

* Numbers for the current month should balance (match) "Receipts" and "Checks/Other Disbursements" from MOA-8

Notes:

UNITED STATES BANKRUPTCY COURT
 SOUTHERN DISTRICT OF TEXAS
 HOUSTON DIVISION

Apache Energy Services, LLC
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CASE NAME
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CASH ACCOUNT RECONCILIATION

BANK NAME	April	April	April	April	April	TOTAL
ACCOUNT NUMBER	2100024211	2100024229	171276880	113039250		
ACCOUNT TYPE	Heartland Checking	Heartland Checking	Chase Checking	Chase Checking		
BANK BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DEPOSITS IN TRANSIT						
OUTSTANDING CHECKS						
OTHER ADJUSTMENTS						
ADJUSTED BANK BALANCE	-	-	-	-	-	-
BEGINNING CASH - PER BOOKS	-	-	-	-	-	-
RECEIPTS*	8,538.76	-	-	-	-	8,538.76
TRANSFERS BETWEEN ACCOUNTS (WITHDRAWAL) OR CONTRIBUTION BY INDIVIDUAL DEBTOR						
ADJUSTMENT TO REFLECT LENDER SWEEP						
CHECKS / OTHER DISBURSEMENTS *	(8,538.76)	-	-	-	-	(8,538.76)
ENDING CASH - PER BOOKS	-	-	-	-	-	-

* Numbers for the current month should balance (match) "Total Receipts" and "Total Disbursements" from MOR-7
 Notes:

UNITED STATES BANKRUPTCY COURT
 SOUTHERN DISTRICT OF TEXAS
 HOUSTON DIVISION

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Apache Energy Services, LLC
 15-60069

PAYMENTS TO INSIDERS AND PROFESSIONALS

Of the total disbursements shown for the month, list the amount paid to insiders (as defined in Section 101(31)(A)-(F) of the U.S. Bankruptcy Code) and the professionals.

Also, for insiders, identify the type of compensation paid (e.g. salary, commission, bonus, etc.)

INSIDER: NAME / COMP TYPE	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH
	September	October	November	December	January	February	March	April				
1. none												
2.												
3.												
4.												
5.												
6.												
TOTAL INSIDERS												
PROFESSIONALS												
1. none												
2.												
3.												
4.												
5.												
6.												
TOTAL PROFESSIONAL FEES												

Notes: