

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

IN RE:	§	
HI-CRUSH, INC., <i>et al.</i>	§	Chapter 11
	§	Case No. 20-33495 (DRJ)
DEBTORS.	§	(Jointly Administered)

OBJECTION OF RS ENERGY GROUP, INC. TO PROPOSED CURE AMOUNT

COMES NOW, RS Energy Group, Inc. (“RS Energy”), a creditor and party-in-interest herein, and by and through its undersigned counsel, files its Objection of RS Energy Group, Inc. to Proposed Cure Amounts (“Objection”). In support of this Objection, RS Energy respectfully states as follows:

RELEVANT FACTS AND RESERVATION OF RIGHTS

1. July 12, 2020 (“Petition Date”), the Debtors filed voluntary petitions under Chapter 11 of Title 11 of the United States Code. The Debtors’ cases are being jointly administered.
2. The Debtors and RS Energy are parties to a certain Information Services Subscription Agreement, dated 03/26/2019 (“Agreement”), whereby RS Energy provides access to certain software and information services to support the Debtors’ operations.
3. On September 4, 2020, the Debtors filed a Notice of Cure Amounts in Connection with Contracts and Leases (“Cure Notice”) [ECF 344]. The Agreement is listed in the Cure Notice, showing a “Cure Amount” of \$0.00.
4. On March 25, 2020, RS Energy invoiced the Debtors in the amount of \$18,750.00 for obligations under the Agreement. A true and correct copy of the March 25, 2020 invoice is attached hereto as **Exhibit A**. The due date of the March 25, 2020 invoice was April 24, 2020.¹
5. Section 365(a)(1)(A) of the Bankruptcy Code permits a debtor to assume an

¹ Another invoice under the Agreement in the amount of \$19,987.50 is due to be paid by September 26, 2020. Upon assumption of the Agreement, the September 26, 2020 invoice must be paid in the ordinary course.



executory contract, if the debtor “cures” defaults at the time of assumption. As part of the Debtors’ proposed assumption of the Agreement, the March 25, 2020 invoice must be paid in full.

WHEREFORE, PREMISES CONSIDERED RS Energy respectfully requests that the Court enter an order conditioning the Debtors’ assumption of the Agreement upon the payment by the Debtors of all amounts due and owing thereunder, including the March 25, 2020 invoice, and grant RS Energy such other and further relief as this Court may deem just and proper.

Dated: September 18, 2020.

Respectfully submitted,

SPROUSE LAW FIRM
901 Mopac Expressway South
Building 1, Suite 300
Austin, Texas 78746
(512) 658-1915

By: /s/ Marvin E. Sprouse III
Marvin E. Sprouse III
State Bar No. 24008067
Email address: msprouse@sprousepllc.com

COUNSEL FOR RS ENERGY GROUP, INC.

CERTIFICATE OF SERVICE

This is to certify that on this 18th day of September 2020, a true and correct copy of the foregoing was served via the Court's CM/ECF electronic delivery system on parties receiving electronic notice, and on the parties listed below by Electronic Delivery and/or First Class Mail.

/s/ Marvin E. Sprouse III

Marvin E. Sprouse III

(i) Counsel to the Debtors, Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022 (Attn: Keith A. Simon, Esq. and Annemarie V. Reilly, Esq.) (keith.simon@lw.com and annemarie.reilly@lw.com) and Hunton Andrews Kurth LLP, 600 Travis Street, Suite 4200, Houston, TX (Attn: Timothy A. Davidson II, Esq. and Ashley L. Harper, Esq.) (TadDavidson@HuntonAK.com and AshleyHarper@HuntonAK.com);

(ii) Counsel to the DIP ABL Agent, Simpson, Thacher & Bartlett LLP, 425 Lexington Avenue, New York, NY 10017 (Attn: Elisha Graff, Esq. and Daniel L. Biller, Esq.) (egraff@stblaw.com and daniel.biller@stblaw.com);

(iii) Counsel to the Ad Hoc Noteholders Committee, Paul, Weiss, Rifkind, Wharton & Garrison, LLP, 1285 Avenue of the Americas, New York, NY 10019 (Attn: Brian S. Hermann, Esq. and Elizabeth R. McColm, Esq.) (bhermann@paulweiss.com and emccolm@paulweiss.com) and Porter Hedges LLP, 1000 Main St., 36th Floor, Houston, TX 77002 (Attn: John F. Higgins, Esq.) (JHiggins@porterhedges.com);

(iv) The Office of the United States Trustee for the Southern District of Texas, 515 Rusk Street, Suite 3516, Houston, TX 77002 (Attn: Stephen Statham, Esq. and Hector Duran, Esq.) (stephen.statham@usdoj.gov and hector.duran.jr@usdoj.gov).

EXHIBIT A



RS Energy Group Inc.
600 Travis Street
Suite 750
Houston, Texas 77002

INVOICE

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Invoice Number: U03831

Invoice Date: March 25, 2020

Hi-Crush Services LLC
1330 Post Oak Blvd. Suite 600
Houston, TX 77056
USA

Due Date: Due in 30 days

Description	Amount
RS Core Essentials Subscription Service Period: 03.29.2020-09.28.2020	18,750.00

PAYMENT BY WIRE/ACH

Bank: JP Morgan Chase Bank
ABA Transit Code: 021000021
SWIFT Code: CHASUS33
Account Number: 793373999
Account Name: RS Energy Group, Inc.

Subtotal:	18,750.00
Total Sales Tax:	1,237.50
Total USD:	19,987.50

Please include the Invoice Number on all Payments

For inquires contact: Accounts Receivable

Phone: (403) 294-9111 E-mail: accountsreceivable@rseg.com