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ATTORNEYS FOR DEBTORS

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

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

**DEBTORS' EXPEDITED MOTION PURSUANT TO BANKRUPTCY RULE 9019
TO COMPROMISE CONTROVERSY WITH THE LEWIS GROUP**

**AN EXPEDITED HEARING HAS BEEN REQUESTED ON THIS MATTER
ON SEPTEMBER 24, 2020 AT 1:30 P.M. (CT) IN ROOM 204, U.S.
COURTHOUSE, 501 TENTH STREET, FORT WORTH, TEXAS 76102.**

Vista Proppants and Logistics, LLC and its debtor affiliates, as debtors and debtors-in-possession in the above-referenced chapter 11 cases (collectively, the "Debtors") hereby file this *Debtors' Expedited Motion Pursuant to Bankruptcy Rule 9019 to Compromise Controversy with*

¹ The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Vista Proppants and Logistics, LLC (7817) ("Vista HoldCo"); 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.



the Lewis Group (the “Motion”). In support of the Motion, the Debtors respectfully state as follows:

Jurisdiction and Venue

1. The United States District Court for the Northern District of Texas (the “District Court”) has jurisdiction over the subject matter of this Motion pursuant to 28 U.S.C. § 1334. The District Court’s jurisdiction has been referred to this Court pursuant to 28 U.S.C. § 157 and the District Court’s Miscellaneous Order No. 33, *Order of Reference of Bankruptcy Cases and Proceedings Nunc Pro Tunc* dated August 3, 1984. This is a core matter pursuant to 28 U.S.C. § 157(b), which may be heard and finally determined by this Court. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

Background

2. On June 9, 2020 (the “Petition Date”), the Debtors each filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) commencing the above captioned cases (the “Chapter 11 Cases”). The Debtors continue to manage and operate their businesses as debtors-in-possession pursuant to Bankruptcy Code Sections 1107 and 1108.

3. On June 23, 2020, an official committee of unsecured creditors (the “Committee”) was appointed in these Chapter 11 Cases. No trustee or examiner has been requested or appointed in these Chapter 11 Cases.

4. A detailed description of the Debtors and their businesses and the facts and circumstances of the Debtors’ Chapter 11 Cases are set forth in greater detail in the *Declaration of Kristin Whitley in Support of the Debtors’ Chapter 11 Petitions and First Day Motions* and the

Declaration of Gary Barton in Support of the Debtors' Chapter 11 Petitions and First Day Motions
(collectively, the "First Day Declarations").

5. Debtor Lonestar Ltd., as seller, and Sabino Energy Services, LLC ("Sabino" or "Buyer"), and Lewis Resource Management, LLC ("Lewis" and together with Sabino, the "Lewis Group") were parties to the Master Purchase Agreement dated January 25, 2018, as amended (the "Master Purchase Agreement"), which expired on May 31, 2020.

6. The Debtors submitted certain invoices to the Lewis Group that have not been paid, including:

- (i) invoices submitted by Lonestar Ltd. for sand sold by Lonestar Ltd. and purchased by the Lewis Group under the Master Purchase Agreement totaling \$3,158,313.69 (the "Sand Purchase Invoice Balance");
- (ii) invoices submitted by MAALT Specialized Bulk, LLC ("Bulk") to Sabino for hauling services associated with the Master Repurchase Agreement totaling \$408,476.00 (the "Hauling Invoice Balance"); and
- (iii) an invoice submitted by Lonestar Ltd. alleging that an additional \$1,282,855.84 was due from the Lewis Group for sand purchase shortfalls under the Master Purchase Agreement (the "Sand Purchase Shortfall Payment").

7. The Lewis Group disputes that the Sand Purchase Shortfall Payment is due under the Master Repurchase Agreement.

8. On August 30, 2020, Sabino filed a proof of claim (the "Proof of Claim") in the Chapter 11 Cases, which did not reflect a payment obligation for the Sand Purchase Shortfall Payment.

9. Following good faith negotiations, the Debtors and the Lewis Group determined that it was in their respective best interests to consensually resolve all disputes among them, including but not limited to disputes arising under the Master Purchase Agreement.

10. On September 14, 2020, the Debtors and the Lewis Group entered into a Settlement Agreement (the “Settlement Agreement”). A true and correct copy of the Settlement Agreement is attached to the Proposed Settlement Order (defined below) as **Exhibit 1**. The material terms of the Settlement Agreement are summarized below:²

- Payment of the Sand Purchase Invoice Balance: Within three days of the effective date of the Settlement Agreement, the Lewis Group will pay \$1,000,000.00 to Lonestar Ltd., followed by seventeen consecutive weekly payments, each in the amount of \$125,000, for the first sixteen weeks and \$158,313.69 for the seventeenth week, resulting in payment in full of the Sand Purchase Invoice Balance.
- Payment of the Hauling Invoice Balance: Sabino will pay the Hauling Invoice Balance to Bulk on or before September 15, 2020, and thereafter the Lewis Group will have no further responsibility for the Hauling Invoice Balance.
- Sand Purchase Shortfall Payment: The invoice for the Sand Purchase Shortfall Payment will be void as of the effective date of the Settlement Agreement.
- Future sand purchases: Lonestar Ltd. and Sabino will enter into a new Sand Purchase Agreement (the “Sand Purchase Agreement”) in the form negotiated among the parties.
- Withdrawal of proof of claim: Within 7 days of the effective date of the Settlement Agreement, Sabino will withdraw the Proof of Claim, and the Lewis Group shall not assert any other claims in the Chapter 11 Cases.

Relief Requested

11. By this Motion, the Debtors respectfully request the entry of an order, substantially in the form attached to the Motion as **Exhibit A** (the “Proposed Settlement Order”), pursuant to Bankruptcy Code Sections 105(a) and Federal Rule of Bankruptcy Procedure 9019, authorizing and approving the Debtors’ entry into, and performance under, the Settlement Agreement.

² To the extent of any inconsistency between the description of the Settlement Agreement in this Motion and the Settlement Agreement itself, the terms of the Settlement Agreement shall control.

Basis for Relief Requested

12. Bankruptcy Rule 9019 provides that “[o]n motion by the trustee and after notice and a hearing, the court may approve a compromise or settlement.” Fed. R. Bankr. Proc. 9019(a). Compromises and settlements are “a normal part of the process of reorganization.” *Protective Committee for Indep. Stockholders of TMT Trailer Ferry, Inc. v. Anderson*, 390 U.S. 414, 424 (1968). The Court may, in its discretion, approve settlements in accordance with Federal Rule of Bankruptcy Procedure 9019(a). *CFB-5, Inc. v. Cunningham*, 371 B.R. 175, 181 (N.D. Tex. 2007). “Approval should only be given if the settlement is fair and equitable and in the best interest of the estate.” *In re Cajun Elec. Power Coop., Inc.*, 119 F.3d 349, 355 (5th Cir. 1997) (internal quotations omitted); *CFB-5*, 371 B.R. at 181; *In re Heritage Org., L.L.C.*, 375 B.R. 230, 259 (Bankr. N.D. Tex. 2007).

13. In deciding whether the settlement of a controversy is “fair and equitable,” Courts have considered certain factors, including: (a) the probability of success in the litigation, with due consideration for the uncertainty in fact and law; (b) the complexity and likely duration of the litigation and any attendant expenses, inconvenience and delay, and (c) all other factors bearing on the wisdom of the compromise. *In re Cajun Elec.*, 119 F.3d at 355-56; *In re Heritage Org.*, 375 B.R. at 259. Courts have also considered the best interest of the creditors, with proper deference to their reasonable views, and the extent to which the settlement is truly the product of arms-length bargaining, and not of fraud or collusion. *See In re Cajun Elec.*, 119 F.3d at 356; *In re Heritage Org.*, 375 B.R. at 260.

14. It is unnecessary for the Court to conduct a mini-trial before approving a settlement. *In re Heritage Org.*, 375 B.R. at 260. The Court need only make itself aware of the relevant facts and law so that it may make an informed and intelligent decision. *In re Cajun Elec.*, 119 F.3d at 356.

15. Here, the factors weigh in favor of approving the Settlement Agreement. The parties have agreed that the Settlement Agreement is in the best interest of all parties. The Lewis Group has agreed to pay the Sand Purchase Invoice Balance and the Hauling Invoice Balance, and the Debtors and the Lewis Group have entered into a new Sand Purchase Agreement, under which they plan to continue their business relationship going forward. The Debtors and the Lewis Group seek to avoid the expense, uncertainty, and delay of litigation and have reached a consensual agreement regarding all pending disputes among the parties.

16. The parties engaged in good faith, arm's-length negotiations to settle on the terms of the Settlement Agreement. The Debtors believe that the terms of the Settlement Agreement are fair and reasonable, and in the best interests of all creditors. Accordingly, the Debtors request that the Court approve the proposed Settlement Agreement.

Notice

17. Notice of this Application will be provided to the parties listed on the Debtors' service list in accordance with the Order Granting Complex Chapter 11 Bankruptcy Case Treatment (collectively, the "Notice Parties").

WHEREFORE the Debtors respectfully request that the Court (i) grant the Motion and (ii) grant such other and further relief as is just and proper.

RESPECTFULLY SUBMITTED this 16th day of September, 2020.

HAYNES AND BOONE, LLP

By: /s/ David L. Staab
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Matthew T. Ferris
State Bar No. 24045870
David L. Staab
State Bar No. 24093194
Alexandra Kirincic
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ATTORNEYS FOR DEBTORS

CERTIFICATE OF CONFERENCE

The undersigned proposed counsel for the Debtors hereby certifies that on September 16, 2020, counsel for the Debtors conferred with counsel for the Lewis Group regarding the relief requested in the Motion. Counsel for the Lewis Group consents to the relief requested in the Motion.

/s/ David L. Staab

David L. Staab

Exhibit A

Proposed Settlement Order

**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 GRANTING DEBTORS' EXPEDITED MOTION
PURSUANT TO BANKRUPTCY RULE 9019 TO COMPROMISE
CONTROVERSY WITH THE LEWIS GROUP**

¹ The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Vista Proppants and Logistics, LLC (7817) ("Vista HoldCo"); 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.

Upon the *Debtors' Expedited Motion Pursuant to Bankruptcy Rule 9019 to Compromise Controversy with the Lewis Group* (the "Motion")² of Vista Proppants, 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.
2. The Settlement Agreement attached to this Order as **Exhibit 1** is hereby approved in its entirety and shall be effective according to its terms as if set forth in full in this Order.
3. The Debtors are authorized to take any and all actions necessary and proper to implement the terms of the Settlement Agreement and to perform all obligations thereunder on the conditions set forth therein.
4. Notwithstanding Bankruptcy Rule 6004(h), this Order shall be immediately effective and enforceable upon its entry.

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

5. 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 the *Final Order (I) Authorizing the Debtors to (A) Obtain Post-Petition Financing Pursuant to 11 U.S.C. §§ 105, 361, 363(c), 363(e), 364(c), 364(d)(1) and 364(e) and (B) Utilize Cash Collateral of Prepetition Secured Entities, (II) Granting Adequate Protection to Prepetition Secured Entities, and (III) Granting Related Relief* [Dkt. No. 219] (the “DIP Order”) and (b) to the extent there is any inconsistency between the terms of the DIP Order and any action taken or proposed to be taken hereunder, the terms of the DIP Order shall control.

END OF ORDER

Agreed to in form and substance:

By: /s/ David L. Staab
Stephen M. Pezanosky
State Bar No. 15881850
Matthew T. Ferris
State Bar No. 24045870
David L. Staab
State Bar No. 24093194
Alexandra Kirincic
State Bar No. 24116621
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Email: alex.kirincic@haynesboone.com

ATTORNEYS FOR DEBTORS

By: /s/ Weston W. Sharples
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wsharples@lewisenergy.com

ATTORNEY FOR THE LEWIS GROUP

Exhibit 1 to Settlement Order

Settlement Agreement

SETTLEMENT AGREEMENT

This Settlement Agreement (the "Agreement") is made and entered into this 14 day of September, 2020, by and between Sabino Energy Services, LLC (hereinafter referred to as "Sabino" or "Buyer"); Lewis Resource Management, LLC ("Lewis") (together, Sabino and Lewis are referred to herein as the "Lewis Group"); Vista Proppants and Logistics (hereinafter referred to as "Vista"), MAALT Specialized Bulk, LLC ("Bulk"), MAALT, LP ("MAALT LP"), Lonestar Prospects Management, L.L.C. ("Lonestar LLC"), and Lonestar Prospects, Ltd. d/b/a Vista Sand ("Lonestar Ltd." or "Seller" and hereinafter sometimes referred to together with Vista, Bulk, MAALT LP, and Lonestar LLC, as the "Vista Group") (collectively, the Lewis Group and the Vista Group are referred to herein as the "Parties").

WHEREAS, the Lewis Group and Lonestar Ltd. were parties to that certain Master Purchase Agreement dated January 25, 2018, as amended (the "Master Purchase Agreement");

WHEREAS, Vista, Bulk, MAALT LP, and Lonestar LLC are affiliates of Lonestar Ltd. and performed various services in connection with Lonestar Ltd.'s performance under the Master Purchase Agreement;

WHEREAS, the Term of the Master Purchase Agreement expired on May 31, 2020;

WHEREAS, Lonestar Ltd. submitted the following invoices to the Lewis Group for sand sold by Lonestar Ltd. and purchased by the Lewis Group under the Master Purchase Agreement: Invoice No. MIN-014583, Invoice No. MIN-014748, Invoice No. MIN-014749, Invoice No. MIN-014771, Invoice No. MIN-014898, Invoice No. MIN 014981, Invoice No. MIN-015022, Invoice No. 015083, Invoice No. 015132, Invoice No. 015211, Invoice No. MIN-015300, Invoice No. 015357, Invoice No. MINM-000201, Invoice No. MINMC-000311, Invoice No. MINMC-000341, and Invoice No. MINMC-000405, totaling \$3,158,313.69, which amount is acknowledged by the Lewis Group as being valid and owing and has not been paid by the Lewis Group (the "Sand Purchase Invoice Balance");

WHEREAS Bulk submitted the following invoices to Sabino for hauling services associated with the Master Purchase Agreement: Invoice No. TRU-032415, Invoice No. TRU-032416, Invoice No. TRU-032646, Invoice No. TRU-032647, Invoice No. TRUM-000227, and, Invoice No. TRUM-000228, totaling \$408,476.00, which amount has not been paid by Sabino (the "Hauling Invoice Balance");

WHEREAS, on June 9, 2020, Vista and its affiliates, including, but not limited to Bulk, MAALT LP, Lonestar LLC, and Lonestar LP, filed for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division (the "Bankruptcy Court"), Case No. 20-42002-elm11 (the "Bankruptcy");

WHEREAS, on or about July 1, 2020, the Lewis Group received an invoice from Lonestar Ltd. alleging an additional payment of \$1,282,855.84 is due from the Lewis Group for sand

purchase shortfalls under the Master Purchase Agreement (the “Sand Purchase Shortfall Payment”);

WHEREAS, the Lewis Group disputes that the Sand Purchase Shortfall Payment is due since, among other reasons, Lonestar Ltd. refused the Lewis Group’s efforts to cure any sand purchase shortfall;

WHEREAS, on or about August 30, 2020, Sabino filed a Proof of Claim (the “Proof of Claim”) in the Bankruptcy for the monetary value of the sand purchase shortfall left uncured; and

WHEREAS, the undersigned parties, subject to Bankruptcy Court approval, desire to resolve all disputes among them, including, but not limited to those arising under the Master Purchase Agreement, on the terms set forth herein;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and the mutual covenants set forth herein, the undersigned parties agree as follows:

1. **Effective Date.** This Agreement become effective as of the date on which the Bankruptcy Court enters an Order approving this Agreement pursuant to Federal Rule of Bankruptcy Procedure 9019 and enforcement of such Order is not stayed (the “Effective Date”).

2. **Settlement Terms.** The Parties agree to the following terms and conditions (the “Settlement Terms”):

a. ***Payment of Sand Purchase Invoice Balance.*** The Sand Purchase Invoice Balance will be paid by the Lewis Group as follows:

- i. Within three days after the Effective Date, the Lewis Group will pay \$1,000,000.00 to Lonestar Ltd. or its designee, leaving a balance owing by the Lewis Group of \$2,158,313.69 on the Sand Purchase Invoice Balance.
- ii. Thereafter and beginning on the seventh day after the payment described in subpart (a) above is made by the Lewis Group, the Lewis Group will make 17 consecutive weekly payments to Lonestar Ltd. or its designee until the Sand Purchase Invoice Balance is fully paid. The Lewis Group’s weekly payments will be \$125,000.00 per week for each of the first 16 weeks and will conclude with a final payment of \$158,313.69 in the 17th week.
- iii. Vista will be responsible for allocating among its affiliates, as applicable, the Lewis Group’s payments made in accordance with Paragraph 3(a)(i) and Paragraph 3(a)(ii) above, and, provided the Lewis Group makes all payments as prescribed by Paragraph 3(a)(i) and Paragraph 3(a)(ii), the Lewis Group shall have no further responsibility for the Sand Purchase Invoice Balance.

b. ***Payment of Hauling Invoice Balance.*** The Hauling Invoice Balance will be paid by Sabino to Bulk on or before September 15, 2020, and thereafter the Lewis Group will have no further responsibility for the Hauling Invoice Balance.

- c. ***Sand Purchase Shortfall Payment.*** The invoice submitted by Lonestar Ltd. for the Sand Purchase Shortfall Payment is deemed void as of the Effective Date of this Agreement and no further amounts shall be owed by either party in connection therewith.
- d. ***Future Sand Purchases.*** The Master Purchase Agreement has expired per its own terms. Upon the execution of this Agreement, Lonestar Ltd. and Sabino will execute and enter into a new Sand Purchase Agreement on the form attached hereto as **Exhibit "A"** and made a part hereof for all purposes.
- e. ***Withdrawal of Proof of Claim.*** Within seven (7) days after the Effective Date, Sabino shall withdraw the Proof of Claim, and the Lewis Group shall not assert any other claims in the Bankruptcy.

3. **Bankruptcy Court Approval.** Promptly after execution of this Agreement by all of the Parties, Vista shall file a motion with the Bankruptcy Court seeking approval of this Agreement pursuant to Federal Rule of Bankruptcy Procedure 9019.

4. **Entire Agreement.** The undersigned parties understand and agree that there are no considerations, representations, agreements, promises, warranties, conditions, arrangements or understandings, oral or written, among the Parties hereto, relating to the subject matter contained in this Agreement, which are not fully expressed in this Agreement and that this Agreement supersedes any other prior or previous agreements or understandings, oral or written, if any, between the undersigned parties.

5. **Assignment.** This Agreement shall not be assignable, in whole or in part, by any undersigned party without the prior written consent of the other parties. This Agreement and the releases hereby granted are personal to the undersigned parties and is not intended to create any right in any person who is not a party to this Agreement.

6. **Costs.** The undersigned parties agree that all costs and expenses, including attorneys' fees, shall be paid by the party incurring same.

7. **Successors and Assigns.** Subject to the restrictions against assignment as herein contained, this Agreement and all releases, promises, undertakings, agreements, representations, acknowledgments, statements or other actions made or taken by any of the undersigned parties shall be binding upon and inure to the benefit of their respective predecessors, permitted assigns, successors in interest, personal representatives, their past and present attorneys, principals, employees, independent contractors, officers, directors, shareholders, parents, subsidiaries, agents, servants, estates, heirs, administrators, executors, conservators, trustees, legatees, and other affiliates of each of the undersigned parties.

8. **Modification**. This Agreement may not be altered, modified, or changed in any manner except by a writing signed by the party against whom enforcement of any modification or amendment is sought.

9. **Waiver**. No waiver of any provision of this Agreement or breach thereof shall be waived unless such waiver is made in writing. Waiver of the breach of any of the provisions of this Agreement shall not be deemed to be a waiver of any other breach of the same or any other provision of this Agreement.

10. **Severability**. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall nevertheless survive and remain in full force and effect and shall in no way be affected, impaired or invalidated except as and the extent the primary purposes hereof would be thereby frustrated.

11. **Legal Capacity**. Each of the undersigned parties warrants and represents that it is the owner of the claims being released herein. Each of the undersigned parties further warrants and represents that it has not sold, assigned, pledged, transferred, waived, released, abandoned, or otherwise encumbered, or disposed of any interest, right, claim and/or entitlement in or to the claims being released.

The undersigned each represent and warrant that they have the right, power, legal capacity, and authority to enter into and perform the obligations under this Agreement, on their own behalf and on behalf of anyone they represent, and that no further approval or consent of any person or entity, including in the case of the Vista Group the Bankruptcy Court, is necessary for them to enter into and perform the obligations contained in this Agreement. The undersigned parties further agree that each of them has read this Agreement and understands its terms, including the legal consequences thereof, and that in offering to make, and in making, executing, and delivering this Agreement none of them was acting under any duress, undue influence, misapprehension, or misrepresentation by any other party hereto or any agent, attorney, or other representative of any party hereto and that this Agreement was made, executed, and delivered as the free and voluntary act of each party and was given in good faith on the part of each party with full knowledge of all relevant facts and circumstances; and further that the persons executing this Agreement on behalf of each party are fully authorized and empowered to execute the same and that any and all corporate action necessary and required has been taken and done.

16. **Further Assurances**. The Parties represent and warrant that they shall do all acts and execute and deliver all documents reasonably necessary, convenient or desirable to effectuate the terms and purposes of this Agreement, and agree to extend reasonable cooperation and to act at all times in good faith in executing any and all documents and in taking such additional actions as may be reasonably necessary or appropriate to give full force and effect to the terms and intent of this Agreement.

17. **No Presumption**. It shall be presumed that each undersigned party jointly drafted this Agreement, and no other presumption of any kind shall inure or apply with regard thereto or concerning the interpretation or construction of this Agreement.

18. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall be deemed to be one and the same instrument. All counterparts so executed shall constitute one agreement binding upon all undersigned parties, notwithstanding that all parties are not signatories to the original or the same counterpart.

19. **Voluntary Agreement and Advice of Counsel.** The undersign parties, and each of them, acknowledge, represent and declare that they have been represented in the negotiations for and in the performance of this Agreement by counsel of their own choice or have had such opportunity; that they have carefully read this Agreement; that they have had this Agreement fully explained to them by such counsel or have had such opportunity; and that they understand and are fully aware of the contents, implications, and ramifications of this Agreement and of its legal effect. This Agreement including all of its terms and conditions were determined in arm's length negotiations by and between the parties to this Agreement and their counsel and represents a final, mutually agreeable and acceptable agreement. The undersigned parties, and each of them, further acknowledge, represent, and declare that they each sign this Agreement freely, voluntarily, of their own free will and volition, and without duress.

20. **Confidentiality.** The undersigned parties agree that the recitals, terms, and other content of this Agreement are and shall remain confidential. After the date that this Agreement is fully executed, no party shall disclose or discuss, orally or in writing, any such recitals, terms, or other content to any third party, except as follows:

- a. by the parties, to their respective partners, or subsidiary, affiliate, associated, or parent companies and their insurers, accountants, auditors and attorneys;
- b. as required by the Bankruptcy Court;
- c. to any person designated pursuant to an order from a court of competent jurisdiction, as may otherwise be required by law or as necessary to defend or assert claims in a judicial, bankruptcy, arbitration, or governmental administrative proceeding, provided that the disclosing party shall make reasonable efforts to notify the other party in order that such party may have an opportunity to seek a protective order limiting dissemination to those involved in such proceedings; or
- d. as the parties agree in writing to the specific disclosure.

21. **Choice of Law/Forum.** This Agreement is intended to be construed pursuant to the laws of the State of Texas, and each of the undersigned parties agrees that the proper venue for any action arising out of this Agreement or other document delivered pursuant to any provision hereof, shall be the state district courts for Bexar County, Texas.

[Signature pages follow]

Sabino Energy Services, LLC

By: _____
Name: _____
Title: _____

Vista Proppants and Logistics

By: Kristin Whit Smith
Name: Kristin W. Smith
Title: CFO

MAALT Specialized Bulk, LLC

By: Kristin Whit Smith
Name: Kristin W. Smith
Title: CFO

MAALT, LP

By: Kristin Whit Smith
Name: Kristin W. Smith
Title: CFO

Lonestar Prospects Management, L.L.C.

By: Kristin Whit Smith
Name: Kristin W. Smith
Title: CFO

Lonestar Prospects, Ltd.

By: Kristin Whit Smith
Name: Kristin W. Smith
Title: CFO

Lewis Resource Management, LLC

By: _____
Name: Rodney R. Lewis
Title: CEO

Sabino Energy Services, LLC

By: _____
Name: Rodney R. Lewis
Title: CEO

Vista Proppants and Logistics

By: _____
Name: _____
Title: _____

MAALT Specialized Bulk, LLC

By: _____
Name: _____
Title: _____

MAALT, LP

By: _____
Name: _____
Title: _____

Lonestar Prospects Management, L.L.C.

By: _____
Name: _____
Title: _____

Lonestar Prospects, Ltd.

By: _____
Name: _____
Title: _____