SO ORDERED,

Judge Jamie A. Wilson
United States Bankruptcy Judge
Date Signed: May 29, 2026

The Order of the Court is set forth below. The docket reflects the date entered.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF MISSISSIPPI

IN RE:

EL DORADO GAS & OIL, INC., *et al.*[1]	**CASE NO. 23-51715-JAW**
DEBTOR.	**CHAPTER 11**
PARK ENERGY SERVICES, LLC	**PLAINTIFF**
VS.	**ADV. PROC. NO. 26-06008-JAW**
EL DORADO GAS & OIL, INC., HUGOTON OPERATING COMPANY, INC., FIRST SERVICE BANK AND BLUESTONE NATURAL RESOURCES II – SOUTH TEXAS, LLC	**DEFENDANTS**

ORDER ON MOTIONS TO DISMISS

This matter came before the Court for hearing on May 20, 2026 (the "Hearing") on First Service Bank's Motion to Dismiss (Adv. Dkt. #13)[2] and First Service Bank's Memorandum in

[1] The cases involved are *In re Hugoton Operating Company, LLC*, Case No. 23-51139-JAW; *Bluestone Natural Resources II – South Texas, LLC*, Case No. 24-50223-JAW; and *In re World Aircraft, Inc*. Case No. 24-50224-JAW. El Dorado and Hugoton have been jointly administered as of March 12, 2024. (EDGO Dkt. #291). Bluestone and World Aircraft were tacked on for joint administration on May 22, 2024 (EDGO Dkt. #457). Then, the four debtors were substantively consolidated on August 21, 2025 with the El Dorado as the lead case. (EDGO Dkt. #1504-07).

[2] Citations to the record are as follows: citations to docket entries in the above-referenced adversary proceeding are cited as "(Adv. Dkt. #);" citations to docket entries in the above-referenced bankruptcy case are cited as "(EDGO Dkt. #);" citations to docket entries in *Hugoton Operating Company, LLC*, Case No. 23-51139 are cited as "(Hugoton Dkt. #);" and citations to docket entries in *Bluestone Natural Resources II – South Texas, LLC*, Case No. 24-50223 are cited as "(Bluestone Dkt. #)."

Support of Motion to Dismiss (together, "FSB's Motion to Dismiss") (Adv. Dkt. #14) filed by First Service Bank ("FSB"); the Joint Motion to Dismiss, or in the Alternative, Motion for More Definite Statement (Adv. Dkt. #15) and Memorandum in Support of Joint Motion to Dismiss, or in the Alternative, Motion for More Definite Statement (together, "Trustee's Motion to Dismiss") (Adv. Dkt. #15-1) filed by Defendants Hugoton Operating Company, Inc. ("Hugoton"), El Dorado Gas & Oil, Inc. ("El Dorado"), Bluestone Natural Resources II – South Texas, LLC ("Bluestone") (collectively, the "Debtors"), and Dawn M. Ragan, the duly appointed chapter 11 trustee for the bankruptcy estates of Hugoton and El Dorado and in that capacity, the independent manager of Bluestone (the "Trustee"); and Park Energy Services, LLC's Response in Opposition to First Service Bank's Motion to Dismiss and the Trustee's Joint Motion to Dismiss or in the Alternative, Motion for More Definite Statement ("Park Energy's Response") (Adv. Dkt. #26) filed by Park Energy Services, LLC ("Park Energy") in the above-referenced adversary proceeding (the "Adversary Proceeding").

At the Hearing, Abigail M. Marbury appeared on behalf of the United States Trustee, Connor J. Smith and Sharon L. Andrews represented Park Energy, David L. Curry, Jr. and John A. Crawford, Jr. represented FSB, and R. Michael Bolen, Katherine Hopkins, and Nancy Ribaudo represented the Trustee, Dawn M. Ragan, who was also present.

JURISDICTION

The Court has jurisdiction over the parties to and subject matter of this proceeding pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (K), and (O). Notice of the Hearing was proper under the circumstances.

FACTS

Debtors Hugoton, El Dorado, and Bluestone

El Dorado, Hugoton, and Bluestone are engaged in the business of owning and operating oil and gas interests in Texas. Oil and gas assets and leases are owned in the names of El Dorado, Hugoton, and Bluestone. El Dorado and Hugoton are the operators of the leases. (EDGO Dkt. #1162). Hugoton is a wholly owned subsidiary of El Dorado, which serves as the parent company of these debtors as well as several other affiliated non-debtors. (EDGO Dkt. #1504 at 4, ¶ H).

First Service Bank's Loan History with Debtors

On September 17, 2020, FSB loaned $50,000,000 to El Dorado, with Hugoton, World Aircraft, Inc., and Thomas Swarek serving as guarantors.[3] (Adv. Dkt. #1 at 4). Park Energy represents that FSB caused UCC-1s to be filed in El Dorado's and Hugoton's names on October 22 and 26, 2020 and caused deeds of trust, mortgages, security agreements, fixture filings, financing statements and assignments of production and revenues from El Dorado to be filed in October and November 2020.[4] (Adv. Dkt. #1 at 6; EDGO Cl. #2-1 Exs. 7-12). While not specified by Park Energy, the specific dates that FSB's liens were recorded is not disputed, according to FSB at the Hearing, as they are a matter of public record. (Hr'g at 11:23-25 (May 20, 2026)).[5]

Park Energy's Services

"Park Energy is a service company that assists operators in their oil and gas production efforts." (Adv. Dkt. #26 at 2). It "provides compression services to help pull produced oil and gas from wells and push it towards the product's treatment or sale destinations" by renting "compressor units" to the Debtors for use in the oil and gas fields. (Adv. Dkt. #1 at 5, #26 at 2).

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[3] This is not the only loan between FSB and the Debtors.
[4] Nothing asserting FSB's date of priority was attached to FSB's Motion to Dismiss or presented at the Hearing.
[5] The Hearing was not transcribed. Citations are to the timestamp of the audio recording.

Great Texas Compression, LLC ("GTC") and Archrock Partners Operating, LLC ("Archrock") leased compressor units to the Debtors and "held these rental accounts with the Debtors until Park Energy acquired the accounts and compressors." (Adv. Dkt. #1 at 5). "Park Energy acquired the Archrock accounts in 2021 and the GTC accounts in 2022." (Adv. Dkt. #1 at 5, Ex. C). Park Energy stated that most of the compressor units have not been replaced and are the "same units that have always been there." (Hr'g at 11:45 (May 20, 2026)).

Debtors' Bankruptcy Cases

Each of the Debtors' bankruptcy cases were initiated by the filing of a voluntary chapter 11 bankruptcy petition in late 2023 or early 2024. The Trustee was appointed on January 31, 2024 as the trustee of El Dorado's and Hugoton's estates. (EDGO Dkt. #193, #208; Hugoton Dkt. #196, #196). On May 22, 2024, she was appointed as the independent manager of Bluestone. (EDGO Dkt. #455; Bluestone Dkt. #156). That same day, the Court approved the joint administration of the Debtors' bankruptcy cases with the El Dorado Case as the lead case. (EDGO Dkt. #456). On August 21, 2025, the Court granted the Motions to Substantially Consolidate the El Dorado Debtors. (EDGO Dkt. #1504-1507). The Trustee sold property of the estate on January 23, 2025, and Park Energy asserts "that it has valid, priority liens as to the proceeds from" those sales. (Adv. Dkt. #1 at 7; EDGO Dkt. #1026, #1027, #1103, #1104, #1105).

Park Energy filed a proof of claim in both El Dorado's and Hugoton's bankruptcy cases. (Hugoton Cl. #46-1; EDGO Cl. #156-1) (the "Proofs of Claim").[6] Park Energy asserts that it "is owed no less than $800,000.00 for these pre- and post-petition services." (Adv. Dkt. #26 at 2). It asserts that its liens attached to the proceeds of two sales conducted by the Trustee. (Adv. Dkt. #1

[6] Technically, Park Energy has filed four proofs of claim in the two cases. One in each case is for "services provided" (Hugoton Cl. #46-1; EDGO Cl. #156-1) and the other is for administrative expense (Hugoton Cl. #99-1; EDGO Cl. #238-1).

at 7, #26 at 2; EDGO Dkt. #1103, #1105).

Adversary Proceeding

On February 19, 2026, Park Energy initiated the Adversary Proceeding by filing the Complaint and Request for Declaratory Judgment to Determine Validity, Priority, and Extent of Statutory Mineral Liens on the Debtors' Property (the "Complaint") (Adv. Dkt. #1). Park Energy claims that its "lien or interest incepted prior to [FSB's] under Texas law." (Adv. Dkt. #1 at 2).

According to the Complaint, Park Energy holds mineral liens attached to various leases for oil and gas of the Debtors and filed liens for $1,143,753.08 under Chapter 56 of the Texas Property Code "citing to numerous unpaid invoices related to the Debtors' rentals of compressor units." (Adv. Dkt. #1 at 5). TEX. PROP. CODE ANN. § 56. At least $800,000 is still owed on Park Energy's liens for pre- and post-petition services. (Adv. Dkt. #26 at 2). The liens originate from the rental agreements between Hugoton and Archrock and between El Dorado and GTC. (Adv. Dkt. #1 at 3). Park Energy alleges that its liens have priority over FSB's liens because the compressor units were supplied to the Debtors before FSB's lien existed. (Adv. Dkt. #1 at 7).

Park Energy states that the issue to be adjudicated is "whether Park Energy's lien or interest incepted prior to [FSB's] under Texas law." (Adv. Dkt. #1 at 2). It claims that "Park Energy's lien inception deadline dates back to *at least* the lien inception dates that Archrock or GTC would have had for each respective properties." (Adv. Dkt. #1 at 3).

FSB's Motion to Dismiss

In the Motion to Dismiss, FSB states that "Park Energy's Complaint fails to state a claim upon which relief can be granted under Fed. R. Civ. P. 12(b)(6) and should therefore be dismissed." (Adv. Dkt. #13 at 2). FSB argues that "Park Energy's theory depends on the legally untenable premise that assignment can revive extinguished lien rights, transfer lien rights untethered to any existing debt, and manufacture a pre-2020 priority date after the fact." (Adv. Dkt. #14 at 2). Because Archrock or GTC were never owed a debt by the Debtors, there were no lien rights for Archrock and GTC to assign to Park Energy. FSB also argues that "Exhibit C to the Complaint expressly limits the GTC accounts receivable sold to Park Energy to those 'with an invoice date on or after March 16, 2022'" and that relation-back "does not allow a successor claimant to piggyback on long-completed historical work…to defeat a prior perfected lender lien." (Adv. Dkt. #14 at 2).

Additionally, FSB also argues that Park Energy should be judicially estopped from alleging in the Complaint that it is owed more than $800,000 based on liens that predate May 1, 2023 (and the date of FSB's liens) because of its previous assertion in the Proof of Claim failed in El Dorado's bankruptcy case that it is owed $684,381.15 on invoices dating back to May 1, 2023 in the Lien Affidavits. (Adv. Dkt. #14 at 15-16). FSB bases this argument on the dates included in Park Energy's recorded lien affidavits (the "Park Energy Lien Affidavits)[7] and alleges that the Court accepted and relied on the position taken in the Proofs of Claim when it entered the Sale Order and that Park Energy's prior position was not the result of inadvertence. (Adv. Dkt. #14 at 16-18).

Trustee's Motion to Dismiss

The Trustee's Motion to Dismiss adopts FSB's arguments as to why Park Energy's Complaint should be dismissed as to all defendants and if FSB's Motion to Dismiss is denied, asks the Court to at least dismiss Bluestone. The Trustee contends that Park Energy failed to allege any relationship between Bluestone Natural Resources II, LLC and the defendant, Bluestone Natural Resources II – South Texas, LLC. (Adv. Dkt. #15). In the alternative, the Trustee asks the Court to require Park Energy to amend the Complaint.

[7] A compilation of lien affidavits filed by Park Energy were attached to the Motion to Dismiss as exhibit 2 (the "Park Energy Lien Affidavits"). These affidavits were not entered into evidence at the Hearing.

Park Energy's Response

Park Energy filed its response stating that FSB and the Trustee's "only contention in its [Motion to Dismiss] is that Park Energy does not state a claim for priority under Texas mineral lien law." (Adv. Dkt. #26 at 6). Park Energy asserts that FSB claims "Park Energy needed to have laid out sufficient facts in its Complaint to put [FSB and the Trustee] on notice of the liens, the lien dates, the purported priority dates, and the respective properties" – Park Energy says it did. (Adv. Dkt. #26 at 3). Park Energy also contends that FSB attempts to fabricate a requirement that Park Energy state the inception date for priorities purposes in the Park Energy Lien Affidavits, but that "no such requirement" exists in Texas law. (Adv. Dkt. #26 at 7). Instead, Park Energy needed only provide enough information pursuant to Tex. Prop. Code Ann. § 56.022(a)(3) and Texas case law "to ensure that third parties can determine whether liens were recorded within the six-month window, starting on the last date of work." (Adv. Dkt. #26 at 9).

As to the Trustee's Motion to Dismiss, Park Energy explains that "[u]pon information and relief, Bluestone Natural Resources II – South Texas, LLC was split from Bluestone Natural Resources II, LLC, but continued to rent compressor units under the same rental agreement." (Adv. Dkt. #26 at 14). Park Energy asserts that – based on the Trustee's own testimony and the Court's findings in previous matters – "creditors viewed the Debtors as a single unit" and that "[the Trustee's] inability to determine the assets and liabilities of each Debtor is the very reason why she request[ed] substantive consolidation." (Adv. Dkt. #26 at 14 (citing the Order Granting the Trustee's Motion for Substantive Consolidation of the Debtors and El Dorado Oil & Gas, Inc., EDGO Dkt. #1504)). Based on the substantive consolidation of the Debtors, Park Energy asserts that it "put Bluestone on notice of its claim of lien priority" and provided sufficient detail for Bluestone to prepare a defense. (Adv. Dkt. #26 at 16).

May 20, 2026 Hearing

Counsel for the parties were well prepared for the arguments at the Hearing and adeptly covered several issues in detail, such as: the existence of prior debt that Park Energy obtained by assignment from Archrock or GTC and the subsequent existence of Park Energy's liens; the Texas statutory and case law on lien creation and priority; the interpretation of contract provisions between Archrock and GTC and Park Energy; FSB's lien perfection and priority; and general principles that apply to a Rule 12(b)(6) motion. The arguments at the Hearing provided context to Park Energy's allegations in the Complaint.

As to FSB's Motion to Dismiss, FSB argued that because Park Energy's Complaint has failed to allege an underlying debt owed by the Debtors to Archrock and GTC, Park Energy was not assigned any lien of Archrock or GTC and cannot use the date of commencement of work to assert lien priority. (Hr'g at 11:06-07 (May 20, 2026)). FSB further asserts that the Park Energy Lien Affidavits assert a date of work (May 1, 2023 at the earliest) that post-dates FSB's lien. (Hr'g at 11:20-22 (May 20, 2026)).

FSB admitted that the law on establishing lien priority is "not entirely clear" in Texas. (Hr'g at 11:09 (May 20, 2026)). It also acknowledged that any potential liens Park Energy may have acquired depend on the interpretation of the contracts between Park Energy and Archrock and GTC. (Hr'g at 11:16 (May 22, 2026)).

FSB addressed Park Energy's argument that it confused lien priority with lien perfection by arguing that the relevant statutory requirement requires the dates of work to be included in the filings of lien affidavits. (Hr'g at 11:21 (May 20, 2026)). Park Energy stated that "the perfected amount of [the] lien is on the unpaid portion of the invoices, but [the] lien priority date relates back to the first day of work" based on Texas case law. (Hr'g at 11:31 (May 20, 2026)). Park Energy conceded that the lien is limited to the amount that is unpaid – if there is no unpaid invoice then there is no lien. (Hr'g at 11:34 (May 20, 2026)). "The rights to perfect [the] liens is created by the nonpayment of the invoice." (Hr'g at 11:37 (May 20, 2026)). However, Park Energy maintains that the lien priority date is separate and different from the date when a lien can be perfected.

When asked by the Court if materialmen have an infinite priority date to claim once they've begun work, Park Energy cited Tex. Prop. Code Ann. § 56.005(b) as a limitation on the effective priority date of a materialmen's lien. (Hr'g at 11:30 (May 20, 2026)). Park Energy supposed that if Archrock or GTC were attempting to make Park Energy's argument, no question would exist as to their priority, so Park Energy should be able to make the same argument as the assignee of Archrock and GTC pursuant to Texas case law. (Hr'g at 11:38 (May 20, 2026)). Park Energy also stated that many of the compressor units are the same ones that were provided to the Debtors when these contracts originated and the units are difficult to replace. (Hr'g at 11:46 (May 20, 2026)). Park Energy contends that most of the arguments made during the Hearing were more appropriate for a summary judgment motion. (Hr'g at 11:52 (May 20, 2026)).

Park Energy responded to FSB's judicial estoppel argument by pointing out that it addressed the estoppel arguments in paragraph 31 of its Response. (Hr'g at 11:50 (May 20, 2026); Adv. Dkt. #26 at 11). Park Energy asserts that FSB's argument that the Proofs of Claim do not list all the dates of work over the lifespan of the contracts indicates FSB's misunderstanding of the difference between perfection and priority and points out that FSB has not objected to Park Energy's Proofs of Claim. (Hr'g at 11:51-52 (May 20, 2026)).

As to the Trustee's Motion to Dismiss, Park Energy stated that it would amend the Complaint to list the correct entity to address the Trustee's concern, but that an amendment was not necessary because case law provides that the liabilities of one debtor become the liabilities of the other after substantive consolidation and the proceeds of the sales at issue are likely jointly held anyway. (Hr'g at 11:56 (May 20, 2026)). The Trustee argued that amendment would be futile because Park Energy has failed to establish a connection between Bluestone Natural Resources II, LLC, who Park Energy alleges in the Complaint had a rental agreement with GTC, and Bluestone Natural Resources II – South Texas, LLC, a Debtor. (Hr'g at 11:59 (May 20, 2026)). Park Energy countered that payments came from both Bluestone and El Dorado and that it is likely that El Dorado was the actual source of all the payments. (Hr'g at 12:03 May 20, 2026)).

Rule 12(b)(6) Standard

FSB's primary ground for dismissal is failure to state a claim upon which relief can be granted under Fed. R. Civ. P. 12(b)(6). (Adv. Dkt. #13 at 2). The pleading standards that apply to a motion to dismiss filed under Rule 12(b)(6) arise out of the requirement contained in Rule 8(a)(2) of the Federal Rules of Civil Procedure[8] that a complaint contain "a short and plain statement of the claim showing that the pleader is entitled to relief." In *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544 (2007), the Supreme Court explained that to survive such a motion, the plaintiff must plead "enough facts to state a claim to relief that is plausible on its face." *Id.* at 570. In *Ashcroft v. Iqbal*, 556 U.S. 662 (2009), the Supreme Court described application of the "plausibility" standard in *Twombly* as a two-part analysis.

First, a court should identify those allegations in the complaint that, unlike non-conclusory, factual allegations, are not entitled to the assumption of truth. *Iqbal*, 556 U.S. at 678-79. Second, a court should determine whether the non-conclusory factual allegations in the complaint plausibly suggest a claim for relief. *Id.* at 679. Factual allegations must be enough to raise a right to relief above the speculative level, on the assumption that all the allegations in the complaint are true,

[8] Under Rule 7008 of the Federal Rules of Bankruptcy Procedure, Federal Rule of Civil Procedure 8 applies in adversary proceedings.

even if doubtful in fact. *Twombly*, 550 U.S. at 555. For purposes of a motion to dismiss, the Court reviews the facts and inferences to be drawn from them in the light most favorable to the nonmoving party. *See Dorsey v. Portfolio Equities, Inc.*, 540 F.3d 333, 338 (5th Cir. 2008).

In deciding a Rule 12(b)(6) motion, a court generally may not "go outside the complaint." *Rodriguez v. Rutter*, 310 F. App'x 623, 626 (5th Cir. 2009) (citing *Scanlan v. Tex. A&M Univ.*, 343 F.3d 533, 536 (5th Cir. 2003)). If a court considers matters beyond the four corners of the complaint, it must treat the motion to dismiss as a motion for summary judgment. *See* FED. R. CIV. P. 12(d) (as adopted by FED. R. BANKR. P. 7012(b)). There are numerous exceptions to this general rule. For example, it is well settled that a court may consider documents attached to a motion to dismiss or to a response when they are referred to in the complaint and are central to the plaintiff's claims. *Vanderbrook v. Unitrin Preferred Ins. Co. (In re Katrina Canal Breaches Litig.)*, 495 F.3d 191, 205 (5th Cir. 2007) (citing *Causey v. Sewell Cadillac-Chevrolet, Inc.*, 394 F.3d 285, 288 (5th Cir. 2004)). A court also may consider matters of public record and information subject to judicial notice. *In re Miller*, 589 B.R. 550, 560 (Bankr. S.D. Miss. 2018) (citing *Cinel v. Connick*, 15 F.3d 1338, 1343 n.6 (5th Cir. 1994)).

DISCUSSION

FSB's Motion to Dismiss

FSB, and the Trustee by joinder, contend that certain deficiencies in the Complaint render Park Energy's claim implausible. They also assert certain affirmative defenses as grounds for dismissing the Complaint. The Court begins by addressing each alleged deficiency in the Complaint separately.

A. Alleged Deficiencies in the Complaint

1. Assignment of Debts

FSB and the Trustee argue that the Complaint must be dismissed because Park Energy has failed to demonstrate that Archrock and GTC assigned any original debts, and therefore any liens, to Park Energy in 2021 and 2022: "Without an underlying debt owed to Archrock and GTC, there was no corresponding lien right…to assign." (Adv. Dkt. #14 at 8). Park Energy asserts that "[t]his argument seeks to adjust priority dates based on what invoices have been paid" and cites *Diversified Mortgage. Investors v. Lloyd D. Blaylock General Contractor, Inc*., 576 S.W.2d 794 (Tex. 1978) for its holding that "[t]he lien was perfected as to the unpaid portions, but the priority of the claimant's lien nevertheless related back to the commencement date of work or delivery." (Adv. Dkt. #26 at 10). Park Energy also cites *Yeager Electric & Plumbing Co. v. Gaines Bldg., Inc*., 492 S.W.2d 921, 923 (Tex. Civ. App.–Corpus Christi 1979) for the principle that "priority is measured when work commenced." (Adv. Dkt. #26 at 10). Park Energy points to Exhibit A of the Complaint, which purports to be a list of the outstanding liens it obtained from GTC and Archrock (Adv. Dkt. #1 at 5) and to the two Proofs of Claim filed by Park Energy (EDGO Cl. #156-1; Hugoton Cl. #46-1). The Complaint alleges the existence of the debt owed to Park Energy making dismissal on this ground inappropriate.

2. Purchase of GTC's Lien Rights

Next, FSB argues that Park Energy did not purchase any lien rights from GTC because the contract between Park Energy and GTC – attached to the Complaint as Exhibit C – "expressly limits the GTC accounts receivable…to those 'with an invoice date on or after March 16, 2022.'" (Adv. Dkt. #14 at 2; Hr'g at 11:14 (May 20, 2026)).

To this, Park Energy directs the Court to the first page of Exhibit C and section 2.1(r), which provide:

> WHEREAS, Purchaser wishes to purchase from Seller, and Seller wishes to sell to Purchaser, all of the assets, properties and rights of Seller (other than the Excluded Assets), and Purchaser wishes to assume the Assumed Liabilities, upon the terms and conditions of this Agreement.
>
> ….
>
> (r) all rights of Seller pertaining to any causes of action, lawsuits, judgments, claims, demands, counterclaims, set-offs or defenses Seller may have with respect to the Assumed Liabilities or any of the Purchased Assets, except to the extent relating to the Retained Liabilities or Excluded Assets;

(Adv. Dkt. #1 Ex. C at 7, 11; Hr'g at 11:37 (May 20, 2026)). Park Energy posits that these provisions indicate that it did purchase all lien rights. Park Energy further argued at the Hearing that FSB's interpretation of section 2.1(g) of Exhibit C confuses lien perfection with lien priority, stating that these provisions could be interpreted to say Park Energy does not have the right to perfect liens on amount owed prior to that assignment, but that interpretation does not impact the relevant date for lien priority determinations. (Hr'g at 11:39 (May 20, 2026)). Assuming that is true, as the Court must, the Complaint is sufficient in this respect and presents a plausible argument that Park Energy purchased the lien rights of GTC.

3. Relation-Back Doctrine

Finally, FSB argues that the relation-back doctrine cannot be used "to gain priority based on earlier work completed and fully paid for." (Adv. Dkt. #14 at 10) (citing *Perkins Constr. Co. v. Ten-Fifteen Corp.*, 545 S.W.2d 494, 499 (Tex. Civ. App.–San Antonio 1976)). Park Energy rejects this representation of the holding in *Perkins*. "Unlike *Perkins*, Park Energy and its predecessors seamlessly provide rental compression services throughout the rental's history under the same transaction." (Adv. Dkt. #26 at 11; Hr'g at 11:32 (May 20, 2026)). "Further, *Perkins* does not limit the date of priority to the date of first unpaid work" as the court "recognized that a lien claimant's right to a lien 'is necessarily dependent on the date he first performed labor or delivered material.'" (Adv. Dkt. #26 at 11 (citing *Perkins*, 545 S.W.2d at 499)). Park Energy asserts that the facts in *Perkins* are different than the present facts, but that its reasoning holds because there has been no gap in services to the Debtors. (Hr'g at 11:47-50 (May 20, 2026)).

At bottom, Park Energy alleges in the Complaint that (1) it holds mineral liens attached to leases for oil and gas of the Debtors (2) which are perfected and (3) have priority over FSB's liens. "The point of the Supreme Court's directive in *Twombly* was to weed out frivolous litigation where insuf[f]icient facts are alleged to form the basis for a claim. Here, the facts alleged are simple: my lien position is better than your lien position." *Baker Hughes Oilfield Operations, Inc. v. Summerline Asset Mgmt., LLC (In re S. Tex. Oil Co.)*, No. 10-5012, 2010 WL 1903750, at *1 (Bankr. W.D. Tex. May 10, 2010). Further, a contention that a lien was "perfected prior in time to the commencement of the delivery of goods or services to [a] project and thus [has] priority over" another party's rights "requires evidence" and is not properly taken up at the motion to dismiss stage. *Id.* at *3. Given that courts have previously held that an assertion of "my lien position is better than your lien position" can survive a motion to dismiss, Park Energy has sufficiently stated a claim upon which relief could be granted. Again, the issue is whether Park Energy's liens incepted prior to FSB's liens. *Id.* Further, mineral liens are to be liberally construed to protect those in Park Energy's position – who provided services but went without payment for those services. *In re South Texas Oil Co.*, No. 09-54233, 2010 WL 1903750 at *1-2; (Hr'g at 11:44 (May 20, 2026)). Based on the Complaint, and taking all facts cited therein as true, Park Energy has pled sufficient details to support its claim that it acquired lien rights from GTC and Archrock, the liens remain outstanding, and that the liens are superior to those of FSB. Park Energy stated a plausible claim for relief making dismissal inappropriate under Fed. R. Civ. P. 12(b)(6).

B. FSB's Affirmative Defenses of Estoppel & Quasi-Estoppel

FSB argues that because Park Energy's Response does not address its arguments for estoppel and quasi-estoppel, Park Energy has conceded the argument. (Hr'g at 11:18 (May 20, 2026)). Park Energy says that these affirmative defenses do not apply and that this argument is another example of FSB's misunderstanding between lien priority and lien perfection.

"At the motion to dismiss stage, the Court should view ambiguities in the light most favorable to" Park Energy "as [it] is not required to include allegations disproving [FSB's] affirmative defenses to survive a 12(b)(6) motion." *Louis Vuitton Malletier, S.A.S., v. Keep it Gypsy, Inc.*, Case No. 23-cv-2569, 2024 WL 3927819, at *5 (N.D. Tex. Aug. 8, 2024) (citation omitted).

Trustee's Motion to Dismiss

Bluestone Natural Resources II – South Texas, LLC is the bankruptcy debtor (under Case No. 24-50223, which has been substantially consolidated with El Dorado). Park Energy identifies Bluestone Natural Resources II – South Texas, LLC in the caption of the Complaint.

First, the Trustee claims that "Park Energy alleges that Bluestone Natural Resources II, LLC" – ***not*** Bluestone Natural Resources II ***– South Texas,*** LLC – "was part to a Mas[t]er Service Agreement with [GTC]" but that Bluestone Natural Resources II, LLC is "a distinct and separate entity from the Debtor Bluestone and Park Energy fails to allege any relationship between Bluestone and [Bluestone Natural Resources II, LLC]." (Adv. Dkt. #15-1 at 4). She argues Park Energy's Complaint should be dismissed as to Bluestone because "the Complaint is entirely devoid of any allegations against Bluestone." (Adv. Dkt. #15-1 at 4). Second, she states that the Complaint does not include Bluestone in its definition of "Debtor Defendants," so those allegations are not made against Bluestone. (Adv. Dkt. #15-1 at 4). Park Energy defines "Debtor Defendants" as "Defendants El Dorado and Hugoton… in the above-captioned jointly administered chapter 11 cases styled *In re El Dorado Gas & Oil, Inc., Case No*. 23-51715." (Adv. Dkt. #1 at 4).

In its Response, Park Energy asserts that "Bluestone Natural Resources II – South Texas, LLC was split from Bluestone Natural Resources II, LLC, but continued to rent compressor units under the same rental agreement" and that payments were made by El Dorado and Hugoton on Bluestone's behalf. (Adv. Dkt. #26 at 14). It plans to establish this fact through discovery, but for now asserts it has sufficiently pleaded its claim to survive a Rule 12(b)(6) motion to dismiss. (Adv. Dkt. #26 at 15). It further claims that Bluestone Natural Resources II – South Texas, LLC has been put on notice of the claim of lien priority against it, so amending the Complaint would serve no purpose. (Adv. Dkt. #26 at 16). Although the allegations in the Complaint as to Bluestone could have been clearer, they do not rise to the level to warrant Bluestone's dismissal. To remove any ambiguity, however, the Court will require Park Energy to amend the Complaint. At the Hearing, Park Energy indicated its willingness to file such an amendment.

CONCLUSION

Park Energy pointed out at the Hearing that several of the questions asked by the Court were best resolved on a motion for summary judgment or at trial– and not on a Rule 12(b)(6) motion. The Court agrees given the extensive amount of detail required during the Hearing to reach a preliminary understanding of the complexity of the issues. For now, the Court finds that Park Energy has successfully pleaded sufficient facts to state a plausible claim of disputed lien priority and that FSB's Motion to Dismiss should be denied.

Further, the Court finds that the Trustee's Motion to Dismiss should be denied, and Park Energy should amend the Complaint within 21 days of this Order to adequately identify Bluestone Natural Resources II, South Texas – LLC as a defendant in this Adversary Proceeding.

IT IS, THEREFORE, ORDERED that FSB's Motion to Dismiss is denied without prejudice.

IT IS FURTHER ORDERED that the Trustee's Motion to Dismiss is granted in part and denied in part. Park Energy shall amend the Complaint within 21 days of this Order to properly name Bluestone Natural Resources II, South Texas – LLC as a defendant. In all other respects, the Trustee's Motion to Dismiss is denied without prejudice.

##END OF ORDER##