IN THE UNITED STATES BANKRUPCTY COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI
SOUTHERN DISTRICT

IN RE: EL DORADO GAS & OIL, INC.	**CHAPTER 11** **NO. 23-51715-JAW**
EL DORADO GAS & OIL, INC. Debtor, and **THOMAS L. SWAREK, Interested Party**	**PLAINTIFFS**
v.	**NO. ____________________**
FIRST SERVICE BANK	**DEFENDANT**

COMPLAINT FOR DAMAGES

COME NOW, El Dorado Gas & Oil, Inc. and Thomas Swarek and for their Complaint for Damages against First Service Bank, state the following:

1. El Dorado Gas & Oil, Inc. is an Arkansas corporation in good standing and the Debtor in this matter.

2. Thomas L. Swarek, as an adult resident citizen of Mississippi and is the sole shareholder and Chief Executive Officer of El Dorado Gas & Oil, Inc.

3. First Service Bank is an Arkansas State Bank and may be served with process upon its Registered Agent at 486 Highway 65 North, Clinton, Arkansas 72031.

4. On September 17, 2020, El Dorado Gas & Oil, Inc. entered into the Mainstreet Loan in the amount of $50,000,000.00 with Defendant First Service Bank.

5. Defendant intentionally and without justification interfered with the business of EDGO to the extent that EDGO was unable to comply with its obligations to Defendant.

6. Defendant violated the terms and provisions of the August 2020 directive from the Federal Reserve regarding loan abatement and discriminated against EDGO in doing so.

7. These were conditions that applied, and they applied prior to execution of the Mainstreet Loan in September of 2020.

8. As an example, Defendant commenced an action to remove EDGO from the position of operator of oil wells in Texas, effectively forcing EDGO into a receivership.

9. In this way the Defendant took literal control of EDGO away from its principal, Thomas Swarek, controlling not only it's bank accounts, but its business activities.

10. This dramatic interruption to the largest cash flow of these companies led to the inability of EDGO to service the relating to the Mainstreet Loan.

11. Defendant further took control of the bank account of EDGO and controlled spending out of that account in such a way that hampered the business of EDGO, including withholding and delaying certain advances and payments to the detriment of EDGO.

12. Defendant failed to keep clear records regarding the loan and the account from EDGO, hiding the expenses charged to the loan from EDGO.

13. Defendant was required to designate one person who would be well versed in the details of the Mainstreet loan and other loans and options available to EDGO but failed to do this to the detriment of EDGO.

14. Defendant charged unreasonable expenses to the loan, including private air travel.

15. Defendant further promised, at the inception of the Mainstreet Loan, that restructuring, modification and interest credits would be made available.

16. Rather than doing so, Defendant refused these options and declared default, without valid justification and despite offering these same benefits to others.

17. All of this amounts to overreaching and taking an active role in micromanaging the decisions of EDGO to the dramatic detriment of EDGO.

18. Certain other parties and guarantors, including Swarek, were prepared to make payment in the amount of $15,000,000, a sum sufficient for all of these obligations to be brought current.

19. To facilitate this lump sum payment, Swarek and EDGO requested a subordination of Plaintiff's $4,000,000 secured position in certain equipment of EDGO.

20. Defendant refused to do so and Swarek and EDGO lost access to that $15,000,000.

21. Plaintiff will specifically supplement this list of unlawful and illegal acts by the Defendant.

22. These actions amount to a breach of contract and entitle EDGO to damages against Defendant.

23. These actions create lender liability for the Defendant.

24. These actions amount to intentional interference with the business of EDGO.

25. These actions are discriminatory by the Defendant.

26. Violating these assurances made by the Defendant to EDGO and which EDGO reasonably and justifiably believed and relied upon directly led to the failure of EDGO and the liabilities asserted in this litigation and amount to fraud by the Defendant.

27. These actions amount to a misuse of federal funds and a failure to comply with regulatory requirements and practices.

28. These actions violate the covenant of good faith and fair dealing.

29. Defendant acted in a willful manner or at least with gross negligence.

THEREFORE, El Dorado Gas & Oil, Inc. and Thomas Swarek demand from Defendant First Service Bank damages in an amount necessary to compensate them for the wrongful and improper acts described above, including all of its attorney fees and expenses. El Dorado Gas & Oil, Inc. and Thomas Swarek ask for such other relief as this Court may find merited under the circumstances.

Respectfully submitted, this the 7th day of January, 2025.

EL DORADO GAS & OIL, INC., DEBTOR
THOMAS L. SWAREK, INTERESTED PARTY

BY: */s/ Bradley T. Golmon*
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