

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
EASTERN DIVISION**

In re:)	
)	
ARCHIE'S OIL SERVICES, INC.,)	Chapter 11
)	
Debtor.)	Case No. 08-15275-JNF
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In re:)	
)	
ARCHIE'S AND KEN'S OIL AND)	Chapter 11
HEATING SERVICE, INC.,)	
)	Case No. 08-15276-JNF
)	
Debtor.)	
<hr/>		
In re:)	
)	
KEN'S OIL AND HEATING SERVICES,)	Chapter 11
INC.,)	
)	Case No. 08-15280-JNF
)	
Debtor.)	

**DEBTORS' MOTION FOR INTERIM AND FINAL ORDERS (A) AUTHORIZING
DEBTORS TO OBTAIN POSTPETITION SECURED FINANCING AND TO
UTILIZE CASH COLLATERAL, (B) GRANTING ADEQUATE PROTECTION, AND
(C) SCHEDULING FINAL HEARING**

The above-captioned debtors and debtors-in-possession (collectively, the “Debtors”), by and through their undersigned counsel, hereby file this motion (the “Motion”) for entry of an order: (a) authorizing the Debtors to obtain postpetition financing pursuant to sections 105, 361, 362, 363, and 364 of the Bankruptcy Code (as defined below) and to utilize cash collateral pursuant to section 363 of the Bankruptcy Code; (b) granting adequate protection to Rockland Trust Company (“Rockland”), the prepetition secured party, pursuant to sections 361, 362, 363, and 364 of the Bankruptcy Code; and (c) scheduling a final hearing pursuant to Rules 4001(b) and (c) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rule 4001-2 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the District of Massachusetts (“MLBR” or the “Local Rules”).

In support of this motion (the "DIP Financing Motion"), the Debtors respectfully state as follows:¹

Jurisdiction

1. This Court has jurisdiction over this Motion under 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue of this proceeding and this Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

2. The statutory bases for the relief requested herein are sections 105, 361, 362, 363 and 364 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as amended by the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (the "Bankruptcy Code"), Rule 4001 of the Bankruptcy Rules, and Local Rule 4001-2.

Background

3. On July 18, 2008 (the "Petition Date"), the Debtors filed voluntary petitions for relief under chapter 7 of the Bankruptcy Code.

4. On July 25, 2008, each of the Debtors filed its Debtor's Motion to Convert Chapter 7 Case to Another Chapter (the "Conversion Motion"). On August 1, 2008, the Debtors filed the *Assented-To Emergency Motion for Emergency Hearing Regarding Debtors' Motion to Convert Chapter 7 Cases to Chapter 11 Cases*. This DIP Financing Motion is conditioned upon the approval of the Conversion Motion no later than the date of approval of this DIP Financing Motion.

A. History of Debtors

5. Archie's Oil Services, Inc. ("Archie's") has been a leading supplier of home-heating oil and related services in the Southeastern Massachusetts residential and commercial heating markets for many year since its inception in December 1966.

¹ Additional facts and circumstances supporting this Motion are set forth in the Declaration of Arthur Alden, President and Director of Archie's Oil Services, Inc. and Director of Related Business Debtors, in Support of Financing and Sale Motions (the "Declaration"), filed contemporaneously herewith.

6. During the 2001 heating oil season, an oil delivery driver left his truck unattended while it was being filled with oil at the property located at 140 Howard St. Brockton, MA. Approximately 1,100 gallons of home heating oil spilled into the ground and seeped into a local creek behind the property.

7. This unfortunate accident resulted in a spill which generated approximately \$1 million of environmental cleanup expenses at the contaminated site. As a result, Archie's operational cash flow was drained and it began to incur debt in order to maintain ongoing operations.

8. Meanwhile, the company had difficulty obtaining necessary financing due to a concurrent 21-E issue on the site.

9. As a result of all of the above, Arthur Alden, Archie's founder and president, suffered adverse health effects and found it increasingly difficult to focus on the day-to-day business operations. During summer, 2007, Archie's negotiated with Ken's Oil and Heating Service, Inc. ("Ken's"), to form a joint venture. This venture created certain synergies, whereby Ken's was aggressively marketing the home-heating oil discount market place, and Archie's continued to service higher-end margin accounts. Archie's customer base increased from 1,500 customers to 2,500 customers as a result of this venture.

B. Events Leading to Bankruptcy

10. Nevertheless, in late 2007 and early 2008, Archie's continued to experience cash flow problems on account of the oil spill. However, Archie's (along with Ken's and the joint venture's) cash flow problems became further strained as a result of the energy crisis that took shape during the 2007-2008 home-heating oil season. It became increasingly expensive to purchase oil for resale and the Debtors could not generate enough cash flow on a daily basis to pay for the vast amounts of oil that their customers demanded. The Debtors needed \$30,000 to \$50,000 per day in order to supply its existing customers, and, because the Debtors extended 30 day-credit to customers, not enough cash flow was generated on a daily basis to purchase oil.

C. Prepetition Loan Agreements

11. Prior to the Petition Date, Rockland loaned funds to Archie's pursuant to (i) the Commercial Promissory Note dated April 20, 2004 in the original principal amount of \$500,000, Loan No 310370500 ("First Note"), (ii) the Promissory Note dated March 11, 2005 in the original principal amount of up to \$150,000 ("Second Note," and collectively with First Note, the "Notes"). As of July 21, 2008, Archie's owed Rockland no less than **\$604,819.82** (the "Indebtedness"),² consisting of:

	<u>First Note</u>	<u>Second Note</u>	<u>TOTALS</u>
Principal	\$443,360.46	\$116,883.13	\$560,243.59
Interest	\$9,606.33	\$16,177.28	\$25,783.61
Other Fees and Penalties	\$11,391.15	\$7,401.47	\$18,792.62
TOTALS	\$464,357.94	\$140,461.88	\$604,819.82

12. In addition, the principals of Archie's, including, without limitation, Mr. Alden, executed a Guaranty dated April 20, 2004 (the "Guaranty").

13. In order to secure its obligations under the Notes, Archie's executed certain mortgages and security agreements (collectively, the "Security Agreements," and together with the Notes and the Guaranty, the "Loan Documents") granting security interests to Rockland in substantially all of its assets including, without limitation, Archie's real property (the "Real Property") and any and all of its accounts, inventory, equipment, general intangibles, contract rights, securities and any and all proceeds thereof (collectively, the "Personal Property," and together with the Real Property, the "Collateral"). The Security Agreements consist of: (i) a Security Agreement dated April 20, 2004, which has been duly perfected by recording a UCC Financing Statement in the Office of the Secretary of State for the Commonwealth of Massachusetts, (ii) a Security Agreement dated March 11, 2005, which has been duly perfected by recording a UCC Financing Statement in the Office of the Secretary of State for the Commonwealth of Massachusetts, (iii) a Mortgage and Security Agreement dated April 20, 2004 a copy of which is recorded in the Plymouth County Registry of Deeds at Book 27993, Page 3, and (iv) an Assignment of Leases and Rents dated April 20, 2004, a copy of which is recorded in the Plymouth

² Rockland expressly reserves all of its rights, remedies and claims under the Loan Documents and any and all other documents and agreements by and between Rockland and any of the Debtors and under applicable law, including, without limitation, Rockland's claims for amounts arising on account of legal and related fees and

County Registry of Deeds at Book 27993, Page 22. True and correct copies of all of the Loan Documents are attached to the Rockland Relief Motion (hereinafter defined) and are incorporated herein by reference.

14. Prior to the Petition Date, Archie's was in default under the terms of the Loan Documents, and Rockland commenced foreclosure proceedings upon the collateral securing Archie's obligations under the Loan Documents. As a result of the Debtors' chapter 7 bankruptcy petitions, Rockland was unable to proceed with its foreclosure sales.

D. Other Prepetition Liens

15. The Debtors are unaware of any additional liens on or security interests in their properties, other than: (i) a municipal lien certificate issued on February 22, 2008, indicating outstanding real estate taxes on the Real Property; and (ii) an execution of a judgment obtained by Global Companies, LLC, that was recorded against the Real Property on June 16, 2008.

E. Postpetition Events

16. On July 24, 2008, Rockland filed the *Emergency Verified Motion of Rockland Trust Company for Relief from the Automatic Stay, Pursuant to 11 U.S.C. §§ 362(d)(1) and (2), Fed. R. Bankr. P. 4001 and 9014, and MLBR 4001-1, to Foreclose on its Collateral* (the "Rockland Relief Motion") and this Court scheduled a hearing thereon to be held on July 30, 2008.

17. On July 30, 2008, this Court held a hearing on the Rockland Relief Motion and granted Rockland relief from the automatic stay.

18. Thereafter, also on July 30, 2008, the Debtors and Rockland reached an agreement regarding the disposition of the Debtors' assets, and Rockland's collateral, pursuant to a going-concern sale under section 363 of the Bankruptcy Code. Rockland agreed to support the Debtors' Conversion Motion, to consent to the Debtors' use of its cash collateral and to provide additional financing, if necessary, expressly conditioned upon the Debtors' commitment to sell all or substantially all of its assets through a court-approved bankruptcy sale, with such sale to close on or before August 29, 2008.

expenses incurred in connection with enforcement of and/or collection under the Loan Documents, both prior to and after the Petition Date.

Relief Requested

19. By this Motion, the Debtors seek the authority: (a) to use Rockland's cash collateral to finance their business operations and (b) to enter into a DIP financing facility up to \$249,464.00 (the "DIP Facility"), which shall allow the Debtors immediately to borrow funds from Rockland, if necessary, in connection with the maintenance of their businesses pending the proposed sale of the Debtors' assets. The DIP Facility shall be subject to the same terms and conditions of the Loan Documents, shall bear the fixed interest rate of ___% per annum, and shall expire on August 29, 2008 (the "Sale Closing Date"). Each of the Debtors shall be jointly and severally liable for the obligations arising under or in connection with the DIP Facility.

20. Because the Debtors expect to sell their business on or before the Sale Closing Date, the Debtors do not anticipate the need for long-term financing. Moreover, the Debtors expect to generate sufficient working capital from the collection of account receivables, sale of existing inventory, and other business operations such that cash collateral funds, along with the DIP Facility (if necessary), should be sufficient to pay all administrative expenses due and payable during the periods covered by the budgets, copies of which are attached collectively hereto as Exhibit A (the "Budget"). By the terms of the Debtors' agreement with Rockland, the Debtors will pay Rockland 100% of all receipts to be applied to the Debtors' obligations under the Loan Documents. The Debtors shall be permitted to request advances from the DIP Facility, and if no default first occurring postpetition exists at such time, Rockland shall make advances pursuant to such requests, which advances in a particular week shall be in an amount equal to the lesser of (i) the total amount of receipts actually received by Rockland from the Debtors in the immediately preceding week and applied by Rockland to the Indebtedness, and (ii) \$72,366. Because Rockland has been granted relief from the automatic stay to foreclose upon its collateral, including, without limitation, the Real Property, accounts receivable and inventory – which comprise all of the assets necessary for the continued operations of the Debtors' businesses in order to market and achieve a going-concern sale, the Debtors submit that the proposed weekly payments to Rockland are in the best

interests of the Debtors, their estates and their creditors. The balance of the funds are expected to be sufficient to cover post-petition operating expenses and bankruptcy administrative expenses.

21. The proceeds of the DIP Facility will be used by the Debtors to fund their working capital and general corporate needs during the administration of these cases prior to the Sale Closing Date, in the amounts and for the purposes set forth in the Budget, and to repay obligations owed to Rockland. Because budgeted expenses are based upon projections and actual expenses may vary from projected amounts, the Debtors respectfully request that they be authorized to pay any such actual expenses so long as they do not vary from the projections by more than five percent (5%), on a line item and collective basis (the "Variance").

22. As collateral for the DIP Facility, Rockland shall be granted a senior lien and security interest, pursuant to 11 U.S.C. §364(d)(1)(A), in all prepetition and postpetition assets of the Debtors, including, without limitation, the Collateral and all of the Debtors' postpetition inventory and accounts receivable, but excluding all avoidance actions arising under 11 U.S.C. §§542 – 553.

Basis for Relief

A. Use of Cash Collateral

1. Definition of Cash Collateral

23. Section 363(a) of the Bankruptcy Code defines "cash collateral" as:

[C]ash, negotiable instruments, documents of title, securities, deposit accounts, or other cash equivalents whenever acquired in which the estate and an entity other than the estate have an interest and includes the proceeds, products, offspring, rents or profits property ... subject to a security interest as provided in section 552(b) of this title, whether existing before or after the commencement of a case under this title.

11 U.S.C. § 363(a).

24. Section 552(b) of the Bankruptcy Code provides:

[I]f the debtor and an entity entered into a security agreement before the commencement of the case and if the security interest created by such security agreement extends to property of the debtor acquired before the commencement of the case and to proceeds, then such security interest extends to such proceeds, products, offspring, rents or profits acquired by the estate after the commencement of the case to the extent provided by

such security agreement and by applicable nonbankruptcy law, except to the extent the court, after notice and a hearing and based on the equities of the case, orders otherwise.

11 U.S.C. § 552(b).

25. In view of the foregoing, the term “cash collateral” in this case includes the revenues and the proceeds of accounts receivable as well as post-petition revenues (collectively, “Cash Collateral”).

26. In order to effectuate a liquidating plan of reorganization premised on the going-concern sale of the Debtors’ business, the Debtors require the use of revenue and accounts receivable proceeds, which constitutes cash collateral of Rockland.

2. *The Debtor’s Request To Use Cash Collateral*

27. Section 363(c)(2) of the Bankruptcy Code provides, in pertinent part, that a debtor-in-possession “may not use, sell or lease cash collateral under paragraph (1) of this subsection unless – (A) each entity that has an interest in such cash collateral consents; or (B) the Court, after notice and a hearing, authorizes such use, sale, or lease in accordance with the provisions of this section.” 11 U.S.C. § 363(c)(2).

28. As set forth in the Budget, the Debtors anticipate cash receipts during the Projection Period of approximately \$_____. In addition, the Debtors anticipate cash disbursements for payroll, rent, electricity, heat, liability insurance, worker’s insurance, health insurance, telephone service, expenses, equipment leases (including copiers, etc.), miscellaneous supplies and other disbursements in the approximate amount of approximately \$_____ during the Projection Period, for a positive cash flow of approximately \$_____.

29. Rockland is owed approximately \$600,000 under the Loan Agreements and holds a security interest in all of Archie’s cash, accounts receivable and inventory. The Debtors seek court authority to use its cash collateral to pay down the Indebtedness owed to Rockland; and (ii) the Debtors’ agreement to sell their business pursuant to section 363 of the Bankruptcy Code on or before August 29, 2008. The Debtors anticipate generating positive cash flow from collections, revenues and other business

operations and, to the extent not collected, the Debtors shall sell these assets as part of their proposed section 363 sale.

30. In addition, the Debtors' need for Cash Collateral is critical. If the Debtors are not authorized to use Cash Collateral on the conditions set forth herein, the Debtors will be forced to terminate or suspend operations, and the value of the Debtors' business, including its current contracts and related goodwill, including any going-concern value, likely will be zero. Furthermore, if the Debtors are not authorized to use Cash Collateral as set forth herein, Rockland will be forced to liquidate the remaining assets of the Debtor. In such an event, Rockland would only recover the "liquidation" value of the Debtors' assets, and creditors other than Rockland might receive little or no recovery.

31. If the Debtors are granted authority to use Cash Collateral in accordance with the terms set forth herein and in the attached Cash Collateral Budget, they will be able to maintain their business operations and preserve the existing value of their enterprises for the benefit of Rockland and all creditors.

32. Accordingly, the Debtors respectfully request that this Court authorize and approve the Debtors' use of Cash Collateral for the Projection Period as set forth in the Budget, to pay to Rockland for application to the Indebtedness.

33. In light of the foregoing, it is clearly in the best interests of the Debtors, their creditors and their estates that the Debtors continue to operate their businesses and pay all postpetition obligations to fully maintain their businesses and to satisfy all administrative expenses, pending confirmation of a chapter 11 plan of liquidation. Absent the use of Cash Collateral, the Debtors will be unable to operate and will suffer irreparable harm. Even a temporary interruption or discontinuance of the Debtors' ability to fund operational expenses and maintain services to their customers may make it impossible to conduct business on a postpetition basis or to reorganize the Debtors' financial affairs and maintain their going-concern value.

34. The Debtors therefore request that this Court approve the interim relief requested and schedule a final hearing, at which time the Debtors will seek final approval of this Motion, authorizing the continued use of Cash Collateral through and including August 29, 2008.

B. Authorization to Obtain DIP Financing

1. Overview of DIP Loan

35. The Debtors seek authority to incur the DIP Facility from Rockland (the "DIP Loan"), to the extent necessary, to provide working capital for the Debtors' continued operations prior to the proposed sale. Among the primary terms of the DIP Loan and DIP Facility are the following:

- Purpose: To permit the Debtors to pay overhead costs, operating expenses, loan servicing costs, and administrative and professional fees in accordance with the Budget.
- Interest: Fixed interest rate of ____% per annum based upon a 360 day year.
- Maturity: Sale Closing Date. All proceeds of the sale of any of the Debtors' assets shall be paid to Rockland to the extent required to satisfy any and all then outstanding prepetition Indebtedness, the DIP Loan and the DIP Facility.
- Security: Security for the DIP Loan will consist of a senior lien and senior security interest in all of the Debtors' assets, excluding avoidance actions arising under chapter 5 of the Bankruptcy Code. Without limiting the generality of the immediately preceding sentence, Rockland's Mortgage on the Real Property shall be deemed to secure the DIP Loan and DIP Facility as well as the prepetition Indebtedness.
- Fees: No later than the Sale Closing Date, the Debtors shall pay all of Rockland's legal fees and expenses incurred on or after the Petition Date. The amount of Rockland's legal fees and expenses shall be added to and be part of the DIP Facility.
- Required Payments: In connection with both the Debtors' use of Cash Collateral and the Debtors ability to borrow, if necessary, under the DIP Loan, the Debtors shall pay, on a weekly basis, 100% of all receipts, for application by Rockland to the prepetition Indebtedness and thereafter to the DIP Loan.
- Restrictions on Payments: Payments shall be made solely for the purposes described in the Budget and in the amounts set forth in the Budget (subject to the Variance). The Debtors shall not make any payment to a professional whose retention is approved by the Bankruptcy Court absent the entry of an order of the Bankruptcy Court, after notice and an opportunity for Rockland and other parties in interest to be heard, approving the fees and expenses to be paid.
- Loan Funding: Funding of the DIP Loan shall commence upon the entry of the interim or final order of the Bankruptcy Court approving the DIP Loan.
- Voluntary Prepayments: Permitted in whole or in part, without premium or penalty.

- **Events of Default:** (a) The dismissal or conversion to chapter 7 of any of the Debtors' chapter 11 bankruptcy proceedings; (b) the occurrence of the Maturity Date of the DIP Loan, unless the DIP Loan has been paid or is paid in full on the Maturity Date; (c) the Debtors' failure to comply with the terms of the DIP Facility, including, without limitation, the failure to comply with the Budget, subject to the Variance and the failure to remit all receipts to Rockland; (d) commencement of any suit, action or proceeding against Rockland by, through or on behalf of the Debtors, or any of them, or in any way directly or indirectly on account of or related to the prepetition Indebtedness, the DIP Loan and the DIP Facility; and (e) the appointment of a trustee or examiner of any of the Debtors.

The terms of the DIP Loan have been negotiated in good faith and at arm's length, and reflect the Debtors' exercise of their business judgment. **Except for the payment of Rockland's attorneys fees and expenses, the DIP Loan does not contain any of the terms listed in MLBR 4001-2(c).**

36. Prior to agreeing to the DIP Loan, the Debtors did not seek financing from any source other than Rockland. Under the circumstances, the Debtors submit it would not be possible for them to obtain credit on terms more favorable than those contemplated to be provided by Rockland pursuant to the DIP Loan and the DIP Facility. The Debtors have no alternative source of financing to meet their funding needs, and require the DIP Loan in the event that their working capital does not generate sufficient positive cash flow. Without the DIP Loan, the Debtors have concerns regarding their continued operations, fearing that serious and irreparable harm to the Debtors and their estates would result. The DIP Loan will therefore preserve, maintain and enhance the value of the Debtors' assets.

2. ***The Interim Borrowing.***

37. The Debtors request that the Court authorize the Debtors to immediately borrow the amounts set forth in the Budget during the period from and after the Court allows interim relief on this Motion until the Court considers allowance of this Motion on a final basis (the "Interim Borrowing"). The Interim Borrowing, if necessary, would be used to fund operations, to maintain the going-concern value of the Debtors' businesses, and to prepare for the sale of substantially all of the Debtors' assets, all in accordance with the Budget.

3. ***Request for Interim and Final Approval of the DIP Loan.***

38. Section 364 of the Bankruptcy Code allows a debtor to (a) obtain unsecured credit in the ordinary course of business, (b) obtain unsecured credit out of the ordinary course of business, (c) obtain credit with specialized priority, and (d) obtain secured credit by granting a secured lien on property of the estate. If a debtor-in-possession cannot obtain post-petition credit on an unsecured basis, the Court may authorize the obtaining of credit or the incurring of debt repayment of which is entitled to super-priority administrative expense status or which is secured by liens on the debtor's property.

39. Generally, Sections 364(c) and (d) of the Bankruptcy Code require a debtor to demonstrate that alternative sources of credit are not available under 364(a) or (b). See In re Ames Dept. Stores, Inc., 115 B.R. 34, 40 (Bankr. S.D.N.Y. 1990) (“debtor is not required to seek credit from every possible source ... [but only to] show that it has made a reasonable effort to seek other sources of credit available.”)

40. Against this backdrop, a Court will evaluate the facts and circumstances of a debtor's case, and will grant significant weight to a debtor's business judgment regarding the necessity for obtaining the requested financing. Id. at 40.

41. The Debtors are unable to obtain financing either in the form of unsecured debt allowable under Section 503(b)(1) of the Bankruptcy Code, or as debt secured only by a junior lien on the Debtors' assets. In this case, the Debtors were able to secure financing only from their existing principal secured lender, subject to the grant of a postpetition liens as described herein.

42. Given the nature of Rockland's liens, no other lender is likely to satisfy Rockland in exchange for first lien position ,or take junior liens, subject to Rockland's senior liens.

C. Granting Rockland Adequate Protection For Diminution In Value Of Collateral

43. The Debtors believe that the proposed sale of the Debtors' business as a going-concern will enhance, and not diminish, the value of Rockland's collateral. Nevertheless, as a condition to Rockland's consent to the use of the Cash Collateral and the extension of credit under the DIP Loan, and in light of Rockland's current right to foreclose upon the collateral, the Debtors request that this Court grant Rockland adequate protection, to preserve its interests in the event of diminution in the value of the

collateral, by granting liens on all of the Debtors' assets (excluding the Debtors' bankruptcy causes of action arising under chapter 5 of the Bankruptcy Code). See In re Cumberland Farms, Inc., 162 B.R. 62 (Bankr. D. Mass. 1993) (holding that a postpetition decline in value of collateral must occur to warrant adequate protection); In re Mullen, 172, B.R. 473, 475 (Bankr. D. Mass. 1994); In re Ledgemere Land Corp., 125 B.R. 58, 61 (Bankr. D. Mass. 1991). Such liens shall be limited in scope to the extent of: (a) the diminution caused by the Debtors' use of the Cash Collateral, and (b) all outstanding amounts owed under or in connection with the DIP Loan as of the Sale Closing Date.

Notice

44. No chapter 11 trustee, examiner or creditors' committee has been appointed in these converted chapter 11 cases. Notice of this Motion has been served pursuant to MLBR 4001-2(b) upon the United States Trustee, each known local, state and federal taxing authority with a claim against the debtor, if any, the Debtors' creditors, Rockland, and any party who filed a request for service. In light of the nature of the relief requested herein, the Debtors submit that no other or further notice is required.

No Prior Request

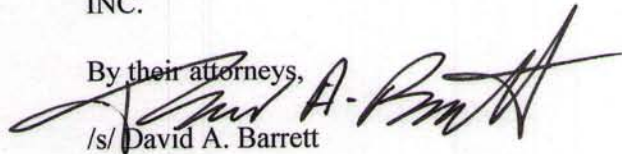
45. No prior request for the relief sought in this Motion has been made to this or any other court.

WHEREFORE, the Debtors respectfully request that this Court enter an Order (i) authorizing the Debtors to use Cash Collateral pursuant to Section 363(c) of the Bankruptcy Code on an emergency basis, on the terms and conditions set forth above, for its general ongoing business operations, pending further order of this Court; (ii) granting Rockland adequate protection as set forth herein; (iii) approving, on an interim basis, the DIP Financing and authorizing the Debtors to obtain post-petition financing on the terms and conditions described herein; (iv) scheduling a final hearing with respect to the approval of the DIP Loan no later than fifteen (15) days from the entry of the order approving the Interim Borrowing, and (v) granting such other and further relief as this Court deems just and proper.

Respectfully submitted,

ARCHIE'S OIL SERVICES, INC.,
ARCHIE'S AND KEN'S OIL AND
HEATING SERVICE, INC., and
KEN'S OIL AND HEATING SERVICES,
INC.

By their attorneys,



/s/ David A. Barrett

Dated: August 4, 2008

David Barrett (BBO#665387)
Hulien & Barrett LLC
62 Main Street Suite 201
Kingston, MA 02364

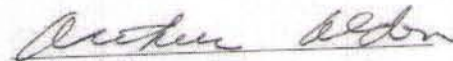
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**VERIFICATION OF ARTHUR ALDEN, DULY AUTHORIZED REPRESENTATIVE OF
THE DEBTORS, TO CERTAIN FACTUAL ALLEGATIONS HEREIN**

I, Arthur Alden, a duly authorized representative of the Debtors, have reviewed the allegations of this DIP Financing Motion and hereby verify that, to the best of my knowledge, information and belief, after a reasonable and diligent investigation, those factual allegations are true and accurate.

Dated: August 1, 2008



Arthur Alden
President, Archie's Oil Company

be maintained by the authorized CM/ECF Registered User for a period of five (5) years after the closing of this case.

Dated: August 1, 2008

Signed:


Arthur Alden

PART II - DECLARATION OF ATTORNEY (IF AFFIANT IS REPRESENTED BY COUNSEL)

I, David Barrett, certify that the Affiant signed this form before I submitted the Documents, I gave the Affiant a copy of the Documents and this DECLARATION, and I have followed all other electronic filing requirements currently established by local rule and standing order. This DECLARATION is based on all information of which I have knowledge and my signature below constitutes my certification of the foregoing under Fed. R. Bankr. P. 9011. I have reviewed and will comply with the provisions of MEFR 7.

Dated: August 1, 2008

Signed:



Attorney for Affiant