

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
HAYNES AND BOONE, LLP
301 Commerce Street, Suite 2600
Fort Worth, TX 76102
Telephone: 817.347.6600
Facsimile: 817.347.6650
Email: stephen.pezanosky@haynesboone.com
Email: matt.ferris@haynesboone.com
Email: david.staab@haynesboone.com
Email: alex.kirincic@haynesboone.com

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, et al., ¹	§	Case No. 20-42002-ELM-11
	§	
Debtors.	§	Jointly Administered

**DEBTORS' APPLICATION FOR AN ORDER UNDER 11 U.S.C. § 327(a)
AUTHORIZING THE EMPLOYMENT AND RETENTION OF BAKER & HOSTETLER
LLP AS SPECIAL COUNSEL FOR THE DEBTORS IN POSSESSION**

**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.**

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.



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’ Application for an Order Under 11 U.S.C. § 327(a) Authorizing the Employment and Retention of Baker & Hostetler LLP as Special Counsel to the Debtors in Possession* (the “Application”). In support of the Application, the Debtors submit the Declaration of Theodore J. Kobus III (the “Kobus Declaration”), which is attached hereto as **Exhibit B**, and 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 sections 1107 and 1108 of the Bankruptcy Code.

3. On June 23, 2020, an official committee of unsecured creditors (the “Committee”) was appointed in these Chapter 11 Cases. Further, 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 supporting the Application and 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”).

Relief Requested

5. By this Application, the Debtors request entry of an order, substantially in the form attached hereto as **Exhibit A**, authorizing the employment and retention of Baker & Hostetler LLP (“Baker & Hostetler”) as special counsel in accordance with the terms and conditions set forth in the engagement letter dated August 18, 2020 (the “Engagement Letter”).

Basis for Relief Requested

6. The bases for the relief requested herein are sections 327(a) and 328(a) of the Bankruptcy Code, as supplemented by Bankruptcy Rules 2014 and 2016 and Bankruptcy Local Rules 2014 and 2016.

7. Section 327(a) of the Bankruptcy Code provides that a debtor, subject to Court approval:

[M]ay employ one or more attorneys, accountants, appraisers, auctioneers, or other professional persons, that do not hold or represent an interest adverse to the estate, and that are disinterested persons, to represent or assist the [debtor]’s duties under this title. 11 U.S.C. § 327(a).

8. Section 101 of the Bankruptcy Code defines “disinterested person” as a person that:

is not a creditor, an equity security holder, or an insider; [or] is not and was not, within 2 years before the date of the filing of the petition, a director, officer, or employee of Debtor; and...does not have an interest materially adverse to the interest of the estate or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, Debtor, or for any other reason. *Id.* at § 101(14)(A)–(C).

9. Section 328(a) of the Bankruptcy Code provides that a debtor-in-possession may, with the Court’s approval, employ a professional “on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis.” 11 U.S.C. § 328(a).

10. The Debtors seek to employ and retain Baker & Hostetler as special counsel to represent the Debtors for purposes other than representing the Debtors in conducting the Chapter 11 Cases.

11. To the best of the Debtors’ information and belief, the partners and associates of Baker & Hostetler do not represent or hold any interest adverse to the Debtors’ estates with respect to the matters on which Baker & Hostetler is to be employed. Any relevant connections to the Debtors, the Debtors’ estates, creditors and/or other parties to these Chapter 11 Cases, or their respective attorneys, are disclosed in the Kobus Declaration

12. The Debtors believe Baker & Hostetler is well-qualified and uniquely able to represent them in as special counsel, and that such representation is in the best interest of the Debtors’ estates and all parties in interest.

Professional Compensation

13. The Debtors request that Baker & Hostetler be compensated in accordance with the terms of the Engagement Letter on an hourly basis and reimbursed for the actual, necessary

expenses it incurs without being required to file fee applications with the Court. The hourly rates set forth in the Engagement Letter range from \$225 to \$695.

14. The Debtors respectfully submit that the fee, expense reimbursement, and other provisions contained in the Engagement Letter, viewed in conjunction with the other terms of Baker & Hostetler's proposed retention, are reasonable and in the best interests of the Debtors, their estates, and all parties in interest.

15. Pursuant to Bankruptcy Rule 2016(b), Baker & Hostetler has not shared nor agreed to share (a) any compensation it has received or may receive with another party or person other than with the partners, associates and staff associated with Baker & Hostetler, or (b) any compensation another person or party has received or may receive.

16. Pursuant to section 329 of the Bankruptcy Code, Baker & Hostetler has not received a retainer for work to be performed under the Engagement Letter and did not receive any payments from the Debtors in the one-year period prior to the Petition Date.

17. Baker & Hostetler's compliance with the requirements of sections 327, 328, 329, and 504 of the Bankruptcy Code, Bankruptcy Rules 2014 and 2016, as well as the Bankruptcy Local Rules, is set forth in detail in the Kobus Declaration.

18. For the reasons set forth above, the Debtors submit that Baker & Hostetler's retention and employment is necessary and in the best interests of the Debtors and their estates.

Notice

19. 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 enter an order (i) approving this Application; (ii) authorizing the Debtors to employ and retain Baker & Hostetler as special counsel; and (iii) granting such other relief as is just and proper.

RESPECTFULLY SUBMITTED this 17th day of September, 2020.

Vista Proppants and Logistics, *et al.*

/s/ Gary Barton

Name: Gary Barton

Title: Chief Restructuring Officer

HAYNES AND BOONE, LLP

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

301 Commerce Street, Suite 2600

Fort Worth, TX 76102

Telephone: 817.347.6600

Facsimile: 817.347.6650

Email: stephen.pezanosky@haynesboone.com

Email: matt.ferris@haynesboone.com

Email: david.staab@haynesboone.com

Email: alex.kirincic@haynesboone.com

ATTORNEYS FOR DEBTORS

CERTIFICATE OF CONFERENCE

The undersigned hereby certifies that on September 17, 2020, counsel for the Debtors contacted (i) counsel for Ares Capital Corporation, (ii) counsel for the Committee, and (iii) counsel for the Office of the US Trustee regarding the Application. Each of the parties are engaged in ongoing review of the Application and all of their respective rights are reserved. In addition, Ares Capital Corporation, the Committee, and the US Trustee consent to expedited consideration of the Application at the requested hearing date of September 24, 2020, at 1:30 p.m.

/s/ David L. Staab

David L. Staab

Exhibit A

Proposed 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 AUTHORIZING THE EMPLOYMENT AND RETENTION
OF BAKER & HOSTETLER LLP AS SPECIAL COUNSEL TO THE DEBTORS IN
POSSESSION**

Upon the *Debtors' Expedited Application for an Order Under 11 U.S.C. § 327(a)*
Authorizing the Employment and Retention of Baker & Hostetler LLP as Special Counsel to the

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.

Debtors in Possession (the “Application”)² of Vista Proppants and Logistics, LLC, *et al.* (collectively, the “Debtors”); and the Court having jurisdiction to consider the Application 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 Application 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 Application having been provided, and it appearing that no other or further notice need be provided; and the Court having reviewed the Application; and the Court having held a hearing on the Application; and all objections, if any, to the Application have been withdrawn, resolved, or overruled; and the Court having determined that the legal and factual bases set forth in the Application 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 Application is approved on a final basis as set forth herein.
2. The Debtors are hereby authorized to retain Baker & Hostetler as special counsel in these Chapter 11 Cases in accordance with (and on the terms described in) the Application, the Engagement Letter, and this Order, and Baker & Hostetler is authorized to perform the services described therein.
3. The Debtors or third parties, as applicable, are authorized to pay, reimburse, and indemnify Baker & Hostetler in accordance with the terms and conditions of, and at the times

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

specified in, the Engagement Letter without the need for Baker & Hostetler to file any fee application for allowance of compensation or reimbursement of expenses.

4. The requirements of section 329 of the Bankruptcy Code have been satisfied.

5. If any supplemental declarations or affidavits are filed and served after the entry of this Order, absent any objections filed within twenty (20) days after the filing and service of such supplemental declarations or affidavits, Baker & Hostetler's employment shall continue as authorized pursuant to this Order.

6. In the event of any inconsistency between the Engagement Letter, the Application, and this Order, this Order shall govern.

7. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.

8. Notice of the Application as provided therein shall be deemed good and sufficient notice of such Application, and the requirements of the Bankruptcy Rules are satisfied by such notice.

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 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

Submitted by:

HAYNES AND BOONE, LLP

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

301 Commerce Street, Suite 2600

Fort Worth, TX 76102

Telephone: 817.347.6600

Facsimile: 817.347.6650

Email: stephen.pezanosky@haynesboone.com

Email: matt.ferris@haynesboone.com

Email: david.staab@haynesboone.com

Email: alex.kirincic@haynesboone.com

ATTORNEYS FOR DEBTORS

Exhibit B

Kobus Declaration

**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

**DECLARATION OF THEODORE J. KOBUS III IN SUPPORT OF THE
DEBTORS' EXPEDITED APPLICATION FOR AN ORDER UNDER 11 U.S.C. § 327(a)
AUTHORIZING THE EMPLOYMENT AND RETENTION OF BAKER &
HOSTETLER LLP AS SPECIAL COUNSEL FOR THE DEBTORS IN POSSESSION**

I, Theodore J. Kobus III, being duly sworn, state the following under penalty of perjury:

1. I am a partner in the law firm of Baker & Hostetler LLP ("Baker & Hostetler"), 45 Rockefeller Plaza, New York, NY 10111. I am a member in good standing of the Bar of the States of New York and Pennsylvania, and I am admitted to practice before the United States District Court for the District of Colorado, the Middle, Western, and Eastern Districts of Pennsylvania, the District of New Jersey, and the United States Court of Appeals for the Federal and Third Circuits. There are no disciplinary proceedings pending against me.

2. I submit this declaration in support of the *Debtors' Expedited Application for an Order Under 11 U.S.C. § 327(a) Authorizing the Employment and Retention of Baker & Hostetler LLP as Special Counsel to the Debtors in Possession* (the "Application")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors"). Except as otherwise noted, I have personal knowledge of the matters set forth herein.

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.

² Capitalized terms not otherwise defined herein shall have the meanings set forth in the Application.

3. The Debtors seek to retain Baker & Hostetler as special counsel in these Chapter 11 Cases. Baker & Hostetler is well qualified to act as special counsel for the Debtors in these Chapter 11 Cases.

4. To the best of my information and belief, the partners and associates of Baker & Hostetler do not represent or hold any interest adverse to the Debtors or to the estates with respect to the matters on which Baker & Hostetler is to be employed.

Compensation Matters

5. The Engagement Letter provides that Baker & Hostetler shall be compensated on an hourly basis and reimbursed for the actual, necessary expenses it incurs. The hourly rates set forth in the Engagement Letter range from \$225 to \$695. I believe the fee, expense reimbursement, and other provisions contained in the Engagement Letter, viewed in conjunction with the other terms of Baker & Hostetler's proposed retention, are reasonable and in the best interests of the Debtors, their estates, and all parties in interest.

6. Pursuant to Bankruptcy Rule 2016(b), Baker & Hostetler has not shared nor agreed to share (a) any compensation it has received or may receive with another party or person, or (b) any compensation another person or party has received or may receive.

7. Baker & Hostetler has not received a retainer for work to be performed under the Engagement Letter and did not receive any payments from the Debtors in the one-year period prior to the Petition Date.

8. No promises have been received by Baker & Hostetler, nor any partner, counsel, or associate thereof, as to compensation in connection with these cases other than in accordance with the provisions of the Bankruptcy Code. Except as permitted under section 504(b)(1) of the Bankruptcy Code, Baker & Hostetler has no agreement with any other entity to share with such

entity any compensation received by Baker & Hostetler in connection with the Chapter 11 Cases, nor will any be made.

9. Baker & Hostetler will review its files periodically during the pendency of these Chapter 11 Cases to ensure that no conflicts or other disqualifying circumstances exist or arise. If Baker & Hostetler discovers any new relevant facts or relationships, Baker & Hostetler will promptly file a supplemental declaration, as required by Bankruptcy Rule 2014(a).

I declare under penalty of perjury under the laws of the United States, that the foregoing statements are true and correct.

Dated: September 17, 2020

Respectfully submitted,

/s/ Theodore J. Kobus III

Theodore J. Kobus III

NY State Bar No. 4908554

Baker & Hostetler LLP

45 Rockefeller Plaza

New York, NY 10111

Telephone: 212.271.1504

Facsimile: 212.589.4201

Email: tkobus@bakerlaw.com