



CLERK, U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

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THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed June 12, 2020

United States Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

In re:	§	Chapter 11
Vista Proppants and Logistics, LLC, et al., ¹	§	Case No. 20-42002-ELM-11
Debtors.	§	Jointly Administered

**ORDER (I) AUTHORIZING DEBTORS TO PAY CERTAIN PREPETITION
EMPLOYEE WAGES, OTHER COMPENSATION AND REIMBURSABLE
EMPLOYEE EXPENSES; (II) CONTINUING EMPLOYEE BENEFITS PROGRAMS;
(III) AUTHORIZING FINANCIAL INSTITUTIONS TO HONOR AND PROCESS
CHECKS AND TRANSFERS RELATED TO SUCH OBLIGATIONS PURSUANT TO
SECTIONS 105(a), 363(a), AND 507(a) OF THE BANKRUPTCY CODE AND
BANKRUPTCY RULES 6003 AND 6004; AND (IV) GRANTING RELATED RELIEF**

Upon the *Debtors' Emergency Motion for Order (I) Authorizing Debtors to Pay Certain*

¹ The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Vista Proppants and Logistics, LLC (7817) ("Vista OpCo"); VPROP Operating, LLC (0269) ("VPROP"); Lonestar Prospects Management, L.L.C. (8451) ("Lonestar Management"); MAALT Specialized Bulk, LLC (2001) ("Bulk"); Denetz Logistics, LLC (8177) ("Denetz"); Lonestar Prospects, Ltd. (4483) ("Lonestar Ltd."); and MAALT, LP (5198) ("MAALT"). The location of the Debtors' service address is 4413 Carey Street, Fort Worth, TX 76119-4219.



*Prepetition Employee Wages, Other Compensation and Reimbursable Employee Expenses; (II) Continuing Employee Benefits Programs; (III) Authorizing Financial Institutions to Honor and Process Checks and Transfers Related to Such Obligations Pursuant to Sections 105(a), 363(a), and 507(a) of the Bankruptcy Code and Bankruptcy Rules 6003 and 6004; and (IV) Granting Related Relief (the “Motion”)² of Vista Proppants and Logistics, LLC, et al. (collectively, the “Debtors”); and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Order of Reference of Bankruptcy Cases and Proceedings Nunc Pro Tunc*, Miscellaneous Rule No. 33 (N.D. Tex. August 3, 1984) (Woodward, H.O.); and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided, and it appearing that no other or further notice need be provided; and the Court having reviewed the Motion; and the Court having held a hearing on the Motion; and all objections, if any, to the Motion have been withdrawn, resolved, or overruled; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor,*

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. The Debtors are authorized, in their discretion, to pay and remit in the ordinary course of business and in accordance with the Debtors’ prepetition policies and programs, prepetition Employee Obligations and all costs incident to the foregoing in accordance with the

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

Debtors' customary policies, including, but not limited to, (i) Unpaid Wage Obligations, (ii) Payroll Taxes and Deductions, (iii) Reimbursable Expenses, (iv) Benefit Service Provider Fees, (v) unused PTO, (vi) Employee Benefits and fees related thereto in the ordinary course of business as they come due, and (vii) to the extent applicable, any Unremitted 401(k) Obligations.

3. The Debtors are authorized, but not required, to maintain and continue to honor on a postpetition basis their practices, programs and policies in place for the benefit of their Employees as were in effect as of the Petition Date, as such may be modified, amended, or supplemented from time to time in the ordinary course of business.

4. Subject to the terms, conditions, and limitations of any DIP Orders (as defined below), the Debtors' banks and financial institutions (collectively, the "Banks") on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized and directed to receive, process, honor and pay all such checks and electronic payment requests when presented for payment, to the extent of available, cleared funds in such accounts, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as being approved by this Order. If any of the Banks honors a prepetition check or other item drawn on any account that is the subject of this Order, including the payment of Employee Obligations: (a) at the direction of the Debtors to honor such prepetition check or item, (b) in good faith belief that this Court has authorized such prepetition check or item to be honored, or (c) as a result of an innocent mistake, such Banks shall not be deemed to be liable to the Debtors or their estates or otherwise in violation of this Order.

5. The Banks are authorized to rely upon the representations of the Debtors as to which checks and transfers to honor with respect to the payment of Employee Obligations.

6. The Banks are prohibited from placing any holds on, or attempting to reverse or otherwise interfere with, any checks or transfers to the Employees' accounts on account of the Employee Obligations and the costs and expenses incident thereto.

7. The Debtors are authorized, but not directed, to issue new postpetition checks or effect new postpetition electronic funds transfers in replacement of any checks or transfer requests on account of the Employee Obligations dishonored or rejected as a result of the commencement of the Chapter 11 Cases.

8. The Debtors are authorized, but not directed, to pay all postpetition costs and expenses incident to the Employee Obligations, including administrative and processing fees (including but not limited to, the Benefit Service Provider Fees) to outside professionals in the ordinary course of business.

9. Notwithstanding anything in this Order to the contrary, (a) payments authorized by, and any authorizations contained in, this Order are subject to the terms, conditions, limitations, and requirements of any cash collateral or DIP financing orders entered in these Chapter 11 Cases (together with any approved budgets in connection therewith, the "DIP Financing Orders") and (b) to the extent there is any inconsistency between the terms of such DIP Financing Orders and any action taken or proposed to be taken hereunder, the terms of such DIP Financing Orders shall control.

10. Nothing contained in this Order or any action taken by the Debtors in implementing this Order shall be deemed (i) an admission as to the validity of any claim against the Debtors, (ii) a waiver of the Debtors' or any party in interest's rights to dispute the amount of, basis for or validity of any claim of the Employees, Benefit Service Providers, Taxing Authorities, or Benefits Providers under applicable nonbankruptcy law, (iii) a waiver of any

claims or causes of action which may exist against any Employees, Benefit Service Providers, Taxing Authorities, or Benefits Providers, or (iv) an assumption, adoption or rejection of any contract or lease between the Debtors and any third party under Section 365 of the Bankruptcy Code.

11. Notwithstanding any other provision of this Order, no payments to any individual Employee on account of prepetition wages, salaries, Reimbursable Expenses, unused PTO, or commissions, including severance earned by such individual Employee or, or on account of contributions to an employee benefit plan shall exceed the amounts set forth in Sections 507(a)(4) and 507(a)(5) of the Bankruptcy Code.

12. Pursuant to Section 362(d) of the Bankruptcy Code, the automatic stay is modified to allow holders of workers' compensation claims to proceed in adjudicating such claims in the appropriate forum; provided, however, that such claims must pursued in accordance with the Workers' Compensation Program, and recoveries, if any, are limited to the proceeds from the applicable Workers' Compensation Program.

13. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied by the contents of the Motion or otherwise deemed waived.

14. Notwithstanding any applicability of Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

15. Notice of the Motion as provided herein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rules 4001(d) and 6004(a) are waived.

16. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

END OF ORDER

Submitted by:

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PROPOSED ATTORNEYS FOR DEBTORS