IN THE UNITED STATES BANKRUPTCY
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
TARONIS FUELS, INC., *et al.*,[1]	Case No. 22-11121 (BLS)
Debtors.	**Hearing Date: February 19, 2025, at 9:30 am. (ET)** **Objection Deadline: February 12, 2025, at 4:00 pm. (ET)**

MOTION TO SET ASIDE COURT ORDER DISALLOWING TIGUNIA'S PRE-PETITION CLAIM

Tigunia LLC (the "Tigunia"), by and through its undersigned counsel, hereby bring forth this motion requesting that the Court set aside an order that disallows Tigunia's pre-petition claim. In support of this motion, Tigunia respectfully states as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this Motion under 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order of Reference from the United States District Court for the District of Delaware, as of February 29, 2012. This is a core proceeding under 28 U.S.C. § 157(b). Venue of these cases and this Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.

PROCEDURAL BACKGROUND

2. Taronis Fuels, Inc., and its affiliated Debtors filed for relief under Chapter 11 of the United States Bankruptcy Code on November 11, 2022.

3. Tigunia provided critical software and hardware goods and services to the Debtors both pre- and post-petition.

4. To resolve the post-petition amounts due and owing to Tigunia, the parties entered into a Release Agreement (the "Release") on February 14, 2023. Specifically, the Debtors were to pay Tigunia $19,7730.97 for *post*-petition goods and services provided to the Estate. Exhibit "A".

5. The Release was created specifically for the post-petition amounts owed to Tigunia alone. Paragraph 3(d) of the Release states, "This agreement only releases the parties as to post petition invoices for services and payments made by the Debtor. *Both parties retain all rights regarding prepetition claims or action*." Exhibit "A" (emphasis added).

6. As to its *pre*-petition claim, Tigunia filed Proof of Claim number 103 on March 13, 2023, in the amount of $53,259.77 as a general unsecured claim in the case.

7. Tigunia filed an Amended Proof of Claim number 230 on May 26, 2023 in the amount of $46,017.53 as a general unsecured claim in the case.

8. That same day, Tigunia filed an Amended Proof of Claim number 231, in the amount of $53, 259.77, of which $7,242.24 was filed as a priority claim under 11 U.S.C. § 503(b)(9).

9. Later that same day, Tigunia filed a final amended proof of claim (number 232), in the amount of $53,259.77, of which $7,242.24 was asserted as a priority under 11 U.S.C. § 503(b)(9).

10. On August 14, 2023, the Debtors filed an Omnibus Objection to Tigunia's claim numbers 103, 230, and 231 on August 14, 2023, as Amended and Superseded claims, leaving claim number 232 as Tigunia's remaining operative pre-petition claim in the case. [D.I. 504, 505].

11. On July 19, 2024, the Debtors filed a Debtors' Notice of Satisfaction of Certain Fully Satisfied Claims ("Notice of Satisfaction"). [D.I. 859].

12. The Notice of Satisfaction included Tigunia's claim number 232. The Debtors stated that they "have determined that the holders of the Fully Satisfied claims listed on Exhibit A have been satisfied, in full, after the Petition Date, and that no further distributions are required on account of such satisfied amounts, as set forth in the column entitled 'Description' on the attached Exhibit A."

13. Specifically, the Notice of Satisfaction made a material misrepresentation to the Court by stating, "Claimant's claim was satisfied in full in the ordinary course of business."

14. It was not clear in the Notice of Satisfaction whether the Debtors attempted to use the Release as the basis of its claim that Tigunia's pre-petition claim was fully satisfied.

15. Tigunia did not realize that the Release was used as the basis for including Tigunia's filed claim in the case until recently. At no point was any portion of Tigunia's claim 232 ever paid at all, nor was it "paid in the ordinary course of business."

16. The Notice of Satisfaction stated that all claims were satisfied under the caption "Claims Satisfied *After* The Petition Date" (emphasis added). Tigunia understood that to include the post-petition Release, not the pre-petition claim 232.

17. The Debtors' statement that such claim had been "paid in the ordinary course" was a material misrepresentation to the Court, and the Court order upon which such misrepresentation was made needs to be set aside.

18. As a direct result of the material misrepresentation by Debtor's counsel, the Debtor, and the Trustee, they included Tigunia's claim 232 in the Notice of Satisfaction. As

such the order disallowing Tigunia's claim should be set aside, and Tigunia's number 232, should be allowed in full as filed in this case.

RELIEF REQUESTED

19. Tigunia, through its undersigned counsel, requests that the Court order granting the Debtors' Notice of Satisfaction of Tigunia's pre-petition claims be set aside to the extent that it relates to Tigunia's claim number 232 in this case

Wherefore, this Court should set aside the Order which disallowed Tigunia's pre-petition claim as filed, attorney fees in connection with this Motion and GRANT Tigunia such other relief as the Court deems just.

Dated: January 2nd, 2025

Respectfully Submitted,
JACK SHRUM, P.A.

/s/ Jack Shrum
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CERTIFICATE OF SERVICE

I hereby certify that on this 2nd day of January 2025, a copy of the foregoing Creditor's Motion to Set Aside served via CM/ECF upon the following:

Katelin A. Morales, Esq.
Potter Anderson & Corroon LLP
1313 N. Market Street, 6th Floor
Wilmington, DE 19801

Attorney for Debtors

/s/ Jack Shrum
"J" Jackson Shrum (DE #4757)

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[PROPOSED] FORM OF ORDER GRANTING TIGUNIA'S MOTION TO SET ASIDE COURT ORDER

AND NOW, on this ____ day of _____, 2025, upon consideration of Tigunia's Motion To Set Aside Court Order Disallowing Tigunia's Pre-Petition Claim, it is hereby ORDERED that Tigunia's Motion is GRANTED.

Tigunia's claim 232 is allowed as filed.

Tigunia is awarded attorney fees in the amount of $_____.

_____
The Honorable Brendan Linehan Shannon

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NOTICE OF MOTION TO SET ASIDE COURT ORDER

PLEASE TAKE NOTICE that Tigunia's attached Motion for Set Aside Order Disallowing Claim shall be heard by the Court on February 19, 2025, at 9:30 am (EST).

Respectfully submitted,

JACK SHRUM, P.A.

/s/ "J" Jackson Shrum (#4757)
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Dated: January 2nd, 2025