



ENTERED
08/04/2020

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

----- X
In re: : Chapter 11
 :
HI-CRUSH INC., *et al.*,¹ : Case No. 20-33495 (DRJ)
 :
Debtors. : (Jointly Administered)
 :
----- X

**ORDER AUTHORIZING THE DEBTORS
TO (I) REJECT CERTAIN RAILCAR LEASE AGREEMENTS
EFFECTIVE AS OF THE PETITION DATE, AND (II) ENTER INTO PROPOSED
NEW RAILCAR LEASE AGREEMENTS, EFFECTIVE AS OF THE PETITION DATE**

[Relates to Motion at Docket No. 21]

Upon the motion (the “**Motion**”)² of the Debtors for an Order authorizing the Debtors to (i) reject certain railcar lease agreements, including any amendments or modifications thereto, each as set forth on Exhibit 1 to the Motion (collectively, the “**Rejected Railcar Leases**”) effective as of the Petition Date, and (ii) enter into new railcar lease agreements (collectively, the “**New Railcar Leases**”) with certain counterparties on the term set forth in the letter agreements and associated term sheets attached to the Motion as Exhibit 2 under seal, effective as of the Petition Date, all as more fully described in the Motion; and the Court having reviewed the Motion and the First Day Declaration; and the Court having jurisdiction to consider the Motion and the relief

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Hi-Crush Inc. (0530), OnCore Processing LLC (9403), Hi-Crush Augusta LLC (0668), Hi-Crush Whitehall LLC (5562), PDQ Properties LLC (9169), Hi-Crush Wyeville Operating LLC (5797), D & I Silica, LLC (9957), Hi-Crush Blair LLC (7094), Hi-Crush LMS LLC, Hi-Crush Investments Inc. (6547), Hi-Crush Permian Sand LLC, Hi-Crush Proppants LLC (0770), Hi-Crush PODS LLC, Hi-Crush Canada Inc. (9195), Hi-Crush Holdings LLC, Hi-Crush Services LLC (6206), BulkTracer Holdings LLC (4085), Pronghorn Logistics Holdings, LLC (5223), FB Industries USA Inc. (8208), PropDispatch LLC, Pronghorn Logistics, LLC (4547), and FB Logistics, LLC (8641). The Debtors’ address is 1330 Post Oak Blvd, Suite 600, Houston, Texas 77056.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.



requested therein in accordance with 28 U.S.C. §1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that this Court may enter a final order consistent with Article III of the United States Constitution; and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and all objections, if any, to entry of this Order having been withdrawn, resolved, or overruled; and upon the record herein; and after due deliberation thereon; and the Court having determined that there is good and sufficient cause for the relief granted in the Order, it is hereby

ORDERED THAT:

1. Pursuant to sections 105(a) and 365(a) of the Bankruptcy Code, the Rejected Railcar Leases are rejected, effective as of the Petition Date.
2. The Debtors are authorized to enter into and perform under the New Railcar Leases, effective as of the Petition Date.
3. Any claims based on the rejection of the Rejected Railcar Leases shall be filed in accordance with the bar date for filing proofs of claims, as set forth in the bar date order entered by the Court on July 13, 2020 [Docket No. 88].
4. Consistent with the limitations of section 362 of the Bankruptcy Code, and any other applicable law, the Go-Forward Lessors are prohibited from setting off or otherwise utilizing any amounts deposited by the Debtors with any of the Go-Forward Lessors as a security deposit or pursuant to another similar arrangement, or owed to the Debtors by any of the Go-Forward Lessors under the Rejected Railcar Leases or other agreements between the same parties, without further order of this Court.

5. Nothing herein shall prejudice the rights of the Debtors to argue that any of the Rejected Railcar Leases were terminated prior to the Petition Date or that any claim for damages arising from the rejection of the Rejected Railcar Leases is limited to the remedies available under any applicable termination provision of such contract or lease, as applicable, or that any such claim is an obligation of a third party and not that of the Debtors or their estates.

6. Nothing in the Motion or this Order shall be construed as: (i) an admission as to the validity of any claim against any Debtor or the existence of any lien against the Debtors' properties; (ii) a waiver of the Debtors' rights to dispute any claim or lien on any grounds; (iii) a promise to pay any claim; (iv) an implication or admission that any particular claim would constitute an allowed claim; or (v) an assumption or rejection of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code (other than the Rejected Railcar Leases); or (vi) a limitation on the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract with any party subject to this Order. Nothing contained in this Order shall be deemed to increase, decrease, reclassify, elevate to an administrative expense status, or otherwise affect any claim to the extent it is not paid.

7. Notwithstanding anything to the contrary contained herein, (i) any payment made, or authorization contained hereunder shall be subject to the requirements imposed on the Debtors under any order approving a postpetition financing facility or any order regarding the use of cash collateral approved by this Court in these Chapter 11 Cases (collectively, the "**DIP Orders**"), and (ii) to the extent there is any inconsistency between the terms of the DIP Orders and any action taken or proposed to be taken hereunder, the terms of the DIP Orders shall control. For the avoidance of doubt, the Debtors are not authorized to make any payments pursuant to this Order except as permitted by the Budget (as defined in the DIP Order).

8. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6004(a).

9. Notwithstanding Bankruptcy Rule 6004(h) to the extent applicable, this Order shall be effective and enforceable immediately upon entry hereof.

10. The Debtors are hereby authorized to take such actions and to execute such documents as may be necessary to implement the relief granted by this Order, including but not limited to executing the New Railcar Leases.

11. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Signed: August 04, 2020.



DAVID R. JONES
UNITED STATES BANKRUPTCY JUDGE

United States Bankruptcy Court
Southern District of TexasIn re:
Hi-Crush Inc.
DebtorCase No. 20-33495-drj
Chapter 11**CERTIFICATE OF NOTICE**

District/off: 0541-4

User: VrianaPor
Form ID: pdf002Page 1 of 3
Total Noticed: 19

Date Rcvd: Aug 04, 2020

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Aug 06, 2020.

db +Hi-Crush Inc., 1330 Post Oak Blvd., Suite 600, Houston, TX 77056-3166
 aty +Thomas E. Reilly, Thomas E. Reilly, P.C., 1468 Laurel Drive, Sewickley, PA 15143-8599
 cr Bankruptcy Administr Wells Fargo Vendor Financial, Ricoh USA Program, 1738 Bass Road,
 P O Box 13708, Macon, GA 31208-3708
 cr +Bowlin Enterprises, LLC, Kessler Collins, c/o Howard C. Rubin,
 2100 Ross Avenue, Suite 750, Dallas, TX 75201-6707
 cr +Bridge Funding Group, Inc. f/k/a Bridge Capital Le, c/o Arthur Halsey Rice, Esq.,
 101 Northeast Third Avenue, Suite 1800, Fort Lauderdale, FL 33301-1252
 cr +C.K. Industries, Inc., Attn: Katherine T. Hopkins, Kelly Hart & Hallman LLP,
 201 Main Street, Suite 2500, Fort Worth, TX 76102-3194
 cr +Caterpillar Financial Services Corporation, 2120 West End Avenue, Nashville, TN 37203-5341
 cr +Ector CAD, 112 E Pecan Street, Suite 2200, San Antonio, TX 78205-1588
 cr +Endeco Engineers, Inc., Kessler Collins, c/o Howard C. Rubin, 2100 Ross Avenue, Suite 750,
 Dallas, TX 75201-6707
 cr +Hood CAD, Linebarger Goggan Blair & Sampson, LLP, c/o Elizabeth Weller,
 2777 N. Stemmons Freeway, Suite 1000, Dallas, TX 75207-2328
 cr +Howard County Tax Office, et al, c/o Laura J. Monroe,
 Perdue, Brandon, Fielder, Collins & Mott, PO Box 817, Lubbock, TX 79408-0817
 op +Kurtzman Carson Consultants LLC, 222 N Pacific Coast Highway, 3rd Floor,
 El Segundo, CA 90245-5614
 cr +Lexon Insurance Company and Endurance American Ins, Harris Beach PLLC,
 c/o Lee E. Woodard, Esq., 333 West Washing St., Ste. 200, Syracuse, NY 13202-5202
 cr Midland CAD, c/o Tara LeDay, P. O. Box 1269, Round Rock, TX 78680-1269
 cr +Superior Industries, Inc., c/o Jarrod B. Martin, Chamberlain Hrdlicka,
 1200 Smith Street, Suite 1400, Houston, TX 77002-4496

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

cr E-mail/Text: houston_bankruptcy@LGBS.com Aug 05 2020 00:49:03 Cypress-Fairbanks ISD,
 Linebarger Goggan Blair & Sampson LLP, C/O Tara L. Grundemeier, P.O. Box 3064,
 Houston, TX 77253-3064
 cr +E-mail/Text: houston_bankruptcy@LGBS.com Aug 05 2020 00:49:03 Harris County,
 Linebarger Goggan Blair & Sampson LLP, c/o Tara L. Grundemeier, P.O. Box 3064,
 Houston, TX 77253-3064
 cr +E-mail/Text: Bankruptcy@stearnsbank.com Aug 05 2020 00:47:55 Stearns Bank NA,
 Attn: Hannah Gilbert, 4140 Thielman Lane, St. Cloud, MN 56301-3968
 cr +E-mail/Text: jthompson@westtexasgas.com Aug 05 2020 00:48:34 West Texas Gas, Inc.,
 211 N. Colorado, Midland, TX 79701, UNITED STATES 79701-4607

TOTAL: 4

***** BYPASSED RECIPIENTS (undeliverable, * duplicate) *****

cr Ad Hoc Group of Holders
 cr Black Mountain Sand LLC
 cr CIT Bank, N.A.
 cr Cantor Fitzgerald Securities, as DIP Term Loan Age
 cr Chevron U.S.A. Inc.
 cr Crestmark Vendor Finance, a division of MetaBank
 cr JPMORGAN CHASE BANK, N.A.
 cr STAAR Logistics, LLC
 cr Trinity Industries Leasing Co.
 intp U.S. BANK NATIONAL ASSOCIATION
 cr West Epley LLC

TOTALS: 11, * 0, ## 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.
USPS regulations require that automation-compatible mail display the correct ZIP.

Transmission times for electronic delivery are Eastern Time zone.

I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.**Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.**

Date: Aug 06, 2020

Signature: /s/Joseph Speetjens

District/off: 0541-4

User: VrianaPor
Form ID: pdf002Page 2 of 3
Total Noticed: 19

Date Rcvd: Aug 04, 2020

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on August 4, 2020 at the address(es) listed below:

Arthur Halsey Rice on behalf of Creditor Bridge Funding Group, Inc. f/k/a Bridge Capital Leasing, Inc. arice.ecf@rprsllaw.com, tvaughan.ecf@rprsllaw.com
 Ashley L. Harper on behalf of Debtor Hi-Crush Inc. ashleyharper@HuntonAK.com
 Cristina Walton Liebolt on behalf of Creditor JPMORGAN CHASE BANK, N.A. Cristina.liebolt@stblaw.com
 Daniel Latham Biller on behalf of Creditor JPMORGAN CHASE BANK, N.A. Daniel.biller@stblaw.com
 David Edward Lemke on behalf of Interested Party U.S. BANK NATIONAL ASSOCIATION david.lemke@wallerlaw.com, cathy.thomas@wallerlaw.com;chris.cronk@wallerlaw.com
 Don Stecker on behalf of Creditor Harris County sanantonio.bankruptcy@lgbs.com
 Don Stecker on behalf of Creditor Cypress-Fairbanks ISD sanantonio.bankruptcy@lgbs.com
 Don Stecker on behalf of Creditor Ector CAD sanantonio.bankruptcy@lgbs.com
 Edward L Ripley on behalf of Creditor Chevron U.S.A. Inc. eripley@andrewsmyers.com
 Elisha Graff on behalf of Creditor JPMORGAN CHASE BANK, N.A. egraff@stblaw.com
 Evan Gershbein on behalf of Other Prof. Kurtzman Carson Consultants LLC ECFpleadings@kccllc.com, ecfpleadings@kccllc.com
 H Elizabeth Weller on behalf of Creditor Hood CAD dallas.bankruptcy@lgbs.com, dora.casiano-perez@lgbs.com
 Hector Duran, Jr on behalf of U.S. Trustee US Trustee Hector.Duran.Jr@usdoj.gov
 Howard C Rubin on behalf of Creditor Bowlin Enterprises, LLC hrubin@kesslercollins.com, sruvalcaba@kesslercollins.com
 Howard C Rubin on behalf of Creditor Endeco Engineers, Inc. hrubin@kesslercollins.com, sruvalcaba@kesslercollins.com
 Jarrod B. Martin on behalf of Creditor Superior Industries, Inc. jarrod.martin@chamberlainlaw.com, Lara.Coleman@chamberlainlaw.com;atty_jmartin@bluestylus.com;3012436420@filings.docketbird.com
 Jay Ong on behalf of Creditor West Epley LLC jong@munsch.com, amays@munsch.com
 John F Higgins, IV on behalf of Creditor Ad Hoc Group of Holders jhiggins@porterhedges.com, emoreland@porterhedges.com;eliana-garfias-8561@ecf.pacerpro.com;mwebb@porterhedges.com
 John F Higgins, IV on behalf of Creditor Cantor Fitzgerald Securities, as DIP Term Loan Agent jhiggins@porterhedges.com, emoreland@porterhedges.com;eliana-garfias-8561@ecf.pacerpro.com;mwebb@porterhedges.com
 John S Mayer on behalf of Creditor Caterpillar Financial Services Corporation jmayer@crossbanks.com
 Katherine T. Hopkins on behalf of Creditor C.K. Industries, Inc. katherine.thomas@kellyhart.com, Katherine.hopkins@kellyhart.com
 Katherine T. Hopkins on behalf of Creditor Black Mountain Sand LLC katherine.thomas@kellyhart.com, Katherine.hopkins@kellyhart.com
 Laura J Monroe on behalf of Creditor Howard County Tax Office, et al lmbkr@pbfc.com, krobertson@ecf.inforuptcy.com
 Lee E Woodard on behalf of Creditor Lexon Insurance Company and Endurance American Insurance Company LWoodard@HarrisBeach.com, efilings@harrisbeach.com
 Michael G Kelly on behalf of Creditor West Texas Gas, Inc. mkelly@kmdfirm.com, dreynolds@kmdfirm.com
 Michael L. Schein on behalf of Creditor CIT Bank, N.A. mschein@vedderprice.com
 Morris Dean Weiss on behalf of Interested Party U.S. BANK NATIONAL ASSOCIATION morris.weiss@wallerlaw.com, sherri.savala@wallerlaw.com;annmarie.jezisek@wallerlaw.com
 Omar Jesus Alaniz on behalf of Creditor Trinity Industries Leasing Co. oalaniz@reedsmith.com, omar-alaniz-2648@ecf.pacerpro.com;jkrasnic@reedsmith.com;srhea@reedsmith.com
 Paul R Hage on behalf of Creditor Crestmark Vendor Finance, a division of MetaBank phage@jaffelaw.com, gshaw@jaffelaw.com
 Stephen Douglas Statham on behalf of U.S. Trustee US Trustee stephen.statham@usdoj.gov
 Tara LeDay on behalf of Creditor Midland CAD tleday@ecf.courtdrive.com;kmorriss@mvbalaw.com;vcovington@mvbalaw.com;bankruptcy@mvbalaw.com;aloc klin@mvbalaw.com
 Tara L Grundemeier on behalf of Creditor Cypress-Fairbanks ISD houston_bankruptcy@publicans.com
 Tara L Grundemeier on behalf of Creditor Harris County houston_bankruptcy@publicans.com
 Timothy Alvin Davidson, II on behalf of Debtor Hi-Crush Inc. TadDavidson@HuntonAK.com
 Timothy Alvin Davidson, II on behalf of Debtor Hi-Crush Services LLC TadDavidson@HuntonAK.com
 Timothy Alvin Davidson, II on behalf of Debtor PropDispatch LLC TadDavidson@HuntonAK.com
 Timothy Alvin Davidson, II on behalf of Debtor Hi-Crush Holdings LLC TadDavidson@HuntonAK.com
 Timothy Alvin Davidson, II on behalf of Debtor Hi-Crush Investments Inc. TadDavidson@HuntonAK.com
 Timothy Alvin Davidson, II on behalf of Debtor FB Logistics, LLC TadDavidson@HuntonAK.com
 Timothy Alvin Davidson, II on behalf of Debtor Hi-Crush Permian Sand LLC TadDavidson@HuntonAK.com
 Timothy Alvin Davidson, II on behalf of Debtor Pronghorn Logistics, LLC TadDavidson@HuntonAK.com
 Timothy Alvin Davidson, II on behalf of Debtor PDQ Properties LLC TadDavidson@HuntonAK.com
 Timothy Alvin Davidson, II on behalf of Debtor OnCore Processing LLC TadDavidson@HuntonAK.com
 Timothy Alvin Davidson, II on behalf of Debtor Pronghorn Logistics Holdings, LLC TadDavidson@HuntonAK.com
 Timothy Alvin Davidson, II on behalf of Debtor Hi-Crush Augusta LLC TadDavidson@HuntonAK.com

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User: VrianaPor
Form ID: pdf002Page 3 of 3
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The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system (continued)

Timothy Alvin Davidson, II	on behalf of Debtor	Hi-Crush LMS LLC	TadDavidson@HuntonAK.com
Timothy Alvin Davidson, II	on behalf of Debtor	Hi-Crush PODS LLC	TadDavidson@HuntonAK.com
Timothy Alvin Davidson, II	on behalf of Debtor	D & I Silica, LLC	TadDavidson@HuntonAK.com
Timothy Alvin Davidson, II	on behalf of Debtor	Hi-Crush Whitehall LLC	TadDavidson@HuntonAK.com
Timothy Alvin Davidson, II	on behalf of Debtor	BulkTracer Holdings LLC	
TadDavidson@HuntonAK.com			
Timothy Alvin Davidson, II	on behalf of Debtor	Hi-Crush Wyeville Operating LLC	
TadDavidson@HuntonAK.com			
Timothy Alvin Davidson, II	on behalf of Debtor	Hi-Crush Proppants LLC	TadDavidson@HuntonAK.com
Timothy Alvin Davidson, II	on behalf of Debtor	FB Industries USA Inc.	TadDavidson@HuntonAK.com
Timothy Alvin Davidson, II	on behalf of Debtor	Hi-Crush Blair LLC	TadDavidson@HuntonAK.com
Timothy Alvin Davidson, II	on behalf of Debtor	Hi-Crush Canada Inc.	TadDavidson@HuntonAK.com
US Trustee	USTPRegion07.HU.ECF@USDOJ.GOV		

TOTAL: 56