

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

IN RE:	§	Chapter 11
	§	
TRIDENT RESOURCES CORP., et al.,	§	
	§	
	§	Case No. 09-13150
Debtors	§	(Joint Administration Pending)
	§	

LIMITED OBJECTION TO DEBTORS' FIRST DAY MOTIONS FOR RELIEF INCLUDING (I) DEBTORS' MOTION FOR ENTRY OF AN ORDER PURSUANT TO 11 U.S.C. § 105(A) APPROVING CROSS-BORDER COURT-TO-COURT PROTOCOL, AND (II) DEBTORS' MOTION PURSUANT TO SECTIONS 105(A), 345(B), 363(C), 364(A), AND 503(B)(1) OF THE BANKRUPTCY CODE FOR AN ORDER (A) AUTHORIZING AND APPROVING THE CONTINUED USE OF CASH MANAGEMENT SYSTEM, BANK ACCOUNTS AND BUSINESS TRANSACTIONS, GRANTING ADMINISTRATIVE PRIORITY STATUS TO POSTPETITION INTERCOMPANY CLAIMS AND PRESERVING AND PERMITTING THE EXERCISE OF INTERCOMPANY SETOFF RIGHTS; AND (C) EXTENDING THE DEBTORS' TIME TO COMPLY WITH SECTION 345 OF THE BANKRUPTCY CODE

Now into Court, through undersigned counsel, comes McDonnell Loan Opportunity Fund Ltd. ("McDonnell"), and files this limited objection to the above-captioned debtors' (the "Debtors") first day motions, including the (i) Debtors' Motion for Entry of an Order Pursuant to 11 U.S.C. § 105(a) Approving Cross-Boarder Court-to-Court Protocol; and (ii) Debtors' Motion Pursuant to Sections 105(a), 345(b), 363(c), 364(a), and 503(b)(1) of the Bankruptcy Code For an Order (A) Authorizing and Approving the Continued Use of Cash Management System, Bank Accounts and Business Transactions, Granting Administrative Priority Status to Postpetition Intercompany Claims and Preserving and Permitting the Exercise of Intercompany Setoff Rights; and (C) Extending the Debtors' Time to Comply with Section 345 of the Bankruptcy Code (together, the "Motions"). McDonnell sets forth the following:

1. McDonnell is a direct participant in the 2006 Facility (as that term is defined in the Affidavit of Todd A. Dillabough, filed in connection with the Debtors' request for first day relief [Dkt. No. 8] (the "Dillabough Affidavit")) with debt under the 2006 Facility exceeding thirty million dollars (\$30,000,000).

2. McDonnell received the Motions this morning and has begun an investigation and analysis of its rights with regard to the 2006 Facility.

3. Simultaneous with the filing of this chapter 11 petition (the "U.S. Proceeding"), the Debtors filed a proceeding in Canada (the "Canadian Proceeding") under the Companies' Creditors Arrangement Act (the "CCAA") and received a CCAA Initial Order which has been filed into the record of this case [Dkt. No. 13].

4. The Dillabough Affidavit presents a complicated interlocking financial structure of companies and assets both in the United States and in Canada, all of which are subject to various secured bank facilities including the 2006 Facility.

5. The order in the Canadian Proceedings sets forth that the Cross-Border Court-to-Court Protocol (the "Protocol") will be effective upon approval in this U.S. Proceeding and also describes an ability to make inter-company loans including the priority of those loans in connection with the Property which is the subject of the Canadian Proceedings.

6. Because of the relatedness of the Canadian Proceeding and this U.S. Proceeding, McDonnell requests that all relief entered on the Motions be granted on an interim basis only so that McDonnell can investigate and analyze these matters while maintaining the status quo to determine how the meshing of these parallel proceedings may unfold.

7. In particular, McDonnell is concerned that there is no cash collateral order being sought in the U.S. Proceeding which might enable McDonnell to obtain adequate protection for

its lien rights under the 2006 Facility and no specific indication of how the Debtors will move forward in these parallel proceedings including budgeting. Further, the Protocol would only provide McDonnell with 5 days notice to object to any actions in the Canadian Proceeding, as opposed to twenty days as required pursuant to Rule 2002 of the Federal Rules of Bankruptcy Procedure. *See* Protocol at ¶ 15.

8. The relief requested by McDonnell in this limited objection is routinely granted to the extent that a secured party's lien rights may be impacted in the initial stages of a proceeding, particularly in a matter such as this, where there are assets on both the Canadian and U.S. side of the border with significant value. An investigation and analysis of collateral rights in such assets should be permitted in addition to addressing the manner in which these parallel proceedings will move forward in their initial stages.

9. Allowing the relief sought by the Debtors on an interim basis will not prejudice the Debtors and will permit McDonnell and other similarly situated parties, including the U.S. Trustee, fair and reasonable opportunity to address this complex proceeding in an orderly and deliberate fashion.

WHEREFORE, McDonnell prays that the relief sought in this limited objection be granted and that the first day relief with regard to the Motions be entered solely on an interim basis, and that further proceedings in connection with those Motions and the relief sought therein be ordered by this Court.

Dated: Wilmington, Delaware
September 10, 2009

Respectfully submitted,

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