



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

ENTERED

THE DATE OF ENTRY IS ON
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 PREPETITION SALES/USE TAXES AND
(II) AUTHORIZING FINANCIAL INSTITUTIONS TO HONOR AND
PROCESS RELATED CHECKS AND TRANSFERS PURSUANT TO
SECTIONS 105(a), 363(b), 507(a)(8) AND 541(d) OF THE BANKRUPTCY CODE**

Upon the *Debtors' Emergency Motion for Entry of an Order (I) Authorizing Debtors to
Pay Prepetition Sales/Use Taxes and (II) Authorizing Financial Institutions to Honor and*

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.



Process Related Checks and Transfers Pursuant to Sections 105(a), 363(b), 507(a)(8), and 541(d) of the Bankruptcy Code (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); 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, but not directed, to satisfy Sales/Use Taxes due and owing to the Taxing Authorities, including, without limitation, those Taxing Authorities listed on **Exhibit 1** annexed hereto, that arose prior to the Petition Date, including Sales/Use Taxes subsequently determined upon audit or otherwise to be owed for periods prior to the Petition Date.
3. The Banks are authorized, at the Debtors’ request, to receive, process, honor and pay, to the extent of cleared and sufficient funds on deposit, any and all checks issued or to be

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

issued or electronic funds transfers requested or to be requested by the Debtors relating to this Order. The Banks shall not be liable to any party on account of: (a) following the Debtors' representations, instructions, or presentations as to this Order of the Court (without any duty of further inquiry); (b) the honoring of any prepetition checks, drafts, or wires in a good faith belief or upon a representation by the Debtors that the Court has authorized such prepetition check, draft, or wire pursuant to this Order; or (c) an innocent mistake made despite implementation of reasonable handling procedures. The Banks may rely on the representations of the Debtors regarding which checks that were drawn or instructions that were issued by the Debtors before the Petition Date should be honored postpetition pursuant to this Order.

4. 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 prepetition Sales/Use Taxes dishonored or rejected as a result of the commencement of the Debtors' Chapter 11 Cases.

5. 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 any Taxing Authority under applicable nonbankruptcy law, (iii) a waiver of any claims or causes of action which may exist against any Taxing Authority, 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.

6. 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.

7. Entry of this Order is necessary to avoid immediate and irreparable harm and, to the extent the relief granted herein implicates the use of property of the estate and Section 363 of the Bankruptcy Code, the requirements under Bankruptcy Rule 6003(b) have been satisfied.

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

9. 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.

10. 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

EXHIBIT 1

List of Taxing Authorities for Sales/Use Taxes

| Taxing Authority | Taxing Authority Address |
|-------------------------|--|
| State of Oklahoma | Connors Building, Capitol Complex 2501 North Lincoln Boulevard Oklahoma City, OK 73194 |
| State of Texas | P.O. Box 149354 Austin, TX 78714-9354 |